

Date : 26.05.2017

## **INDEPENDENT AUDITOR'S REPORT (Revised)**

### **REPORT ON FINANCIAL STATEMENTS**

We have audited the accompanying revised financial statements of **JHARKHAND CENTRAL RAILWAY LIMITED** Darbhanga House, Ranchi which comprise the revised Balance sheet as at March 31, 2017, and the revised Statement of Profit and Loss for the year ending on 31.03.2017 and a summary of significant accounting policies and other explanatory information.

### **MANAGEMENT'S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the revised financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **AUDITOR'S RESPONSIBILITY**

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

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

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



An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the revised financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatements of the revised financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimate made by management, as well as evaluating the overall presentation of the revised financial statements.

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

The company has provided requisite disclosures in its standalone IND AS Financial Statement as to holding as well as dealing in Specified Bank Notes (SBNs) during the period from 08.11.2016 to 30.12.2016 and these are in accordance with the Books of Accounts maintained by the company.

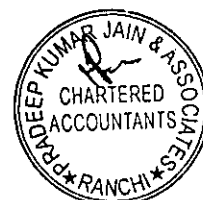
## **OPINION**

In our opinion and to the best of our information and according to the explanation given to us, the financial statements give the information required by the act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India.

- a) In the case of the revised Balance sheet, of the state of affairs of the company as at 31.03.2017.
- b) In the case of the revised statement of Profit and Loss, of the profit for the year ended on that date.

## **REPORTS ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by the companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government of India in terms of Sub-Section (11) of section 143 of the Act and on the basis of such checks of books and other records as considered appropriate and according to the information and explanation given to us, we give in the Annexure – I, a statement on the matters specified in paragraphs 3 and 4 of the order.
2. As required by section 143(5) of the Act, directions and sub-directions issued by the Comptroller and Auditor General of India, we give our comments thereon, action taken and impact on the revised financial statements in Annexure – II annexed herewith.
3. As required by section 143(3) of the companies Act, 2013, 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 purpose of our audit;
  - b) in our opinion, proper books of accounts as required by law have been kept by the company, so far as appears from our examination of those books;
  - c) the revised Balance Sheet and the revised Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;



- d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e) on the basis of written representations received from the directors as on 31st March, 2017, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31.03.2017, from being appointed as director in terms of Section 164(2) of the Act.

**For PRADEEP KUMAR JAIN & ASSOCIATES**  
**Chartered Accountants**  
**\*Firm Registration No. 03937C**

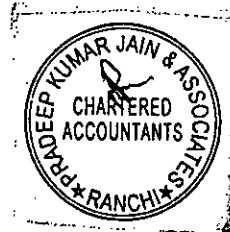
**Place : Ranchi**

**DATE : 26.05.2017**

  
**PRADEEP KUMAR JAIN**

**(Partner)**

**Membership No.. 072978**



## **Annexure- I to the Independent Auditor's report**

Referred to in paragraph-I on other Legal and Regulatory Requirements of our Report of even date to the members of Jharkhand Central Railway Limited on the Financial Statements of the Company for the year ended 31st March, 2017, we report that:

(i) (a) whether the company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets; NA

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

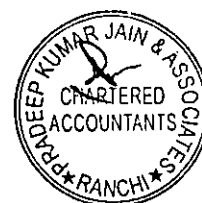
(c) whether the title deeds of immovable properties are held in the name of the company. If not, provide the details thereof; NA

(ii) whether physical verification of inventory has been conducted at reasonable intervals by the management and whether any material discrepancies were noticed and if so, whether they have been properly dealt with in the books of account; NA

(iii) whether the company has granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. If so, NIL

(a) whether the terms and conditions of the grant of such loans are not prejudicial to the company's interest; NA

(b) whether the schedule of repayment of principal and payment of interest has been stipulated and whether the repayments or receipts are regular; NA



(c) if the amount is overdue, state the total amount overdue for more than ninety days, and whether reasonable steps have been taken by the company for recovery of the principal and interest;

NA

(iv) in respect of loans, investments, guarantees, and security whether provisions of section 185 and 186 of the Companies Act, 2013 have been complied with. If not, provide the details thereof.

NIL

(v) in case, the company has accepted deposits, whether the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder, where applicable, have been complied with? If not, the nature of such contraventions be stated; If an order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal, whether the same has been complied with or not?

NIL

(vi) whether maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 and whether such accounts and records have been so made and maintained.

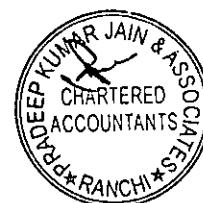
NA

(vii) (a) whether the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities and if not, the extent of the arrears of outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated;

YES

(b) where dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax have not been deposited on account of any dispute, then the amounts involved and the forum where dispute is pending shall be mentioned. (A mere representation to the concerned Department shall not be treated as a dispute).

NA



(viii) whether the company has defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders? If yes, the period and the amount of default to be reported (in case of defaults to banks, financial institutions, and Government, lender wise details to be provided).

NO

(ix) whether moneys raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purposes for which those are raised. If not, the details together with delays or default and subsequent rectification, if any, as may be applicable, be reported;

NIL

(x) whether any fraud by the company or any fraud on the Company by its officers or employees has been noticed or reported during the year; If yes, the nature and the amount involved is to be indicated;

NO

(xi) whether managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act? If not, state the amount involved and steps taken by the company for securing refund of the same;

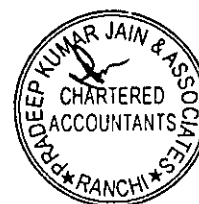
NIL

(xii) whether the Nidhi Company has complied with the Net Owned Funds to Deposits in the ratio of 1: 20 to meet out the liability and whether the Nidhi Company is maintaining ten per cent unencumbered term deposits as specified in the Nidhi Rules, 2014 to meet out the liability;

NA

(xiii) whether all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards;

YES



(xiv) whether the company has made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and if so, as to whether the requirement of section 42 of the Companies Act, 2013 have been complied with and the amount raised have been used for the purposes for which the funds were raised. If not, provide the details in respect of the amount involved and nature of non-compliance;

NO

(xv) whether the company has entered into any non-cash transactions with directors or persons connected with him and if so, whether the provisions of section 192 of Companies Act, 2013 have been complied with;

NO

(xvi) whether the company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and if so, whether the registration has been obtained.

NO

**For PRADEEP KUMAR JAIN & ASSOCIATES**  
**Chartered Accountants**  
**Firm Registration No. 03937C**

**Place: Ranchi**  
**Date: 26.05.2017**

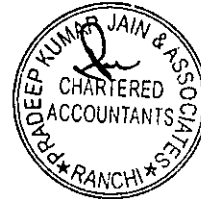
  
**PRADEEP KUMAR JAIN**  
**(Partner)**  
**Membership No. 072978**



## Annexure- II (A) to the Independent Auditor's report

Revised directions under Section 143(5) of the Companies Act, 2013

1. Whether the company has clear title/lease deeds for freehold and leasehold respectively? If not, please state the area of freehold and leasehold land for which title/ lease deeds are not available. Not applicable.
2. Whether there are any cases of waiver/write off of debts/ loans/ interest etc., if yes, the reasons there for and the amount involved. Not applicable.
3. Whether proper records are maintained for inventories lying with third parties and assets received as gift from Government or other authorities. Not applicable.






**ANNEXURE – II (B) TO THE  
INDEPENDENT AUDITOR'S  
REPORT**

Additional directions under Section 143(5)  
of the Companies Act 2013

- |  |                 |
|--|-----------------|
| 1. Whether coal stock measurement was done keeping in view the contour map. Whether physical stock measurement reports are accompanied by contour map in all cases? Whether new heap, if any, created during the year has got the approval of the competent authority?     | Not applicable. |
| 2. Whether the Company conducted physical verification exercise of assets and properties at the time of merger/split /re-structure of an area. If so whether the concerned subsidiary followed the requisite procedure?  | Not applicable. |
| 3. Whether uniform treatment of land acquisition entries as well as interest on delayed payment of land compensation to the project effected persons (PAPs) across the subsidiaries have been considered during the preparation of Annual Accounts for the year 2016-2017. | Not applicable. |
| 4. Whether disputes, if any, as to GCV ranges as a result of sampling have been duly examined.   | Not applicable  |

For PRADEEP KUMAR JAIN & ASSOCIATES  
Chartered Accountants  
Firm Registration No. 03937C

  
**PARDEEP KUMAR JAIN**  
(Partner)  
Membership No.. 072978

Place: Ranchi  
Date: 26<sup>th</sup> May, 2017



**JHARKHAND CENTRAL RAILWAY LIMITED**  
**DARBHANGA HOUSE: RANCHI**

**Sub: Forwarding Minutes of the 11<sup>th</sup> (No.04 of 2017)  
Meeting of the Board of Directors held on 25.05.2017**

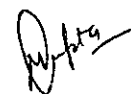
Extract from the minutes of the above meeting, in respect of following item, is appended below:

**Item No. 4(1)** Proposal seeking approval/adoption of revised Financial Statement of JCRL for the year ended 31<sup>st</sup> March 2017.

CFO, JCRL apprised the Board that the Financial Statements of JCRL for the year ended 31.03.2017 as adopted by the JCRL Board in its 10<sup>th</sup> Board meeting held on 21.04.2017 at Ranchi was submitted for audit to the office of the Principal Director of Commercial Audit. During the course of Audit, Director of Commercial Audit gave some observations to the financial statements of JCRL.

Further, CFO, JCRL apprised the Board regarding the following:

1. Fund amounting to Rs. 958,19,12,679.00 was deposited by CCL to EC Railway between Aug'2000 to May'2014 for construction of Tori-Shivpur, Shivpur Kathotia Rail line etc. The Expenditure statement received from EC Railway vide letter No. DCE/C/HZME/W/CCL/01/Pt.II/1026 dated 20.10.2016 shows an expenditure of Rs. 175,57,82,356.00 on Shivpur Kathotia section out of the total amount deposited by CCL. The treatment of Rs. 175,57,82,356.00 on Shivpur Kathotia section has been not taken in the financial statement for the year ended 31.03.2017. The office of C&AG took a serious view regarding non-accountal of Rs. 175,57,82,356.00 on Shivpur Kathotia section and advised to consider the same in the books of accounts. *In the Revised Financial Statement of JCRL for the year ended 31.03.2017, the amount of Rs. 175,57,82,356.00 on Shivpur Kathotia section has been considered as an advance from CCL (Other Non-Current Liabilities), Parent Company, as the work of construction of Shivpur-Kathotia section is to be done by JCRL. The advance will be converted to Unsecured loan after establishing viability of the project and acceptance of revised DPR and Bankability Report by the Board. The amount of Rs. 175,57,82,356.00 has been accounted for in Assets as Capital Work-in-Progress and in Liabilities as Other Non-Current Liabilities.*
2. Certain factors like Consolidated Financial Statement, Policy of Mine Closure, Exploration and evaluation asset, Stock of Coal etc are not related to JCRL has been inadvertently taken in the Accounting policy of the JCRL for the year ended 31.03.2017. *JCRL has adopted the significant accounting policy of CIL/ CCL to the extent applicable to it. Accordingly, some of the paras has been modified/deleted to the extent not applicable to JCRL in the Revised Financial Statement of JCRL for the year ended 31.03.2017.*
3. Ministry of Corporate affairs, Govt. of India, vide notification dated 30 March 2017 has amended the Schedule III of Companies Act, 2013, accordingly, every company should have the details of Specified Bank Notes (SBN) held and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 in the specified format. *As there was no cash-in hand (SBN) during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 in JCRL, inadvertently the same could not be disclosed. Accordingly, details of Specified Bank Notes (SBN) held and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 has been incorporated in the Revised Financial Statement for the year ended 31.03.2017.*



4. In note 38 to the accounts, point. 4(i) & (j), some irrelevant information has been taken due to some typographical error.

*Accordingly, these irrelevant information has been deleted/modified in the Revised Financial Statement for the year ended 31.03.2017.*

Board discussed regarding the observations of C&AG in depth. One of the Director, JCRL, Shri Hitesh Khanna, had reservation regarding considering Rs. 175,57,82,356.00 in the accounts of JCRL, he mentioned as under:

"The authorization was made to CCL purely for initial day-to-day expenditure for JCRL until JCRL is able to create its own funds through Equity or otherwise. This cannot be construed to effect transfer the land cost from CCL to JCRL, until the project estimate is accepted, project viability is established and financial closure takes place.

The expenditure on land acquisition by CCL was incurred before the incorporation of JCRL, for CCL's project as Deposit Work. JCRL is developing the project as a Concession from Railways and until the bankability of the project is established, the land acquired by CCL for its own Deposit work cannot be transferred suo moto to JCRL."

Further he mentioned that the expenditure should be considered in the accounts of JCRL only when the viability of the project is established by JCRL."

However, other Board members (except Shri Hitesh Khanna) agreed to the proposal considering following:

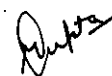
As CCL has incurred that expenditure on the project, for which JCRL is formed and the benefit of which will be taken by JCRL, so as per accounting term the amount of Rs. 175,57,82,356.00 on Shivpur Kathotia section has to be considered as an advance from CCL (Other Non-Current Liabilities), Parent Company, as the work of construction of Shivpur-Kathotia section is to be done by JCRL. The advance will be converted to Unsecured loan after establishing viability of the project and acceptance of revised DPR and Bankability Report by the Board. The amount of Rs. 175,57,82,356.00 has been accounted for in Assets as Capital Work-in-Progress and in Liabilities as Other Non-Current Liabilities.

Board mentioned that if the viability of the project could not be established then the amount will again be transferred to CCL.

Further, Board was apprised that the observations relating to Accounting Policy, Specified Bank Notes (SBN) and some typographical errors did not put any financial impact on the Financial Statements for the year ended 31.03.2017.

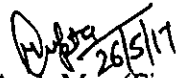
Keeping the above in view, after detailed deliberation, Board with approval of majority of the Directors adopted the revised Financial Statements for the year ended 31st March, 2017 and approved the following resolutions:

1. "RESOLVED THAT the amount of Rs. 175,57,82,356.00 on Shivpur Kathotia section has been considered as an advance from CCL (Other Non-Current Liabilities), Parent Company, as the work of construction of Shivpur-Kathotia section is to be done by JCRL. The advance will be converted to Unsecured loan after establishing viability of the project and acceptance of revised DPR and Bankability Report by the Board. The amount of Rs. 175,57,82,356.00 has been accounted for in Assets as Capital Work-in-Progress and in Liabilities as Other Non-Current Liabilities.
2. "RESOLVED THAT the revised Balance Sheet as at 31st March, 2017, and revised Statement of Profit and Loss for the Year Ended 31st March, 2017 of JCRL showing total comprehensive loss of Rs. 58,02,983.00 together with all



revised Notes, Statement in change in equity, Cash Flow Statement, Additional Notes on Financial Statement and Significant Accounting Policy be and are hereby approved and adopted".

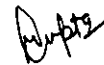
3. "RESOLVED FURTHER THAT in compliance with the provision of section 134 of the Companies Act, 2013 the Chairman, JCRL and Director, JCRL, besides the Company Secretary, JCRL and CFO, JCRL be and are hereby authorized to sign on behalf of the Board of Directors, the revised Balance Sheet as at 31st March, 2017 and revised Statement of Profit and Loss for the Year Ended 31st March, 2017 together with all revised Notes, Cash Flow Statement and Additional Notes on Financial Statements before submitting the same to the Statutory Auditors for their Report".
4. "RESOLVED FURTHER THAT the CFO, JCRL be and is hereby authorized to approve Company's replies to Audit Observations.

  
Asst. Mgr (Fin.)  
Company Secretary, JCRL

**CFO, JCRL**

No. JCRL/CS/BM/11<sup>th</sup>/2017/ 29

Date: 26.05.2017



**JHARKHAND CENTRAL RAILWAY LIMITED**

( A JV between CCL, IRCON & GOJ )

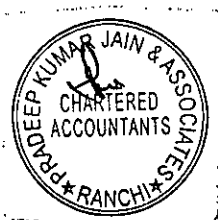
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**REVISED BALANCE SHEET AS AT 31.03.2017**

(Rs)

		As at		
	Notes	31.03.17	31.03.16 (Restated)	01.04.15 (Restated)
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, Plant & Equipments	3	-		
(b) Capital Work in Progress	4	1,75,57,82,356.00		
(c) Exploration and Evaluation Assets	5	-		
(d) Other Intangible Assets	6	-		
(e) Intangible Assets under Development		-		
(f) Investment Property		-		
(g) Financial Assets		-		
(i) Investments	7	-		
(ii) Loans	8	-		
(iii) Other Financial Assets	9	-		
(h) Deferred Tax Assets (net)				
(i) Other non-current assets	10	5,00,00,000.00		
<b>Total Non-Current Assets (A)</b>		<b>1,80,57,82,356.00</b>	-	-
<b>Current Assets</b>				
(a) Inventories	12	-		
(b) Financial Assets				
(i) Investments	7	-		
(ii) Trade Receivables	13	-		
(iii) Cash & Cash equivalents	14	-		
(iv) Other Bank Balances	15	27,63,48,893.00		
(v) Loans	8	-		
(vi) Other Financial Assets	9	-		
(c) Current Tax Assets (Net)		3,73,365.00		
(d) Other Current Assets	11	-		
<b>Total Current Assets (B)</b>		<b>27,67,22,258.00</b>	-	-
<b>Total Assets (A+B)</b>		<b>2,08,25,04,614.00</b>	-	-

**Note: Current Tax Assets (Net off with current tax liability- TDS = Rs.3,76,509-Rs.3,144)**



**JHARKHAND CENTRAL RAILWAY LIMITED**

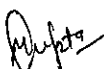
( A JV between CCL, IRCON & GOJ )

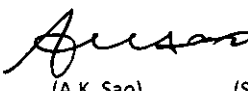
( CIN : U45201JH2015GOI003139 )


**REVISED BALANCE SHEET AS AT 31.03.2017**


(Rs)

		As at		
	Notes	31.03.17	31.03.16 (Restated)	01.04.15 (Restated)
<b><u>EQUITY AND LIABILITIES</u></b>				
<b>Equity</b>				
(a) Equity Share Capital	16	33,30,50,000.00		
(b) Other Equity	17	-63,87,036.00	-5,84,053.00	
<b>Equity attributable to equityholders of the company</b>		32,66,62,964.00	-5,84,053.00	
Non-Controlling Interests				
<b>Total Equity (A)</b>		<b>32,66,62,964.00</b>	<b>-5,84,053.00</b>	
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	18	-		
(ii) Trade Payables		-		
(iii) Other Financial Liabilities	20	-		
(b) Provisions	21	-		
(c) Other Non-Current Liabilities	22	1,75,57,82,356.00		
<b>Total Non-Current Liabilities (B)</b>		<b>1,75,57,82,356.00</b>	-	-
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	18	-		
(ii) Trade payables	19	-		
(iii) Other Financial Liabilities	20	28,294.00		
(b) Other Current Liabilities	23	31,000.00	5,84,053.00	
(c) Provisions	21	-		
<b>Total Current Liabilities (C)</b>		<b>59,294.00</b>	<b>5,84,053.00</b>	
<b>Total Equity and Liabilities (A+B+C)</b>		<b>2,08,25,04,614.00</b>	-	-

  
(Manu Kumari)  
CO. SECRETARY

  
(A.K. Sao)  
C.F.O


  
(S.K. Bhagat)  
DIRECTOR  
DIN:07264548

  
(A.K. Mishra)  
CHAIRMAN  
DIN:07646542

In terms of our Report of even date  
For Pradeep Kumar Jain & Associates  
CHARTERED ACCOUNTANTS  
(Firm Reg. No.03937C)

Place : Ranchi

Date: 26-05-17

Partner   
(Membership No. 072978)

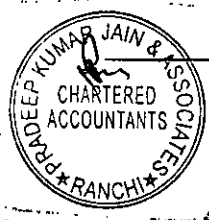


**JHARKHAND CENTRAL RAILWAY LIMITED**  
( CIN : U45201JH2015GOI003139 )

**REVISED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2017**

			(Rs.)
	Notes	For the year ended 31.03.17	For the year ended 31.03.16
<b>Revenue from Operations</b>	24	-	-
A Sales (Net)			
B Other Operating Revenue (Net)		-	-
<b>(I) Revenue from Operations (A+B)</b>			
(II) Other Income	25	37,65,087.00	-
<b>(III) Total Income (I+II)</b>		<b>37,65,087.00</b>	-
<b>(IV) EXPENSES</b>			
Cost of Materials Consumed	26	-	-
Changes in inventories of finished goods/work in progress and Stock in trade	27	-	-
Excise Duty			
Employee Benefits Expense	28	-	-
Power Expense			
Corporate Social Responsibility Expense	29	-	-
Repairs	30	-	-
Contractual Expense	31	-	-
Finance Costs	32	20,87,244.00	-
Depreciation/Amortization/ Impairment expense			
Provisions	33	-	-
Write off	34	-	-
Stripping Activity Adjustment			
Other Expenses	35	74,80,826.00	5,84,053.00
<b>Total Expenses (IV)</b>		<b>95,68,070.00</b>	<b>5,84,053.00</b>
<b>(V) Profit before exceptional items and Tax (I-IV)</b>		<b>-58,02,983.00</b>	<b>-5,84,053.00</b>
(VI) Exceptional Items		-	-
<b>(VII) Profit before Tax (V-VI)</b>		<b>-58,02,983.00</b>	<b>-5,84,053.00</b>
(VIII) Tax expense	36	-	-
<b>(IX) Profit for the year from continuing operations (VII-VIII)</b>		<b>-58,02,983.00</b>	<b>-5,84,053.00</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) Profit for the year (IX+XII+XIII)</b>		<b>-58,02,983.00</b>	<b>-5,84,053.00</b>
<b>Other Comprehensive Income</b>	37		
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		-	-
<b>(XV) Total Other Comprehensive Income</b>		<b>-</b>	<b>-</b>

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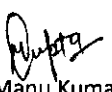
**JHARKHAND CENTRAL RAILWAY LIMITED**  
( CIN : U45201JH2015GOI003139 )

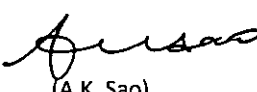
**REVISED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2017**


	Notes	For the year ended 31.03.17	For the year ended 31.03.16
(XVI) Total Comprehensive Income for the year (XIV+XV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		-58,02,983.00	-5,84,053.00
Profit attributable to:			
Owners of the company		-	-
Non-controlling interest		-	-
Other Comprehensive Income attributable to:			
Owners of the company		-	-
Non-controlling interest		-	-
Total Comprehensive Income attributable to:			
Owners of the company		-	-
Non-controlling interest		-	-
(XVII) Earnings per equity share (for continuing operation):			
(1) Basic		-	-
(2) Diluted		-	-
(XVIII) Earnings per equity share (for discontinued operation):			
(1) Basic		-	-
(2) Diluted		-	-
(XIX) Earnings per equity share (for discontinued & continuing operation):			
(1) Basic		-	-
(2) Diluted		-	-
Reference of EPS calculation in Note (38)			

As per our report annexed

On behalf of the Board

  
(Manu Kumari)  
CO. SECRETARY


  
(A.K. Sao)  
C.F.O

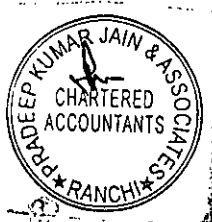
  
(S.K. Bhagat)  
DIRECTOR  
DIN:07264548

  
(A.K. Mishra)  
CHAIRMAN  
DIN:07646542

In terms of our Report of even date  
For Pradeep Kumar Jain & Associates  
(Firm Reg. No.03937C)

Place : Ranchi  
Date: 26-05-17

Partner   
(Membership No. 072978)





**JHARKHAND CENTRAL RAILWAY LIMITED**

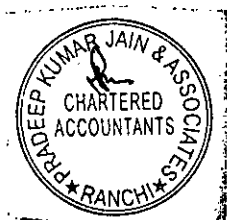
( CIN : U45201JH2015GOI003139 )

**REVISED CASH FLOW STATEMENT (INDIRECT METHOD)**

	(Rs.)	
	For the Year Ended 31.03.2017	For the Year Ended 31.03.2016
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Total Comprehensive Income before tax	(58,02,983.00)	(5,84,053.00)
Adjustments for :		
Depreciation / Impairment of Fixed Assets		
Interest from Bank Deposits		
Finance cost related to financing activity		
Interest / Dividend from investments		
Profit / Loss on sale of Fixed Assets		
Provisions made & write off during the period (preliminary Exp. Written off)		
Liability write back during the period		
Advance Stripping Activity Adjustment		
<b>Operating Profit before Current/Non Current Assets and Liabilities</b>	<b>(58,02,983.00)</b>	<b>(5,84,053.00)</b>
Adjustment for :		
Trade Receivables		
Inventories		
Short/Long Term Loans/Advances & Other Current Assets	(3,73,365.00)	
Short/Long Term Liabilities and Provisions	(5,24,759.00)	5,84,053.00
<b>Cash Generated from Operation</b>	<b>(67,01,107.00)</b>	<b>-</b>
Income Tax Paid/Refund		
<b>Net Cash Flow from Operating Activities</b>	<b>(A) (67,01,107.00)</b>	<b>-</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	1,75,57,82,356.00	
Investment in Bank Deposit		
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) 1,75,57,82,356.00</b>	<b>-</b>

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# CASH FLOW FROM FINANCING ACTIVITIES

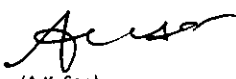
Repayment of Borrowings	(5,00,00,000.00)
Long Term Advance (Advance from CCL for project work)	(1,75,57,82,356.00)
Interest & Finance cost pertaining to Financing Activities	
Receipt of Shifting & Rehabilitation Fund	
Dividend & Dividend Tax	
Buyback/Issue of Equity Share Capital	33,30,50,000.00
Net Cash used in Financing Activities	(C) (1,47,27,32,356.00)
Net Increase / (Decrease) in Cash & Bank Balances (A+B+C)	27,63,48,893.00
Cash & Bank Balance (opening balance)	
Cash & Bank Balance (closing balance)	27,63,48,893.00


(All figures in bracket represent outflow.)


As per our report annexed

On behalf of the Board

  
(Manu Kumari)  
CO. SECRETARY

  
(A.K. Sao)  
C.F.O

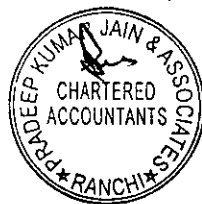
  
(S.K. Bhagat)  
DIRECTOR  
DIN:07264548

  
(A.K. Mishra)  
CHAIRMAN  
DIN:07646542

Dated : 26-05-17  
Place : Ranchi

In terms of our Report of even date  
For Pradeep Kumar Jain & Associates  
CHARTERED ACCOUNTANTS  
(Firm Reg. No.03937C)

Partner  
membership No. 072978



**JHARKHAND CENTRAL RAILWAY LIMITED**  
(CIN : U45201JH2015GOI003139 )

REVISED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31.03.2017

(Rs.)

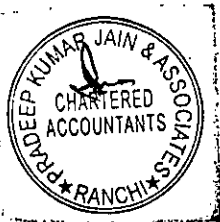
**A. EQUITY SHARE CAPITAL**

Particulars	Balance as at 01.04.2015	Changes in Equity Share Capital during the year	Balance as at 31.03.2016	Balance as at 01.04.2016	Changes in Equity Share Capital during the year	Balance as at 31.03.2017
					4,50,50,000	4,50,50,000.00

Note: Reason for changes in Equity: Govt. of Jharkhand paid Rs. 50000/- towards initial subscription of Share capital of 5000 equity share of Rs. 10/- each.

**B. OTHER EQUITY**

	Equity portion of Preference Share Capital	Other Reserves				General Reserve	Retained Earnings	Total	Non-Controlling Interest	Equity
		Capital Redemption reserve	Capital reserve	CSR Reserve	Sustainable Development Reserve					
Balance as at 01.04.2015								-		
Additions during the year								-		
Adjustments during the year	-							-		
Changes in accounting policy or prior period errors	-							-		
Restated balance as at 01.04.2015	-	-	-	-	-	-	-	-		
Additions during the year	-	-	-	-	-	-	-	-		
Adjustments during the year	-	-	-	-	-	-	-	-		
Total comprehensive income during the period	-	-	-	-	-	-	-	-		
Appropriations	-	-	-	-	-	-	-	-		
Transfer to / from General reserve	-	-	-	-	-	-	-	-		
Transfer to / from Other reserves	-	-	-	-	-	-	(5,84,053.00)	(5,84,053.00)		
Interim Dividend	-	-	-	-	-	-	-	-		
Corporate Dividend tax	-	-	-	-	-	-	-	-		
Pre-operative expenses	-	-	-	-	-	-	-	-		
Balance as at 31.03.2016	-	-	-	-	-	-	(5,84,053.00)	(5,84,053.00)		
Balance as at 01.04.2016	-	-	-	-	-	-	(5,84,053.00)	(5,84,053.00)		
Additions during the period	-							-		
Adjustments during the period	-							-		
Changes in accounting policy or prior period errors	-							-		
Total comprehensive Income during the period	-						(58,02,983.00)	(58,02,983.00)		
Adjustments during the period	-							-		
Appropriations	-							-		
Transfer to / from General reserve	-							-		
Transfer to / from Other reserves	-							-		
Interim Dividend	-							-		
Final Dividend	-							-		
Corporate Dividend tax	-							-		
Adjustment of Pre-operative expenses	-							-		
Balance as at 31.03.2017	-	-	-	-	-	-	(63,87,036.00)	(63,87,036.00)		



**JHARKHAND CENTRAL RAILWAY LIMITED**  
( CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS**

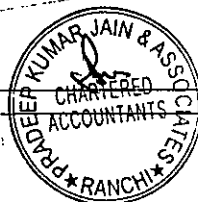
**NOTE 3 : PROPERTY , PLANT AND EQUIPMENTS**

(Rs.)

	Freehold Land	Other Land	Land Reclamation/ Site Restoration Costs	Building (including water supply, roads and culverts)	Plant and Equipments	Telecommunication	Railway Sidings	Furniture and Fixtures	Office Equipments	Vehicles	Aircraft	Other Mining Infrastructure	Surveyed off Assets	Others	Total
<b>Carrying Amount:</b>															
As at 1 April 2015															
Additions															
Deletions/Adjustments															
<b>As at 31 March 2016</b>															
As at 1 April 2016															
Additions															
Deletions/Adjustments															
<b>As at 31 March 2017</b>															
<b>Accumulated Depreciation and Impairment</b>															
As at 1 April 2015															
Charge for the year															-
Impairment															-
Deletions/Adjustments															-
<b>As at 31 March 2016</b>															-
As at 1 April 2016															-
Charge for the period															-
Impairment															-
Deletions/Adjustments															-
<b>As at 31 March 2017</b>															-
<b>Net Carrying Amount</b>															
As at 31 March 2017															
As at 31 March 2016															
As at 1 April 2015															

**Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015**

	Freehold Land	Other Land	Land Reclamation/ Site Restoration Costs	Building (including water supply, roads and culverts)	Plant and Equipments	Telecommunication	Railway Sidings	Furniture and Fixtures	Office Equipments	Vehicles	Aircraft	Other Mining Infrastructure	Surveyed off Assets	Others	Total
<b>Gross Carrying Amount:</b>															
As at 1 April 2015															
<b>Accumulated Depreciation and Impairment</b>															
As at 1 April 2015															
<b>Net carrying amount</b>															



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# JHARKHAND CENTRAL RAILWAY LIMITED

( CIN : U45201JH2015GOI003139 )

## REVISED NOTES TO THE FINANCIAL STATEMENTS

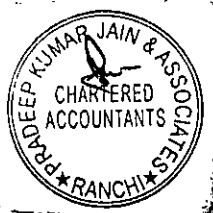
### NOTE 4 : CAPITAL WIP

(Rs.)

	Building (including water supply, roads and culverts)	Plant and Equipments	Railway Sidings	Development	Others	Total
<b>Gross Carrying Amount:</b>						
As at 1 April 2015						
Additions						
Capitalisation/ Deletions						
<b>As at 31 March 2016</b>	-	-	-	-	-	-
As at 1 April 2016						
Additions			1,75,57,82,356.00			1,75,57,82,356.00
Capitalisation/ Deletions						
<b>As at 31 March 2017</b>	-	-	1,75,57,82,356.00	-	-	1,75,57,82,356.00
<b>Provision and Impairment</b>						
As at 1 April 2015						
Charge for the year						
Impairment						
Deletions/Adjustments						
<b>As at 31 March 2016</b>	-	-	-	-	-	-
As at 1 April 2016						
Charge for the period						
Impairment						
Deletions/Adjustments						
<b>As at 31 March 2017</b>	-	-	-	-	-	-
<b>Net Carrying Amount</b>						
As at 31 March 2017						
As at 31 March 2016						
As at 1 April 2015						

### Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015

	Building (including water supply, roads and culverts)	Plant and Equipments	Railway Sidings	Development	Others	Total
<b>Gross Carrying Amount:</b>						
As at 1 April 2015						-
<b>Provision and Impairment</b>						
As at 1 April 2015						-
<b>Net Carrying amount</b>						



# JHARKHAND CENTRAL RAILWAY LIMITED

( CIN : U45201JH2015GOI003139 )

## REVISED NOTES TO THE FINANCIAL STATEMENTS

### NOTE 5 : EXPLORATION AND EVALUATION ASSETS

(Rs.)

#### Exploration and Evaluation Costs

#### Gross Carrying Amount:

As at 1 April 2015

Additions

Deletions/Adjustments

**As at 31 March 2016**

As at 1 April 2016

Additions

Deletions/Adjustments

**As at 31 March 2017**

#### Provision and Impairment

As at 1 April 2015

Charge for the year

Impairment

Deletions/Adjustments

**As at 31 March 2016**

As at 1 April 2016

Charge for the period

Impairment

Deletions/Adjustments

**As at 31 March 2017**

#### Net Carrying Amount

**As at 31 March 2017**

**As at 31 March 2016**

**As at 1 April 2015**

#### Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015

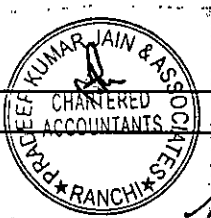
#### Gross Carrying Amount:

As at 1 April 2015

#### Provision and Impairment

As at 1 April 2015

**Net Carrying amount**



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# JHARKHAND CENTRAL RAILWAY LIMITED

( CIN : U45201JH2015GOI003139 )

## REVISED NOTES TO THE FINANCIAL STATEMENTS

### NOTE 6 : INTANGIBLE ASSETS

(Rs.)

	Computer Software	Coal Blocks meant for sale	Others	Total
<b>Gross Carrying Amount:</b>				
As at 1 April 2015	-	-	-	-
Additions	-	-	-	-
Deletions/Adjustments	-	-	-	-
<b>As at 31 March 2016</b>	-	-	-	-
As at 1 April 2016	-	-	-	-
Additions	-	-	-	-
Deletions/Adjustments	-	-	-	-
<b>As at 31 March 2017</b>	-	-	-	-
<b>Amortisation and Impairment</b>				
As at 1 April 2015	-	-	-	-
Charge for the year	-	-	-	-
Impairment	-	-	-	-
Deletions/Adjustments	-	-	-	-
<b>As at 31 March 2016</b>	-	-	-	-
As at 1 April 2016	-	-	-	-
Charge for the period	-	-	-	-
Impairment	-	-	-	-
Deletions/Adjustments	-	-	-	-
<b>As at 31 March 2017</b>	-	-	-	-
<b>Net Carrying Amount</b>				
As at 31 March 2017	-	-	-	-
As at 31 March 2016	-	-	-	-
As at 1 April 2015	-	-	-	-
<b>Reconciliation of Carrying value as per Ind AS and Previous GAAP as on 01.04.2015</b>				
<b>Gross Carrying Amount:</b>				
As at 1 April 2015	-	-	-	-
<b>Provision and Impairment</b>				
As at 1 April 2015	-	-	-	-
<b>Net Carrying amount</b>	-	-	-	-



**JHARKHAND CENTRAL RAILWAY LIMITED**  
(CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS**

**NOTE - 7 : INVESTMENTS**

(Rs.)

As at		
31.03.17	31.03.16 (Restated)	01.04.15 (Restated)

Non Current

Investment in Shares

Equity Shares in Joint Venture Companies

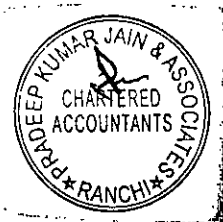
Other Investments

In Secured Bonds

In Co-operative Shares

Total :

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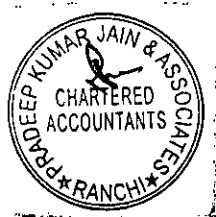


**JHARKHAND CENTRAL RAILWAY LIMITED**

(CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS****NOTE - 7 ( contd.)****INVESTMENTS**

Current	(Rs.)		
	As at 31.03.17	31.03.16 (Restated)	01.04.15 (Restated)
<b>Mutual Fund Investment</b>			
UTI Mutual Fund	-	-	-
SBI Mutual Fund	-	-	-
Canara Robeco Mutual Fund	-	-	-
Union KBC Mutual Fund	-	-	-
BOI AXA Mutual Fund	-	-	-
<b>Total :</b>	-	-	-
Aggregate of Quoted Investment:	-	-	-
Aggregate of unquoted investments:	-	-	-
Market value of Quoted Investment:	-	-	-
Aggregate amount of impairment in value of investments:	-	-	-



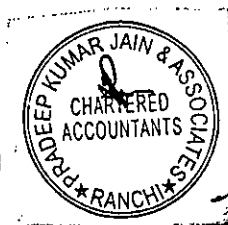
# JHARKHAND CENTRAL RAILWAY LIMITED

(CIN : U45201JH2015GOI003139 )

## REVISED NOTES TO THE FINANCIAL STATEMENTS:

### NOTE - 8 : LOANS

	(Rs.)		
	As at		
	31.03.17	31.03.16 (Restated)	01.04.15 (Restated)
<b>Non-Current</b>			
<b>Loans to Related parties</b>			
- Secured, considered good	-	-	-
- Unsecured, considered good	-	-	-
- Doubtful	-	-	-
Less: Provision for doubtful loans	-	-	-
<b>Loans to Employees</b>			
- Secured, considered good	-	-	-
- Unsecured, considered good	-	-	-
- Doubtful	-	-	-
Less: Provision for doubtful loans	-	-	-
<b>Other Loans</b>			
- Secured, considered good	-	-	-
- Unsecured, considered good	-	-	-
- Doubtful	-	-	-
Less: Provision for doubtful loans	-	-	-
<b>TOTAL</b>	-	-	-
<b>CLASSIFICATION</b>			
Secured, considered good	-	-	-
Unsecured, Considered good	-	-	-
Doubtful	-	-	-
<b>Current</b>			
<b>Loans to Related parties</b>			
- Secured, considered good	-	-	-
- Unsecured, considered good	-	-	-
- Doubtful	-	-	-
Less: Provision for doubtful loans	-	-	-
<b>Loans to Employees</b>			
- Secured, considered good	-	-	-
- Unsecured, considered good	-	-	-
- Doubtful	-	-	-
Less: Provision for doubtful loans	-	-	-
<b>Other Loans</b>			
- Secured, considered good	-	-	-
- Unsecured, considered good	-	-	-
- Doubtful	-	-	-
Less: Provision for doubtful loans	-	-	-
<b>TOTAL</b>	-	-	-
<b>CLASSIFICATION</b>			
Secured, considered good	-	-	-
Unsecured, Considered good	-	-	-
Doubtful	-	-	-



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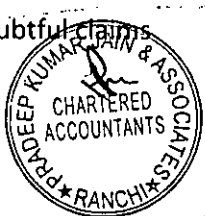
# JHARKHAND CENTRAL RAILWAY LIMITED

(CIN : U45201JH2015GOI003139 )

## REVISED NOTES TO THE FINANCIAL STATEMENTS

### NOTE - 9 : OTHER FINANCIAL ASSETS

	(Rs.)		
	As at		
	31.03.17	31.03.16 (Restated)	01.04.15 (Restated)
<b>Non Current</b>			
Bank Deposits	-	-	-
Deposits with bank under	-	-	-
- Mine Closure Plan	-	-	-
Receivable from Escrow Account for Mine Closure Expenses	-	-	-
Other deposits	-	-	-
Less : Provision for doubtful deposits	-	-	-
Other receivables	-	-	-
Less: Provision	-	-	-
<b>TOTAL</b>	-	-	-
<b>Current</b>			
Interest accrued on	-	-	-
- Investments	-	-	-
- Bank Deposits	-	-	-
- Others (specify in note)	-	-	-
Other deposits	-	-	-
Less : Provision for doubtful deposits	-	-	-
Claims receivables	-	-	-
Less : Provision for doubtful claims	-	-	-
Other receivables	-	-	-
Less : Provision for doubtful claims	-	-	-
<b>TOTAL</b>	-	-	-



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**JHARKHAND CENTRAL RAILWAY LIMITED**

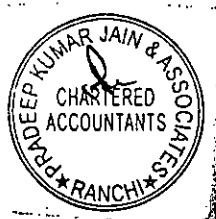
(CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS****NOTE 10 : OTHER NON-CURRENT ASSETS**

(Rs.)

	As at		
	31.03.17	31.03.16 (Restated)	01.04.15 (Restated)
<b>(i) Capital Advances</b>	5,00,00,000.00		
Less : Provision for doubtful advances			
	<u>5,00,00,000.00</u>	<u>-</u>	<u>-</u>
<b>(ii) Advances other than capital advances</b>			
(a) Security Deposit for utilities	-	-	-
Less : Provision for doubtful deposits	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
(b) Other Deposits	-	-	-
Less : Provision for doubtful deposits	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
(c) Advances to related parties	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
(d) Advance for Revenue	-	-	-
Less : Provision for doubtful advances	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
(e) Exploratory drilling work ( For Eastern Coalfields Ltd.)	-	-	-
Less: Provision	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
(f) Prepaid Expenses	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
(g) Others	-	-	-
<b>TOTAL</b>	<u>5,00,00,000.00</u>	<u>-</u>	<u>-</u>

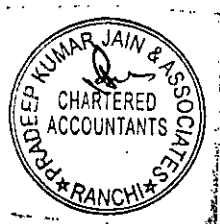
Note: Capital Advance to IRCON Rs. 5 crore



**REVISED NOTES TO THE FINANCIAL STATEMENTS**

**NOTE -11 : OTHER CURRENT ASSETS**

	(Rs.)		
	As at		
	31.03.17	31.03.16 (Restated)	01.04.15 (Restated)
(A) Advance for Revenue	-	-	-
Less : Provision for doubtful advances	-	-	-
	-	-	-
(B) Advance payment of statutory dues	-	-	-
Less : Provision for doubtful advances	-	-	-
	-	-	-
(C) Advance to Related Parties	-	-	-
(D) Advance to Employees	-	-	-
Less : Provision for doubtful advances	-	-	-
	-	-	-
(E) Advance- Others	-	-	-
Less : Provision for doubtful claims	-	-	-
	-	-	-
(F) Deposits- Others	-	-	-
Less: Provision	-	-	-
	-	-	-
(G) CENVAT / VAT CREDIT Receivable	-	-	-
Less: Provision	-	-	-
	-	-	-
(H) MAT CREDIT ENTITLEMENT	-	-	-
Less: Provision	-	-	-
	-	-	-
(I) Prepaid Expenses	-	-	-
(J) Receivables- Others	-	-	-
Less: Provision	-	-	-
	-	-	-
<b>TOTAL</b>	-	-	-



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# JHARKHAND CENTRAL RAILWAY LIMITED

(CIN : U45201JH2015GOI003139 )

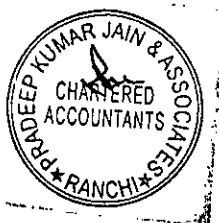
## REVISED NOTES TO THE FINANCIAL STATEMENTS

### NOTE - 12 : INVENTORIES

	(Rs.)		
	As at		
	31.03.17	31.03.16 (Restated)	01.04.15 (Restated)
(a) Stock of Coal			
Coal under Development	-	-	-
Less : Provision	-	-	-
Stock of Coal (Net)	-	-	-
(b) Stock of Stores & Spares (at cost)	-	-	-
Add: Stores-in-transit	-	-	-
Less : Provision	-	-	-
Net Stock of Stores & Spares (at cost)	-	-	-
(c) Stock of Medicine at Central Hospital	-	-	-
(d) Workshop Jobs:			
Work-in-progress and Finished Goods	-	-	-
Less: Provision	-	-	-
Net Stock of Workshop Jobs	-	-	-
(e) Press Jobs:			
Work-in-progress and Finished Goods	-	-	-
	-	-	-
<b>Total</b>	-	-	-

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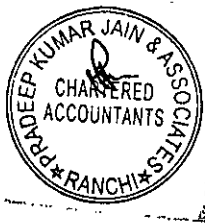
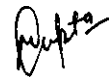


**JHARKHAND CENTRAL RAILWAY LIMITED**

(CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS****NOTE - 13 : TRADE RECEIVABLES**

	(Rs.)		
	As at		
	31.03.17	31.03.16 (Restated)	01.04.15 (Restated)
<b>Current</b>			
Trade receivables	-	-	-
Secured considered good	-	-	-
Unsecured considered good	-	-	-
Doubtful	-	-	-
	-	-	-
Less : Provision for bad & doubtful debts	-	-	-
	-	-	-
<b>Total</b>	-	-	-

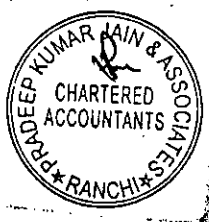


**JHARKHAND CENTRAL RAILWAY LIMITED**

(CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS****NOTE - 14 : CASH AND CASH EQUIVALENTS**

	(Rs.)		
	As at		
	31.03.17	31.03.16 (Restated)	01.04.15 (Restated)
(a) Balances with Banks			
in Deposit Accounts	-	-	-
in Current Accounts	-	-	-
in Cash Credit Accounts	-	-	-
(b) Bank Balances outside India	-	-	-
(c) Cheques, Drafts and Stamps in hand	-	-	-
(d) Cash on hand	-	-	-
(e) Cash on hand outside India	-	-	-
(f) Others	-	-	-
<b>Total Cash and Cash Equivalents</b>	-	-	-
(g) Bank Overdraft	-	-	-
<b>Total Cash and Cash Equivalents(net of Bank Overdraft)</b>	-	-	-





**JHARKHAND CENTRAL RAILWAY LIMITED**  
(CIN : U45201JH2015GOI003139 )

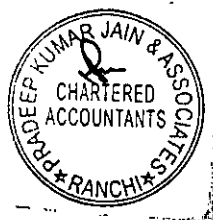
**REVISED NOTES TO THE FINANCIAL STATEMENTS**

**NOTE - 15 : OTHER BANK BALANCES**

	(Rs.)		
	As at		
	31.03.17	31.03.16 (Restated)	01.04.15 (Restated)
Balances with Banks			
Deposit accounts	27,63,48,893.00	-	-
Mine Closure Plan	-	-	-
Shifting and Rehabilitation Fund scheme	-	-	-
Escrow Account for Buyback of Shares	-	-	-
Unpaid dividend accounts	-	-	-
Dividend accounts	-	-	-
<b>Total</b>	<b>27,63,48,893.00</b>	<b>-</b>	<b>-</b>

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# JHARKHAND CENTRAL RAILWAY LIMITED

## REVISED NOTES TO THE FINANCIAL STATEMENTS

### NOTE - 16 : EQUITY SHARE CAPITAL

(Figures in Rs.)

	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
<b>Authorised</b>			
10,00,00,000 Equity Shares of Rs.10/- each	1000000000.00	50000000.00	
	<b>1,00,00,00,000.00</b>	<b>5,00,00,000.00</b>	-
<b>Issued, Subscribed and Paid-up</b>			
45,05,000 Equity Shares of Rs. 10/- each	4,50,50,000.00	0.00	0.00
<b>Share Application Money, pending Allotment</b>			
CCL Rs. 28,80,00,000/-	28,80,00,000.00	0.00	0.00
	<b>33,30,50,000.00</b>	-	-

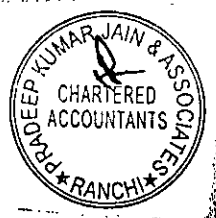
1 Shares in the company held by each shareholder holding more than 5% Shares

Name of Shareholder	No. of Shares held (Face value of Rs.10)	% of Total Shares
Central Coalfields Limited	32,00,000	71.03
Ircon International Limited	13,00,000	28.86
Govt. of Jharkhand	5,000	0.11

2 During the period, the company has issued 45,05,000 shares.

3 The Company has only one class of equity shares having a face value Rs.10/- per share. The holders of the equity shares are entitled to receive dividends as declared from time to time and are entitled to voting rights proportionate to their share holding at the meeting of shareholders.

4 Initial subscription from Govt. of Jharkhand for 5000 shares @ Rs. 10/- each received amounting to Rs.50,000/-  
Mandatory Disclosures as per Schedule III in above format



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**JHARKHAND CENTRAL RAILWAY LIMITED**  
(CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 17 : OTHER EQUITY**

(Rs.)

	Equity portion of Preference Share Capital	Other Reserves				General Reserve	Retained Earnings	Non-Controlling Interest	Equity
		Capital Redemption reserve	Capital reserve	CSR Reserve	Sustainable Development Reserve				
Balance as at 01.04.2015	-	-	-	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Restated balance as at 01.04.2015	-	-	-	-	-	-	-	-	-
Additions during the year	-	-	-	-	-	-	-	-	-
Adjustments during the year	-	-	-	-	-	-	-	-	-
Total comprehensive income during the year	-	-	-	-	-	-	(5,84,053.00)	-	(5,84,053.00)
Appropriations	-	-	-	-	-	-	-	-	-
Transfer to / from General reserve	-	-	-	-	-	-	-	-	-
Transfer to / from Other reserves	-	-	-	-	-	-	-	-	-
Interim Dividend	-	-	-	-	-	-	-	-	-
Final Dividend	-	-	-	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	-	-	-	-	-	-
Pre-operative expenses	-	-	-	-	-	-	-	-	-
Balance as at 31.03.2016	-	-	-	-	-	-	(5,84,053.00)	-	(5,84,053.00)
Balance as at 01.04.2016	-	-	-	-	-	-	(5,84,053.00)	-	(5,84,053.00)
Additions during the period	-	-	-	-	-	-	-	-	-
Adjustments during the period	-	-	-	-	-	-	-	-	-
Changes in accounting policy or prior period errors	-	-	-	-	-	-	-	-	-
Total comprehensive income during the period	-	-	-	-	-	-	(58,02,983.00)	-	(58,02,983.00)
Appropriations	-	-	-	-	-	-	-	-	-
Transfer to / from General reserve	-	-	-	-	-	-	-	-	-
Transfer to / from Other reserves	-	-	-	-	-	-	-	-	-
Interim Dividend	-	-	-	-	-	-	-	-	-
Final Dividend	-	-	-	-	-	-	-	-	-
Corporate Dividend tax	-	-	-	-	-	-	-	-	-
Adjustment of Pre-operative expenses	-	-	-	-	-	-	-	-	-
Balance as at 31.03.2017	-	-	-	-	-	-	(63,87,036.00)	-	(63,87,036.00)



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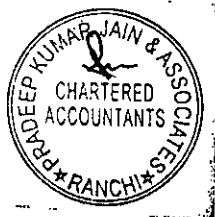
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**JHARKHAND CENTRAL RAILWAY LIMITED**

(CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS****NOTE 18: BORROWINGS**

	(Rs.)		
	As at		
	31.03.17	31.03.16 (Restated)	01.04.15 (Restated)
<b>Non-Current</b>			
<b>Term Loans</b>			
Export Development Corporation , Canada	-	-	-
Banque Nationale De Paris and Natexis Banque, France	-	-	-
<b>Loans from Related Parties</b>			
IRCON International Ltd.	-	-	-
Chattisgarh State Infrastructure Development Corpn Ltd.	-	-	-
<b>Other Loans</b>			
<b>Total</b>	-	-	-
<b>CLASSIFICATION</b>			
Secured	-	-	-
Unsecured	-	-	-
<b>Current</b>			
<b>Loans repayable on demand</b>			
-From Banks	-	-	-
-From Other Parties	-	-	-
<b>Loans from Related Parties</b>	-	-	-
<b>Other Loans</b>	-	-	-
<b>Total</b>	-	-	-
<b>CLASSIFICATION</b>			
Secured	-	-	-
Unsecured	-	-	-



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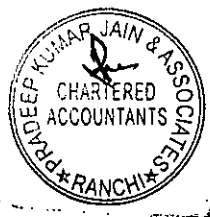

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**JHARKHAND CENTRAL RAILWAY LIMITED**

(CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS****NOTE - 19 :TRADE PAYABLES**

	(Rs.)		
	As at		
	31.03.17	31.03.16 (Restated)	01.04.15 (Restated)
<b>Current</b>			
Trade Payables for Micro, Small and Medium Enterprises	-	-	-
Other Trade Payables for			
Stores and Spares	-	-	-
Power and Fuel	-	-	-
Others	-	-	-
<b>TOTAL</b>	-	-	-



**JHARKHAND CENTRAL RAILWAY LIMITED**  
(CIN : U45201JH2015GOI003139 )

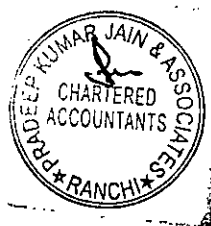
**REVISED NOTES TO THE FINANCIAL STATEMENTS**

**NOTE - 20 : OTHER FINANCIAL LIABILITIES**

	(Rs.)		
	As at		
	31.03.17	31.03.16 (Restated)	01.04.15 (Restated)
<b>Non Current</b>			
Security Deposits	-	-	-
Earnest Money	-	-	-
Others	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
	<u>-</u>	<u>-</u>	<u>-</u>
<b>Current</b>			
<b>Surplus Fund from Subsidiaries</b>			
Current Account with IICM	-	-	-
Current maturities of long-term debt	-	-	-
Unpaid dividends*	-	-	-
Security Deposits	-	-	-
Earnest Money	-	-	-
Others (Interest Accrued by Loan from CCL)	28,294.00	-	-
<b>TOTAL</b>	<u>28,294.00</u>	<u>-</u>	<u>-</u>

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**REVISED NOTES TO THE FINANCIAL STATEMENTS**

**NOTE - 21 : PROVISIONS**

	(Rs.)		
	As at		
	31.03.17	31.03.16 (Restated)	01.04.15 (Restated)
<b>Non Current</b>			
Employee Benefits	-	-	-
Gratuity	-	-	-
Leave Encashment	-	-	-
Other Employee Benefits	-	-	-
	-	-	-
Site Restoration/Mine Closure	-	-	-
Stripping Activity Adjustment	-	-	-
Others	-	-	-
<b>TOTAL</b>	-	-	-
<b>Current</b>			
Employee Benefits			
Gratuity	-	-	-
Leave Encashment	-	-	-
Ex- Gratia	-	-	-
Performance Related Pay	-	-	-
Other Employee Benefits	-	-	-
	-	-	-
Mine Closure	-	-	-
Excise Duty on Closing Stock of Coal			
Others			
<b>TOTAL</b>	-	-	-



*Ansari*

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**JHARKHAND CENTRAL RAILWAY LIMITED**  
(CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS**

**NOTE - 22 : OTHER NON CURRENT LIABILITIES**

	(Rs.)		
	As at		
	31.03.17	31.03.16 (Restated)	01.04.15 (Restated)
<b>Advance from Related Party (CCL)</b>	1,75,57,82,356.00		
<b>Shifting &amp; Rehabilitation Fund</b>			
Opening balance	-	-	-
Add: Interest from investment of the fund (Net of TDS )	-	-	-
Add: Contribution received	-	-	-
Less: Amount released to subsidiaries during the year	-	-	-
	-	-	-
<b>Deferred Income</b>	-	-	-
<b>Total</b>	<b>1,75,57,82,356.00</b>	-	-
<b>Note:</b>			
1. Advance from CCL for project work	<b>1,75,57,82,356.00</b>		

(2) Fund amounting to Rs. 958,19,12,679.00 was deposited by CCL to EC Railway between Aug'2000 to May'2014 for construction of Tori-Shivpur, Shivpur Kathotia Rail line etc. The Expenditure statement received from EC railway vide letter No. DCE/C/HZME/W/CCL/01/Pt.II/1026 dated 20.10.2016 shows an expenditure of Rs. 175,57,82,356.00 on Shivpur Kathotia section out of the total amount deposited by CCL. The amount of Rs. 175,57,82,356.00 on Shivpur Kathotia section has been considered as an advance from CCL (Other Non-Current Liabilities), Parent Company, as the work of construction of Shivpur-Kathotia section is to be done by JCRL. The advance will be converted to Unsecured loan after establishing viability of the project and acceptance of revised DPR and Bankability Report by the Board.

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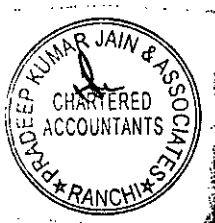
**JHARKHAND CENTRAL RAILWAY LIMITED**  
(CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS**

**NOTE - 23 : OTHER CURRENT LIABILITIES**

(Rs.)

	As at	
	31.03.17	31.03.16 (Restated)
Capital Expenditure	-	-
Liability for Salary, Wages and Allowances	-	-
<b>Statutory Dues:</b>		
Sales Tax/Vat	-	-
Provident Fund & Others	-	-
Central Excise Duty	-	-
Royalty & Cess on Coal	-	-
Stowing Excise Duty	-	-
Clean Energy Cess	-	-
National Mineral Exploration Trust	-	-
District Mineral Foundation	-	-
Other Statutory Levies	-	-
Income Tax deducted/collected at Source	-	-
	-	-
Advance from customers / others	-	-
Cess Equalization Account	-	-
Others liabilities	31,000.00	5,84,053.00
<b>TOTAL</b>	<b>31,000.00</b>	<b>5,84,053.00</b>
<b>Note: Prov. For Audit Fees</b>	<b>10,000.00</b>	<b>10,000.00</b>
<b>Prov. For professional services - K.Pandeya</b>	<b>21,000.00</b>	<b>-</b>
<b>Meeting Expe.</b>	<b>-</b>	<b>1,160.00</b>
<b>Preliminary Exp.</b>	<b>-</b>	<b>5,72,893.00</b>
<b>TOTAL</b>	<b>31,000.00</b>	<b>5,84,053.00</b>



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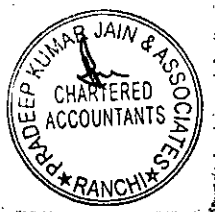
**JHARKHAND CENTRAL RAILWAY LIMITED**

( CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS****NOTE - 24 : REVENUE FROM OPERATIONS**

(Rs.)

	For the year ended 31.03.17	For the year ended 31.03.16
<b>A. Sales of Coal/Services</b>	-	-
<b>Less : Other Statutory Levies</b>	-	-
Royalty	-	-
Cess on Coal	-	-
Stowing Excise Duty	-	-
Central Sales Tax	-	-
Clean Energy Cess	-	-
State Sales Tax/VAT	-	-
National Mineral Exploration Trust	-	-
District Mineral Foundation	-	-
Other Levies	-	-
<b>Total Levies</b>	-	-
<b>Sales (Net) (A)</b>	-	-
<b>B. Other Operating Revenue</b>	-	-
Facilitation charges for coal import	-	-
Subsidy for Sand Stowing & Protective Works	-	-
Loading and additional transportation charges	-	-
Less : Excise Duty	-	-
Less : Other Statutory Levies	-	-
<b>Other Operating Revenue (Net) (B)</b>	-	-
<b>Revenue from Operations (A+B)</b>	-	-



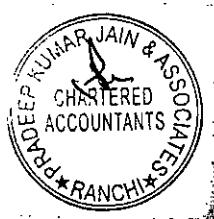
**JHARKHAND CENTRAL RAILWAY LIMITED**

( CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS****NOTE 25 : OTHER INCOME**

(Rs.)

	For the year ended 31.03.17	For the year ended 31.03.16
<b><u>Interest Income</u></b>		
Deposits with Banks	-	-
Investments	-	-
Loans	-	-
Funds parked within Group	-	-
Others (Interest received on Bank Account) (TDS deducted by Bank Rs.3,76,509/-)	37,65,087.00	-
<b><u>Dividend Income</u></b>		
Investments in Subsidiaries	-	-
Investments in Mutual Funds	-	-
Investments in Govt Securities (8.5% Tax free Special Bonds)	-	-
<b><u>Other Non-Operating Income</u></b>		
Apex charges	-	-
Profit on Sale of Assets	-	-
Gain on Foreign exchange Transactions	-	-
Exchange Rate Variance	-	-
Lease Rent	-	-
Liability / Provision Write Backs	-	-
Excise Duty on Decrease in Stock	-	-
Miscellaneous Income	-	-
<b>Total</b>	<b>37,65,087.00</b>	<b>-</b>



**JHARKHAND CENTRAL RAILWAY LIMITED**  
( CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS**

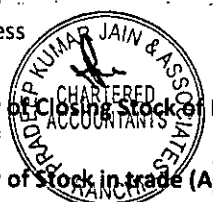
**NOTE 26 : COST OF MATERIALS CONSUMED**

(Rs.)

	For the year ended 31.03.17	For the year ended 31.03.16
Explosives	-	-
Timber	-	-
Oil & Lubricants	-	-
HEMM Spares	-	-
Other Consumable Stores & Spares	-	-
<b>Total</b>	-	-

**NOTE 27 : CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK IN TRADE**

	For the year ended 31.03.17	For the year ended 31.03.16
Opening Stock of Coal	-	-
Add: Adjustment of opening stock	-	-
Less: Deterioration of Coal	-	-
Closing Stock of Coal	-	-
Less: Deterioration of Coal	-	-
<b>A Change in Inventory of Coal</b>	-	-
Opening Stock of Workshop made finished goods and WIP	-	-
Add: Adjustment of Opening Stock	-	-
Less: Provision	-	-
Closing Stock of Workshop made finished goods and WIP	-	-
Less: Provision	-	-
<b>B Change in Inventory of workshop</b>	-	-
Press Opening Job		
i) Finished Goods	-	-
ii) Work in Progress	-	-
Less: Press Closing Job		
i) Finished Goods	-	-
ii) Work in Progress	-	-
<b>C Change in Inventory of Closing Stock of Press Job</b>	-	-
<b>Change in Inventory of Stock in trade (A+B+C)</b>	-	-
<b>{ Decretion / ( Accretion) }</b>	-	-



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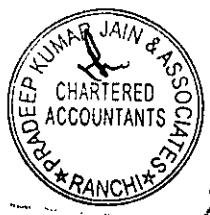

**JHARKHAND CENTRAL RAILWAY LIMITED**

( CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS****NOTE 28 : EMPLOYEE BENEFITS EXPENSES**

(Rs.)

	For the year ended 31.03.17	For the year ended 31.03.16
Salary, Wages, Allowances ,Bonus etc.	-	-
Provision for National Coal Wages Agreement (NCWA) - X*	-	-
Ex-Gratia	-	-
Performance Related Pay	-	-
Contribution to P.F. & Other Funds	-	-
Gratuity	-	-
Leave Encashment	-	-
Voluntary Retirement Scheme	-	-
Workman Compensation	-	-
Medical Expenses for existing employees	-	-
Medical Expenses for retired employees	-	-
Grants to Schools & Institutions	-	-
Sports & Recreation	-	-
Canteen & Creche	-	-
Power - Township	-	-
Hire Charges of Bus, Ambulance etc.	-	-
Other Employee Benefits	-	-
	-	-



**JHARKHAND CENTRAL RAILWAY LIMITED**  
( CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 29 : CORPORATE SOCIAL RESPONSIBILITY EXPENSE**

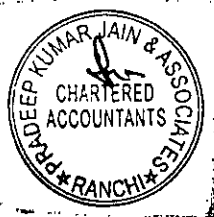
	(Rs.)	
	For the year ended 31.03.17	For the year ended 31.03.16
CSR Expenses	-	-
<b>Total</b>	-	-

**NOTE 30 : REPAIRS**

	For the year ended 31.03.17	For the year ended 31.03.16
Building	-	-
Plant & Machinery	-	-
Others	-	-
<b>Total</b>	-	-

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**JHARKHAND CENTRAL RAILWAY LIMITED**

( CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS****NOTE 31 : CONTRACTUAL EXPENSES**

(Rs.)

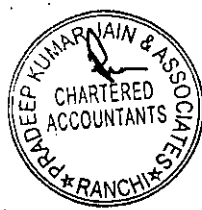
	For the year ended 31.03.17	For the year ended 31.03.16
Transportation Charges :		
Sand	-	-
Coal	-	-
Stores & Others	-	-
Wagon Loading	-	-
Hiring of Plant and Equipments	-	-
Other Contractual Work	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**NOTE 32 : FINANCE COSTS**

(Rs.)

	For the year ended 31.03.17	For the year ended 31.03.16
<b>Interest Expenses</b>		
Borrowings (Int. on Unsecured Loan from CCL)	20,87,244.00	-
Reclamation of Land/Mine Closure Expenses	-	-
Interest on Escrow Account	-	-
Unwinding of discounts	-	-
Funds parked within Group	-	-
Others	-	-
	<b>20,87,244.00</b>	<b>-</b>

Note: Interest (24.06.2016 to 30.09.2016) = Rs. 10,58,803/-  
Interest (01.10.2016 to 31.12.2016) = Rs. 9,97,003/-  
Interest (01.01.2017 to 03.01.2017) = Rs. 31,438/-  
Total Interest = **Rs.20,87,244/-**



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**JHARKHAND CENTRAL RAILWAY LIMITED**

( CIN : U45201JH2015GOI003139 )

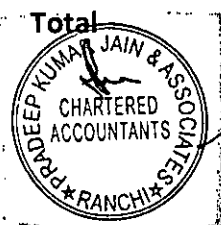
**REVISED NOTES TO THE FINANCIAL STATEMENTS****NOTE 33 : PROVISIONS (NET OF REVERSAL)**

(Rs.)

	For the year ended 31.03.17	For the year ended 31.03.16
<b>(A) Provision made for</b>		
Doubtful debts	-	-
Doubtful Advances & Claims	-	-
Stores & Spares	-	-
Others	-	-
<b>Total(A)</b>	-	-
<b>(B) Provision Reversal</b>		
Doubtful debts	-	-
Doubtful Advances & Claims	-	-
Stores & Spares	-	-
Others	-	-
<b>Total(B)</b>	-	-
<b>Total (A-B)</b>	-	-

**NOTE 34 : WRITE OFF ( Net of past provisions )**

	For the year ended 31.03.17	For the year ended 31.03.16
Doubtful debts	-	-
Less :- Provided earlier	-	-
Doubtful advances	-	-
Less :- Provided earlier	-	-
Stock of Coal	-	-
Less :- Provided earlier	-	-
Others (Fixed Assets written off)	-	-
Less :- Provided earlier	-	-
<b>Total</b>	-	-



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**JHARKHAND CENTRAL RAILWAY LIMITED**

( CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS****NOTE 35 : OTHER EXPENSES**

(Rs.)

	For the year ended 31.03.17	For the year ended 31.03.16
Travelling expenses		
Domestic	-	-
Foreign	-	-
Training Expenses	-	-
Telephone & Postage	-	-
Advertisement & Publicity	-	-
Freight Charges	-	-
Demurrage	-	-
Donation/Subscription	-	-
Security Expenses	-	-
Service Charges of CIL	-	-
Hire Charges	-	-
CMPDI Charges	-	-
Legal Expenses	22,475.00	-
Bank Charges	288.00	-
Guest House Expenses	-	-
Consultancy Charges	-	-
Under Loading Charges	-	-
Loss on Sale/Discard/Surveyed of Assets	-	-
Auditor's Remuneration & Expenses	-	-
For Audit Fees	40,000.00	10,000.00
For Taxation Matters	-	-
For Other Services	-	-
For Reimbursement of Exps.	-	-
Internal & Other Audit Expenses	-	-
Rehabilitation Charges	-	-
Royalty & Cess	-	-
Central Excise Duty	-	-
Rent	-	-
Rates & Taxes (Stat. Charges-MCA Challan)	74,13,063.00	-
Insurance	-	-
Loss on Foreign Exchange Transactions	-	-
Loss on Exchange rate variance	-	-
Lease Rent	-	-
Rescue/Safety Expenses	-	-
Dead Rent/Surface Rent	-	-
Siding Maintenance Charges	-	-
Land/Crops Compensation	-	-
R & D expenses	-	-
Environmental & Tree Plantation Expenses	-	-
Expenses on Buyback of shares	-	-
Miscellaneous expenses	5,000.00	5,74,053.00
<b>Total</b>	<b>74,80,826.00</b>	<b>5,84,053.00</b>

Note: Misc Expe. (31.03.16 India) Rs. 1,16,07, Meeting expenses & Rs. 572893 as Prel. Exp. Written off)  
(refer note 38)



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**JHARKHAND CENTRAL RAILWAY LIMITED**

( CIN : U45201JH2015GOI003139 )

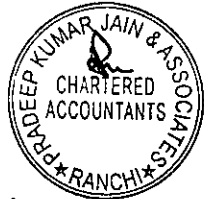
**REVISED NOTES TO THE FINANCIAL STATEMENTS**

**NOTE 36 : TAX EXPENSE**

	(Rs.)	
	For the year ended 31.03.17	For the year ended 31.03.16
Current Year	-	-
Deferred tax	-	-
MAT Credit Entitlement	-	-
Earlier Years	-	-
<b>Total</b>	-	-

*Arise*

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**JHARKHAND CENTRAL RAILWAY LIMITED**

( CIN : U45201JH2015GOI003139 )

**REVISED NOTES TO THE FINANCIAL STATEMENTS****NOTE 37 : OTHER COMPREHENSIVE INCOME**

	(Rs.)	
	For the year ended 31.03.17	For the year ended 31.03.16
<b>(A) (i) Items that will not be reclassified to profit or loss</b>		
Changes in revaluation surplus	-	-
Remeasurement of defined benefit plans	-	-
Equity instrument through OCI	-	-
Fair value changes relating to own credit risk of financial liabilities designated at FVTPL	-	-
Share of OCI in Joint ventures	-	-
	-	-
<b>(ii) Income tax relating to items that will not be reclassified to profit or loss</b>		
Changes in revaluation surplus	-	-
Remeasurement of defined benefit plans	-	-
Equity instrument through OCI	-	-
Fair value changes relating to own credit risk of financial liabilities designated at FVTPL	-	-
Share of OCI in Joint ventures	-	-
	-	-
<b>Total (A)</b>	-	-
<b>(B) (i) Items that will be reclassified to profit or loss</b>		
Exchange differences in translating the financial statements of a foreign operation	-	-
Debt instrument through OCI	-	-
The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
Share of OCI in Joint ventures	-	-
	-	-
<b>(ii) Income tax relating to items that will be reclassified to profit or loss</b>		
Exchange differences in translating the financial statements of a foreign operation	-	-
Debt instrument through OCI	-	-
The effective portion of gains and loss on hedging instruments in a cash flow hedge	-	-
Share of OCI in Joint ventures	-	-
	-	-
<b>Total (B)</b>	-	-
<b>Total (A+B)</b>	-	-



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**Details of Specified Bank Notes (SBN) held and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016:**

Ministry of Corporate affairs, Govt. of India, vide notification dated 30 March 2017 has amended the Schedule III of Companies Act, 2013, accordingly, every company should have the details of Specified Bank Notes (SBN) held and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016.

The status of Specified Bank Notes (SBN) and transacted during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 in respect of JCRL is given below:

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	Nil	Nil	Nil
(+) Permitted receipts	Nil	Nil	Nil
(-) Permitted payments	Nil	Nil	Nil
(-) Amount deposited in Banks	Nil	Nil	Nil
Closing cash in hands as on 30.12.2016	Nil	Nil	Nil

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# JHARKHAND CENTRAL RAILWAY LIMITED

CIN: U45201JH2015GOI003139

(A JV between CCL, IRCON & Govt. of Jharkhand)

## NOTE – 38: REVISED ADDITIONAL NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2017

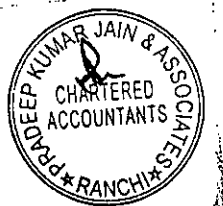
### 1. Fair Value Measurement

#### (a) Financial Instruments by Category

	31 <sup>st</sup> March 2017			31 <sup>st</sup> March 2016				1 April 2015		
	FVTPL	FVTO CI	Amortised cost	FVTPL	FVTOCI	Amortised cost	Cost	FVTPL	FVTO CI	Amortised cost
<b>Financial Assets</b>										
Loans			-			-				-
Deposits & receivable			-			-				-
Trade receivables			-			-				-
Cash & cash equivalents			-			-				-
Other Bank Balances			27,63,48,893			Nil				Nil
<b>Financial Liabilities</b>										
Trade payables			-			-				-
Security Deposit and Earnest money			-			-				-
Other Liabilities			-			-				-

#### (b) Fair value hierarchy

Table below shows Judgments and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the group has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.



# JHARKHAND CENTRAL RAILWAY LIMITED

CIN: U45201JH2015GOI003139

(A JV between CCL, IRCON & Govt. of Jharkhand)

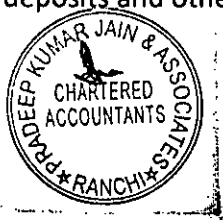
Financial assets and liabilities measured at fair value – recurring fair value measurement	31 <sup>st</sup> March 2017			31 <sup>st</sup> March 2016			1 April 2015		
	Level I	Level II	Level III	Level I	Level II	Level III	Level I	Level II	Level III
<b>Financial Assets at FVTPL</b>									
Investments :									
Mutual Fund	-			-			-		
<b>Financial Liabilities</b>									
If any item	-	-	-	-	-	-	-	-	-

Financial assets and liabilities measured at amortised cost for which fair values are disclosed at 31 <sup>st</sup> March, 2017	31 <sup>st</sup> March 2017			31 <sup>st</sup> March 2016			1 April 2015		
	Level I	Level II	Level III	Level I	Level II	Level III	Level I	Level II	Level III
<b>Financial Assets at FVTPL</b>									
Investments :									
Equity Shares in JV			-			-			-
Mutual Fund	-			-			-		
<b>Financial Liabilities</b>									
Preference Share			-			-			-
Borrowings			-			-			-
Trade payables			-			-			-
Security Deposit and Earnest money			-			-			-
Other Liabilities			-			-			-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have quoted price and are valued using the closing NAV.

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.



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## JHARKHAND CENTRAL RAILWAY LIMITED

CIN: U45201JH2015GOI003139

(A JV between CCL, IRCON & Govt. of Jharkhand)

### (c) Valuation technique used in determining fair value

Valuation techniques used to value financial instruments include:

- The use of quoted market prices of instruments
- The fair value of the remaining financial instruments is determined using discounted cash flow analysis.

Fair value measurements using significant unobservable inputs

At present there are no fair value measurements using significant unobservable inputs.

Fair values of financial assets and liabilities measured at amortised cost

	31 <sup>st</sup> March 2017		31 <sup>st</sup> March, 2016		1 April 2015	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value	Carrying Amount	Fair Value
<b>Financial Assets</b>						
Loans	-	-	-	-	-	-
<b>Financial liabilities</b>						
Borrowings	-	-	-	-	-	-
Security Deposit and Earnest money	-	-	-	-	-	-

The carrying amounts of trade receivables, short term deposits, cash and cash equivalents, trade payables are considered to be the same as their fair values, due to their short-term nature.

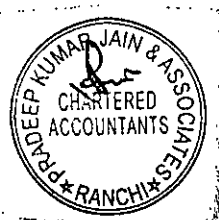
Other Financial assets accounted at amortised cost is not carried at fair value only if same is not material.

The fair values for loans, security deposits and investment in preference shares were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 fair values in the fair value hierarchy.

## 2. Risk Analysis Management

Significant estimates and judgments Impairment of financial assets

The impairment provisions for financial assets disclosed above are based on assumptions about risk of default and expected loss rates. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period



# **JHARKHAND CENTRAL RAILWAY LIMITED**

CIN: U45201JH2015GOI003139

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## **(i) Maturities of financial liabilities**

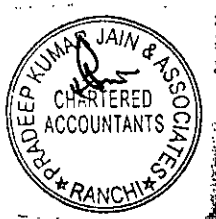
The tables below analyse the company's financial liabilities into relevant maturity Groupings based on their contractual maturities.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

<b>Contractual maturities of financial liabilities</b> <b>31.03.2017</b>	<b>Less than 3 months</b>	<b>3 months to 6 months</b>	<b>6 months to 1 year</b>	<b>1 year to 2 years</b>	<b>2 year to 5 years</b>	<b>Total</b>
Borrowings	-	-	-	-	-	-
Trade payables	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

<b>Contractual maturities of financial liabilities</b> <b>31.03.2016</b>	<b>Less than 3 months</b>	<b>3 months to 6 months</b>	<b>6 months to 1 year</b>	<b>1 year to 2 years</b>	<b>2 year to 5 years</b>	<b>Total</b>
Borrowings	-	-	-	-	-	-
Trade payables	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-

<b>Contractual maturities of financial liabilities</b> <b>01.04.2015</b>	<b>Less than 3 months</b>	<b>3 months to 6 months</b>	<b>6 months to 1 year</b>	<b>1 year to 2 years</b>	<b>2 year to 5 years</b>	<b>Total</b>
Borrowings	-	-	-	-	-	-
Trade payables	-	-	-	-	-	-
Other financial liabilities	-	-	-	-	-	-
<b>Total</b>	-	-	-	-	-	-





## JHARKHAND CENTRAL RAILWAY LIMITED

CIN: U45201JH2015GOI003139

(A JV between CCL, IRCON & Govt. of Jharkhand)

### 3. Employee Benefits : Recognition and Measurement (Ind AS-19)

i) Provident Fund:

Company pays fixed contribution towards Provident Fund and Pension Fund at pre-determined rates to a separate trust named Coal Mines Provident Fund (CMPF), which invests the fund in permitted securities. The contribution towards the fund during the year is Nil, has been shown in the Statement of Profit & Loss (Note 28).

ii) The Company operates some defined benefit plans as follows which are valued on actuarial basis:

(a) Funded-

- o Gratuity
- o Leave Encashment

(b) Unfunded

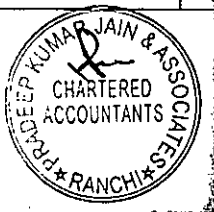
- o Life Cover Scheme
- o Settlement Allowance
- o Group Personal Accident Insurance
- o Leave Travel Concession
- o Medical Benefits
- o Compensation to dependent on Mine Accident Benefits

Total liability as on 31.03.2017 based on valuation made by the Actuary, details of which are mentioned below is Nil.

The actuarial liability as on 31.03.2017:

(Rs.)

Head	Opening Actuarial Liability as on 01.04.2016	Incremental Liability during the Year	Closing Actuarial Liability as on 31.03.2017
Gratuity	-	-	-
Earned Leave	-	-	-
Half Pay Leave	-	-	-
Life Cover Scheme	-	-	-
Settlement Allowance Executives	-	-	-
Settlement Allowance Non-executives	-	-	-
Group Personal Accident Insurance Scheme	-	-	-
Leave Travel Concession	-	-	-
Medical Benefits Executives	-	-	-
Medical Benefits Non-Executives	-	-	-
Compensation to dependents in case of mine accidental death	-	-	-
<b>Total</b>	-	-	-



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# **JHARKHAND CENTRAL RAILWAY LIMITED**

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## **4. Unrecognized Items:-**

### **a) Contingent Liabilities**

Claims against the Company not acknowledged as debts (including interest, wherever applicable)

(Rs)

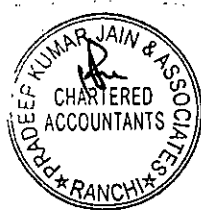
<b>Claims against the company not acknowledged as debt</b>			
		<b>31.03.2017</b>	<b>31.03.2016</b>
<b>1</b>	<b>Central Govt.</b>		
	Income Tax	-	-
	Excise & Service Tax		
	<b>Sub-Total</b>		
<b>2</b>	<b>State Govt. and Local authorities</b>		
	Sales Tax /VAT including Electricity	-	-
	Duty		
	Entry Tax		
	Royalty		
	MADA		
	<b>Sub-Total</b>		
<b>3</b>	<b>Central Public Sector Enterprises</b>		
	Suit against the company under	-	-
	litigation		
<b>4</b>	<b>Others</b>		
		-	-
	<b>Total</b>	-	-

### **b) Capital Commitments**

Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance) is Nil as on 31.03.2017 (Previous Year Nil).

### **c) Other Commitments**

Estimated amount of contracts remaining to be executed and not provided for (net of advance) is Nil as on 31.03.2017 (Previous Year Nil).



A handwritten signature in black ink, appearing to be "Pradeep Kumar Jain".

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# JHARKHAND CENTRAL RAILWAY LIMITED

CIN: U45201JH2015GOI003139

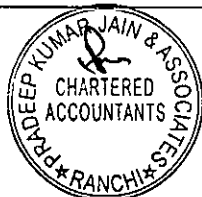
(A JV between CCL, IRCON & Govt. of Jharkhand)

## 5. Other Information

### a) Provisions

The position and movement of various provisions except those relating to employee benefits which are valued actuarially, as on 31.03.2017 are given below:

	(Rs.)				
Provisions	Opening Balance as on 1.04.2016	Addition during the year	Write back/Adj. during the year	Unwinding of discounts	Closing Balance as on 31.03.2017
<b>Note 3:-Property, Plant and Equipment:</b> Impairment of Assets :	-	-	-	-	-
<b>Note 4:- Capital Work in Progress :</b> Against CWIP :	-	-	-	-	-
<b>Note 5:- Exploration And Evaluation Assets :</b> Provision and Impairment:	-	-	-	-	-
<b>Note 6:- Non Current Assets Held For Sale:</b> Provision :	-	-	-	-	-
<b>Note 8:- Loans :</b> Other Loans :	-	-	-	-	-
<b>Note 9:- Other Financial Assets:</b> Current Account with Subsidiaries : Claim receivables : Other Receivables :	-	-	-	-	-
<b>Note 10:- Other Non-Current Assets :</b> Exploratory Drilling Work : Against Security Deposit for Utilities:	-	-	-	-	-
<b>Note 11:- Other Current Assets :</b> Advances for Revenue : Advance Payment Against Statutory Dues: Other Deposits: Other Receivables:	-	-	-	-	-
<b>Note 12:-Inventories :</b> Stock of Coal : Stock of Stores & Spares :	-	-	-	-	-
<b>Note 13:-Trade Receivables :</b> Provision for bad & doubtful debts :	-	-	-	-	-
<b>Note 21 :- Non-Current &amp; Current Provision :</b> Performance related pay : Executive Pay Revision: NCWA-X: Mine Closure: Gratuity: Leave Encashment: Other Employee Benefits: Stripping Activity Adjustment Ex-Gratia Excise Duty on Closing Stock	-	-	-	-	-



*[Signature]*

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# **JHARKHAND CENTRAL RAILWAY LIMITED**

CIN: U45201JH2015GOI003139

(A JV between CCL, IRCON & Govt. of Jharkhand)

**(b) Segment Reporting**

Presently there is one single reportable segment.

**(c) Insurance and escalation claims**

Insurance and escalation claims are accounted for on the basis of admission/final settlement.

**(d) Provisions made in the Accounts**

Provisions made in the accounts against slow moving/non-moving/obsolete stores, claims receivable, advances, doubtful debts etc. are considered adequate to cover possible losses.

**(e) 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.

**(f) Current Liabilities**

Estimated liability has been provided where actual liability could not be measured.

**(g) Balance Confirmations**

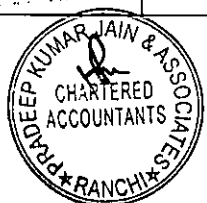
Balance confirmation/reconciliation is carried out for cash & bank balances, certain loans & advances, long term liabilities and current liabilities.

**(h) Value of imports on CIF basis**

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
(i) Raw Material	NIL	NIL
(ii) Capital Goods	NIL	NIL
(iii) Stores, Spares & Components	NIL	NIL

**(i) Expenditure incurred in Foreign Currency**

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Travelling Expenses	-	-
Training Expenses	-	-
Consultancy Charges	-	-
Interest	-	-
Stores and Spares	-	-
Capital Goods	-	-
Others	-	-



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# JHARKHAND CENTRAL RAILWAY LIMITED

CIN: U45201JH2015GOI003139

(A JV between CCL, IRCON & Govt. of Jharkhand)

## (j) Earning in Foreign Exchange:

Particulars	For the year ended 31.03.2017	For the year ended 31.03.2016
Travelling Expenses	-	-
Training Expenses	-	-
Consultancy Charges	-	-

## (k) Total Consumption of Stores and Spares

Particulars	For the year ended 31.03.2017		For the year ended 31.03.2016	
	Amount	% of total consumption	Amount	% of total consumption
(i) Imported Materials	-	-	-	-
(ii) Indigenous	-	-	-	-

## (l) Significant accounting policy

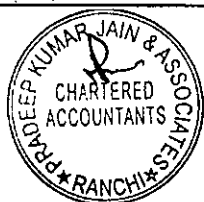
Significant accounting policy (Note-02) has been suitably modified / re-drafted over previous period, as found necessary to elucidate the accounting policies adopted by the Company in accordance with Indian Accounting Standards (Ind ASs) notified by Ministry of Corporate Affairs (MCA) under the Companies (Indian Accounting Standards) Rules, 2015.

The impact of change in accounting policy and other changes to comply with Ind AS in Net Profit is stated below:

## Reconciliation of Profit between IND AS and Previous Indian GAAP

(Amount in Rs.)

Sl. No.	Nature of Adjustments	Year ended 31.03.2016
	Net Profit as per previous Indian GAAP (after tax)	(11,160.00)
1	Re-measurement of Mine Closure Provision as per Ind AS 16 (Net of tax)	-
2	Actuarial loss/gain on re-measurement of employee defined benefit plan as per Ind AS 19 recognized in "Other Comprehensive Income" (Net of tax)	-
3	Effect of adjustments relating to Prior period (Net of tax)	(5,72,893.00)
	<b>Net Profit as per Ind AS (after tax) attributable to equity shareholders</b>	<b>(5,84,053.00)</b>
	Other Comprehensive Income (after tax)	-
	<b>Total Comprehensive Income as per Ind AS (after tax) attributable to equity shareholders</b>	<b>(5,84,053.00)</b>



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## **JHARKHAND CENTRAL RAILWAY LIMITED**

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**(A JV between CCL, IRCON & Govt. of Jharkhand)**

### **6. First time adoption of Ind AS:**

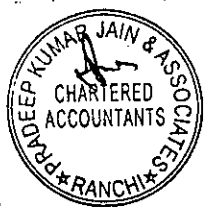
These financial statements, for the year ended 31 March 2017, are the first and the same has been prepared in accordance with Ind AS. For periods up to and including the year ended 31 March 2016, JCRL has prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (Indian GAAP). Accordingly, JCRL has prepared financial statements which comply with Ind AS applicable for periods ending on 31 March 2017, together with the comparative period data as at and for the year ended 31 March 2016, as described in the summary of significant accounting policies. In preparing these financial statements, JCRL's opening balance sheet was prepared as at 31.03.2016 (Date of formation of JCRL – 31.08.2015), the JCRL's date of transition to Ind AS. This note explains the principal adjustments made by the JCRL in restating its Indian GAAP financial statements, including the balance sheet as at 31.03.2016 and the financial statements as at and for the period ended 31 March 2016.

Exemptions applied Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. JCRL has applied the following exemptions:

#### **(i) Fair value measurement of financial assets or financial liabilities (Ind AS 101.D20)**

First-time adopters may apply Ind AS 109 to day one gain or loss provisions prospectively to transactions occurring on or after the date of transition to Ind AS. Therefore, unless a first-time adopter elects to apply Ind AS 109 retrospectively to day one gain or loss transactions, transactions that occurred prior to the date of transition to Ind AS do not need to be retrospectively restated.

As a first time adopter of Ind AS, the company has opted to apply Ind AS 109 prospectively.



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# JHARKHAND CENTRAL RAILWAY LIMITED

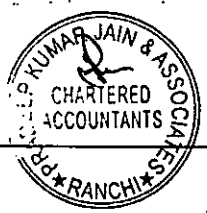
CIN: U45201JH2015GOI003139

(A JV between CCL, IRCON & Govt. of Jharkhand)

Reconciliation of equity as at 31<sup>st</sup> March, 2016 (date of transition to Ind AS)

(Amount in Rs.)

	Foot Note	Indian GAAP	Adjustment	Ind AS
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
(a) Property, Plant & Equipments				
(b) Capital Work in Progress				
(c) Exploration and Evaluation Assets				
(d) Investment Property				
(e) Intangible Assets				
(f) Intangible Assets under Development				
(g) Non-Current Assets Held for Sale				
(h) Financial Assets				
(i) Investments				
(ii) Loans				
(iii) Other Financial Assets				
(i) Deferred Tax Assets (net)				
(j) Other non-current assets				
Total Non-Current Assets (A)				
<b>Current Assets</b>				
(a) Inventories				
(b) Financial Assets				
(i) Investments				
(ii) Trade Receivables				
(iii) Cash & Cash equivalents				
(iv) Other Bank Balances				
(v) Loans				
(vi) Other Financial Assets				
(c) Current Tax Assets (Net)				
(d) Other Current Assets				
Total Current Assets (B)				
Total Assets (A+B)				



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**JHARKHAND CENTRAL RAILWAY LIMITED**

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EQUITY AND LIABILITIES	Foot Note	Indian GAAP	Adjustment	Ind AS
<b>Equity</b>				
(a) Equity Share Capital				
(b) Other Equity		(5,84,053)		(5,84,053)
Equity attributable to equity holders of the company				
Non-Controlling Interests				
<b>Total Equity (A)</b>		(5,84,053)		(5,84,053)
<b>Liabilities</b>				
<b>Non-Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade Payables				
(iii) Other Financial Liabilities				
(b) Provisions				
(c) Other Non-Current Liabilities		5,84,053		5,84,053
<b>Total Non-Current Liabilities (B)</b>		5,84,053		5,84,053
<b>Current Liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings				
(ii) Trade payables				
(iii) Other Financial Liabilities				
(b) Other Current Liabilities				
(c) Provisions				
<b>Total Current Liabilities (C)</b>				
<b>Total Equity and Liabilities (A+B+C)</b>				





# JHARKHAND CENTRAL RAILWAY LIMITED

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(A JV between CCL, IRCON & Govt. of Jharkhand)

Reconciliation of profit or Loss for the year ended 31.03.2016

(Amount in Rs.)

	Foot Note	Indian GAAP	Adjustments	Ind AS
Revenue from Operations				
Sales (Net)				
Other Operating Revenue (Net)				
Revenue from Operations (A+B)				
Other Income				
Total Income (I+II)				
EXPENSES				
Cost of Materials Consumed				
Changes in inventories of finished goods/work in progress and Stock in trade				
Employee Benefits Expense				
Power Expense				
Corporate Social Responsibility Expense				
Repairs				
Contractual Expense				
Finance Costs				
Depreciation/Amortization/ Impairment expense				
Provisions				
Write off				
Stripping Activity Adjustment				
Other Expenses		11,160	5,72,893	5,84,053
Total Expenses (IV)		11,160	5,72,893	5,84,053
Profit before Tax (V-VI)				
Tax expense				
Profit for the Period (IX+XII+XIII)		(11,160)	(5,72,893)	(5,84,053)
Other Comprehensive Income				
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				
Total Other Comprehensive Income				
Total Comprehensive Income for the period (XIV+XV) (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(11,160)	(5,72,893)	(5,84,053)



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**JHARKHAND CENTRAL RAILWAY LIMITED**

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**Note: The Adjustment of Rs.5,72,893/- is due to "Preliminary expenses written off" (100%) in the year 2015-16 with retrospective effect from 31.03.2016 as per IND AS.**

**(ii) Others**

- a) Previous period's figures have been restated as per Ind AS and re-grouped and rearranged wherever considered necessary.
- b) Note 3 to 23 form part of the Balance Sheet as at 31<sup>st</sup> March, 2017 and 24 to 37 form part of Statement of Profit & Loss for the year ended on that date. Note – 02 represents Significant Accounting Policies and Note – 38 represents Additional Notes to the Financial Statements.
- c) Theft of goods during the period is Nil (Previous Year Nil)

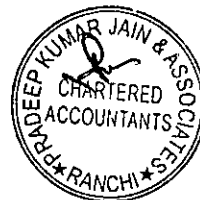
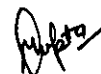


## **JHARKHAND CENTRAL RAILWAY LIMITED**

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7. Consequent upon supplementary audit conducted by the office of the Comptroller and Auditor General of India under section 143 (6) (a) of the Companies Act 2013, the financial statements of the Company, adopted by the Board in the meeting held on 21.04.2017, have been revised resulting in accounting / increase in Capital Work –in- Progress and Other–Non Current Liabilities by Rs. 175.58 crore, disclosure of the status of specified bank notes transacted during the period 08 November 2016 to 30 December 2016 and deletion/ modification of irrelevant information.



**JHARKHAND CENTRAL COALFIELDS LIMITED**  
**(A JV BETWEEN CCL, IRCON & GOVT. OF JHARKHAND)**

**Note: 1 CORPORATE INFORMATION**

Jharkhand Central Railway Limited (JCRL), CCL Darbhanga House, Ranchi, has been formed on 31-08-2015 as a Joint Venture Company between Central Coalfields Limited (CCL), IRCON International Limited and Government of Jharkhand. The shareholding pattern of the Company is as under:

Name of the Promoter Entities	Share Holding Pattern
Central Coalfields Limited	64%
IRCON International Limited	26%
Government of Jharkhand	10%

The basic objective of the Company is to build, construct, operate and maintain identified Rail Corridor Projects that are critical for evacuation of coal from mines in the State of Jharkhand which shall be used for both freight and passenger services and to develop required rail infrastructure including to construct railway lines together with all related facilities etc.

**Note 2: SIGNIFICANT ACCOUNTING POLICIES**

Jharkhand Central Railway Limited (JCRL), CCL Darbhanga House, Ranchi, has adopted significant Accounting policies of CIL to the extent applicable to it.

Accordingly, the accounts of JCRL has been prepared as per IND AS.

**2.1 Basis of preparation**

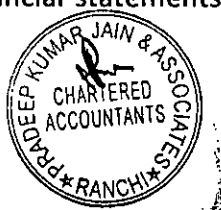
The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015.

For all periods up to and including the year ended 31<sup>st</sup>March 2016, the Company prepared its financial statements in accordance with Accounting Standards (AS) notified under section 133 of the Companies Act 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and in accordance with companies (Accounting Standards), Rules 2006 (erstwhile - Indian GAAP). These financial statements for the year ended 31<sup>st</sup>March 2017 are the first financial statements of the Company prepared in accordance with Ind AS.

The financial statements have been prepared on historical cost basis, except for certain financial assets and liabilities measured at fair value.

**2.1.1 Rounding of amounts**

Amounts in these financial statements, unless otherwise indicated, have been rounded off to 'rupees.



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**JHARKHAND CENTRAL COALFIELDS LIMITED**  
**(A JV BETWEEN CCL, IRCON & GOVT. OF JHARKHAND)**

**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 when:

- (a) it expects to realise 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 realise 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.

An entity shall classify a liability as current 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.

**2.3 Revenue recognition**

**2.3.1 Interest**

Interest income is recognised using the Effective Interest Method.

**2.3.2 Dividend**

Dividend income from investments is recognised when the rights to receive payment is established.

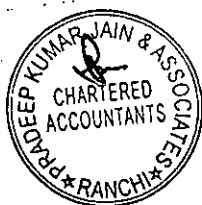
**2.3.3 Other Claims**

Other claims (including interest on delayed realization from customers) are accounted for, when there is certainty of realisation.

**2.3.4 Rendering of Services**

When the outcome of a transaction involving the rendering of services can be estimated reliably, revenue associated with the transaction is recognised with reference to the stage of completion of the transaction at the end of the reporting period. 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



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- (d) the costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

#### **2.4 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 the grants will be received.

Government grants are recognised in Statement of Profit & Loss on a systematic basis over the periods in which the company recognises as expenses the related costs against 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.

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

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

#### **2.5 Leases**

A **finance lease** is a lease that transfers substantially all the risks and rewards incidental to ownership of an asset. Title may or may not eventually be transferred.

An **operating lease** is a lease other than a finance lease.

##### **2.5.1 Company as a lessee**

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

**2.5.1.1 Finance leases** are capitalised at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company's general policy on the borrowing costs.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

**2.5.1.2 Operating lease-** Lease payments under an operating lease is recognised as an expense on a straight-line basis over the lease term unless either:

- (a) another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or



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**JHARKHAND CENTRAL COALFIELDS LIMITED**  
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(b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

**2.5.2 Company as a lessor**

**Operating leases:-** Lease income from operating leases (excluding amounts for services such as insurance and maintenance) is recognised in income on a straight-line basis over the lease term, unless either:

- (a) another systematic basis is more representative of the time pattern in which use benefit derived from the leased asset is diminished, even if the payments to the lessors are not on that basis; or
- (b) the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary according to factors other than inflation, then this condition is not met. .

Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised as an expense over the lease term on the same basis as lease income.

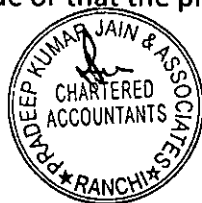
**Finance leases:-** Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

**2.6 Non-current assets held for sale**

The Company classifies non-current assets and (or disposal Groups) as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

For these purposes, sale transactions include exchanges of non-current assets for other non-current assets when the exchange has commercial substance. The criteria for held for sale classification is regarded met only when the assets or disposal company is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets (or disposal Groups), its sale is highly probable; and it will genuinely be sold, not abandoned. The company treats sale of the asset or disposal company to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset (or disposal Group),
- An active programme to locate a buyer and complete the plan has been initiated
- The asset (or disposal Group) is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely those significant changes to the plan will be made or that the plan will be withdrawn.



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**2.7 Property, Plant and Equipment (PPE)**

Land is carried at historical cost. Historical cost includes expenditure which are directly attributable to the acquisition of the land like, rehabilitation expenses, resettlement cost and compensation incurred for concerned displaced persons etc.

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 an entity 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.

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 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 for the '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 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 derecognition 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 continued 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**

: 3-60 years

**Roads**

: 3-10 years

**Telecommunication**

: 3-9 years

**Railway Sidings**

: 15 years



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**JHARKHAND CENTRAL COALFIELDS LIMITED**  
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Plant and Equipment	: 5-15 years
Computers and Laptops	: 3 Years
Office equipment	: 3-6 years
Furniture and Fixtures	: 10 years
Vehicles	: 8-10 years

The residual value of Property, plant and equipment is considered as 5% of the original cost of the asset except some items of assets.

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

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

Value of "Other Lands" includes land acquired under Coal Bearing Area (Acquisition & Development) (CBA) Act, 1957, Land Acquisition Act, 1894, Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation and Resettlement (RFCTLAAR) Act, 2013, Long term transfer of government land etc, which is amortised on the basis of the balance life of the project; and in case of Leasehold land such amortisation is based on lease period or balance life of the project whichever is lower.

Fully depreciated assets, 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 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.

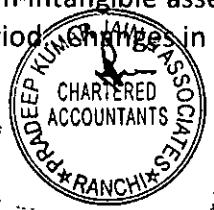
*Transition to Ind AS*

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.

## **2.8 Intangible Assets**

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation (calculated on a straight-line basis over their useful lives) and accumulated impairment losses, if any.

Internally generated intangibles, excluding capitalised development costs, are not capitalised. Instead, the related expenditure is recognised in the statement of profit or 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.



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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 or loss.

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

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss

Cost of Software recognized as intangible asset, is amortised on straight line method over a period of legal right to use or three years, whichever is less; with a nil residual value.

## **2.9 Impairment of 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. Company considers individual mines as separate cash generating units for the purpose of test of impairment.

## **2.10 Investment Property**

Property (land or a building or part of a building or both) held to earn rentals or for capital appreciation or both, rather than for, use in the production or supply of goods or services or for administrative purposes; or sale in the ordinary course of businesses are classified as investment property.

Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs.

Investment properties are depreciated using the straight-line method over their estimated useful lives.

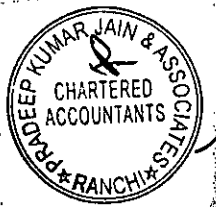
## **2.11 Financial Instruments**

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.

### **2.11.1 Financial assets -**

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

All financial assets are recognised initially at fair value, in the case of financial assets not recorded at fair value through profit or loss, plus 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)



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are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

**2.11.2 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)

**2.11.2.1 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.

**2.11.2.2 Debt instrument at FVTOCI**

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

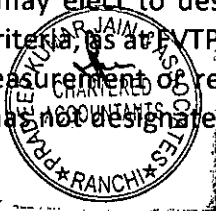
- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

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.

**2.11.2.3 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.



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

**2.11.2.4 Other Equity Investment**

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

For all other equity instruments, 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.

If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

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

**2.11.2.5 Derecognition**

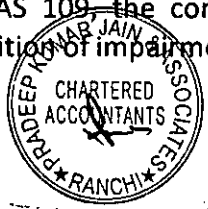
A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognised (i.e. removed from the Company's consolidated balance sheet) when:

- 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.

**2.11.2.6 Impairment of financial assets**

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:



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- 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 17.
- 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 11 and Ind AS 18.

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 17

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.

### **2.11.3 Financial liabilities**

#### **2.11.3.1 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.

#### **2.11.3.2 Subsequent measurement**

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

#### **2.11.3.3 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.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses attributable to changes in own credit risk are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit or loss. The company has not designated any financial liability as at fair value through profit and loss.



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**2.11.3.4 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. This category generally applies to borrowings.

**2.11.3.5 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.

**2.11.4 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	FVTPL	Fair value is measured at reclassification date. Difference between previous amortised cost and



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		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.

#### 2.11.5 Offsetting of financial instruments

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

#### 2.12. 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 those asset up to the date when the qualifying asset is ready for its intended use.

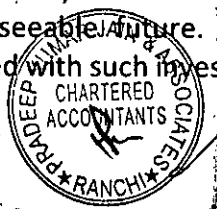
#### 2.13 Taxation

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



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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.

## **2.14 Employee Benefits**

### **2.14.1 Short-term Benefits**

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

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

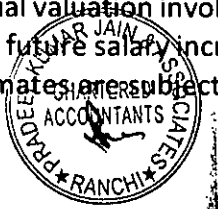
#### **2.14.2.1 Defined contributions plans**

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 (Coal Mines Provident Fund) 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.

#### **2.14.2.2 Defined benefits plans**

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. Gratuity, leave encashment are defined benefit plans (with ceilings on benefits). 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 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





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balance sheet by an actuary using the projected unit credit method. When the calculation results in to 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 comprise 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 expense immediately in the statement of profit and loss.

#### **2.14.3 Other Employee benefits**

Certain other employee benefits namely benefit on account of LTA, LTC, Life Cover scheme, Company personal Accident insurance scheme, settlement allowance, post-retirement medical benefit scheme and compensation to dependents of deceased in mine accidents etc., are also recognised on the same basis as described above for defined benefits plan. These benefits do not have specific funding.

#### **2.15 Foreign Currency**

The company's reported currency and the functional currency for majority of its operations is in Indian Rupees (INR) being the principal currency of the economic environment in which it operates.

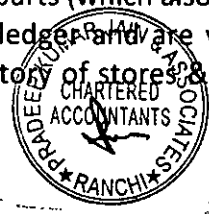
Transactions in foreign currencies are converted into the reported currency of the company using the exchange rate prevailing at the transaction date. Monetary assets and liabilities denominated in foreign currencies outstanding at the end of the reporting period are translated at the exchange rates 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.

#### **2.16 Inventories**

##### **2.16.1 Stores & Spares**

The Stock of stores & spare parts (which also includes loose tools) are considered as per balances appearing in priced stores ledger and are valued at cost calculated on the basis of weighted average method. The inventory of stores & spare parts lying at collieries / sub-stores / drilling



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camps/ consuming centres are considered at the year end only as per physically verified stores and are valued at cost.

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.

#### **2.16.2 Other Inventories**

Workshop jobs including work-in-progress are valued at cost. Stock of press jobs (including work in progress) and stationary at printing press and medicines at central hospital are valued at cost. However, Stock of stationery (other than lying at printing press), bricks, sand, medicine (except at Central Hospitals), aircraft spares and scraps are not considered in inventory considering their value not being significant.

#### **2.17 Provisions, Contingent Liabilities & 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.

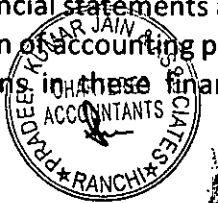
Contingent Assets are not recognised in the financial statements. However, when the realisation of income is virtually certain, then the related asset is not a contingent asset and its recognition is appropriate.

#### **2.18 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.

#### **2.19 Judgements, Estimates and Assumptions**

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements 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



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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 estimate 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.

**2.19.1 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 financial statements:

**2.19.1.1 Formulation of Accounting Policies**

Accounting policies are formulated in a manner that result 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 judgement 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:
  - (i) represent faithfully the financial position, financial performance and cash flows of the entity;
  - (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

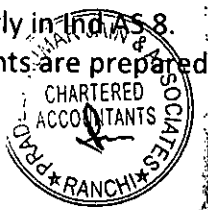
In making the judgement management refers to, and considers the applicability of, the following sources in descending order:

- (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 judgement, management considers the most recent pronouncements of International Accounting Standards Board and in 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 sources in above paragraph.

The company operates in the mining sector (a sector where the exploration, evaluation, development production phases are based on the varied topographical and geo-mining terrain spread over the lease period running over decades and prone to constant changes), the accounting policies whereof have evolved based on specific industry practices supported by research committees and approved by the various regulators owing to its consistent application over the last several decades. 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.

The financial statements are prepared on going concern basis using accrual basis of accounting.



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**Security Deposits:-**

The group considers that the "Security Deposits" does not include a significant financing component. The milestone payments (security deposits) coincide with the company's performance and the contract requires amounts to be retained for reasons other than the provision of finance. The withholding of a specified percentage of each milestone payment is intended to protect the interest of the company, from the contractor failing to adequately complete its obligations under the contract'. Accordingly transaction cost of Security deposit is considered as fair value at initial recognition and subsequently measured at amortised cost.

**2.19.1.2 Materiality**

Ind AS applies to items which are material. Management uses judgment in deciding whether individual items or Groups of item are material in the financial statements. Materiality is judged by reference to the size and nature of the item. The deciding factor is whether omission or misstatement could individually or collectively influence the economic decisions that users make on the basis of the financial statements. Management also uses judgement of materiality for determining the compliance requirement of the Ind AS. In particular circumstances either the nature or the amount of an item or aggregate of items could be the determining factor. Further an entity may also be required to present separately immaterial items when required by law.

**2.19.1.3 Operating lease**

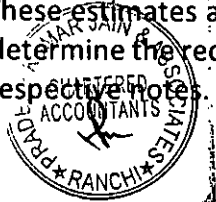
Company has entered into lease agreements. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the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

**2.19.2 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 consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

**2.19.2.1 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. 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. These estimates are most relevant to other mining infrastructures. The key assumptions used to determine the recoverable amount for the different CGUs, are disclosed and further explained in respective notes.



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**JHARKHAND CENTRAL COALFIELDS LIMITED**  
**(A JV BETWEEN CCL, IRCON & GOVT. OF JHARKHAND)**

**2.19.2.2 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. Further details on taxes are disclosed in Note 38.

**2.19.2.3 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.

**2.19.2.4 Fair value measurement of financial instruments**

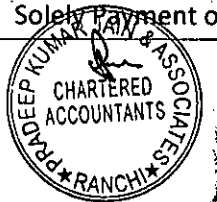
When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

**2.19.2.5 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 by Central Mine Planning and Design Institute Limited.

**2.20 Abbreviation used:**

a.	CGU	Cash generating unit
b.	DCF	Discounted Cash Flow
c.	FVTOCI	Fair value through Other Comprehensive Income
d.	FVTPL	Fair value through Profit & Loss
e.	GAAP	Generally accepted accounting principal
f.	Ind AS	Indian Accounting Standards
g.	OCI	Other Comprehensive Income
h.	P&L	Profit and Loss
i.	PPE	Property, Plant and Equipment
j.	SPPI	Solely Payment of Principal and Interest



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