

NOTICE

Notice is hereby given that the 6th Annual General Meeting of the members of Jindal Rail Infrastructure Limited will be held on Tuesday, the 24th day of September, 2013 at 28, Shivaji Marg, New Delhi – 110015 at 2.00 PM to transact the following business:

AS ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet of the Company for the Financial Year ended on 31st March, 2013 and the statement of Profit and Loss account for the year ended on that date along with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Sminu Jindal who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint a Director in place of Mr. Sunil Kumar Jain who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors and fix their remuneration by passing the following resolution as an Ordinary Resolution with or without modification(s):

"RESOLVED THAT M/s. N.C. Aggarwal & Co., Chartered Accountants be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting for auditing the accounts of the company for the financial year 2013-2014 at such remuneration as may be determined by the Board of Directors of the company".

AS SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modifications, the following Resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Amit Bajpai who has been appointed as an Additional Director of the Company by the Board of Directors under section 260 of the Companies Act, 1956 and who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received Notice in writing, under section 257 of the Companies Act, 1956 from a member signifying his intention to propose him as a candidate for the office of a Director of the Company, be and is hereby appointed as Director of the Company."

BY ORDER OF THE BOARD OF DIRECTORS



.....
MEGHA GUPTA
COMPANY SECRETARY

Place: New Delhi

Date: 29th August, 2013

NOTES:

1. A member entitled to attend and vote at the Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company. Proxy in order to be effective must be received by the Company not less than 48 hours before the meeting.
2. Explanatory Statement under Section 173(2) of the Companies Act, 1956 relating to Special Business to be transacted at the meetings annexed hereto.

EXPLANATORY STATEMENT

(Pursuant to Section 173(2) of the Companies Act, 1956)

ITEM NO. 4:

The Board of Directors of the Company had appointed Mr. Amit Bajpai as an Additional Director as per section 260 of the Companies Act, 1956 w.e.f. 23rd May, 2013 and as such he holds office upto the date of this Annual General Meeting. A notice under Section 257 of Companies Act, 1956 has been received by the Company from a member signifying his intention to propose the candidature of Mr. Amit Bajpai for appointment as Director in this behalf.

None of the Directors except Mr. Amit Bajpai is concerned or interested in the Resolution.

The Board of Directors recommends passing of the proposed resolution as an Ordinary Resolution.

BY ORDER OF THE BOARD OF DIRECTORS



.....
MEGHA GUPTA
COMPANY SECRETARY

Place: New Delhi

Date: 29th August, 2013

JINDAL RAIL INFRASTRUCTURE LIMITED

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the 6th Annual Report of the Company together with the Audited Statement of Accounts comprising of Balance Sheet as at 31st March, 2013.

Financial Results

Particulars	Current Year (Rs.)	Previous Year (Rs.)
Paid up Capital	19,15,03,000	19,15,03,000
Share application money, pending allotment	15,68,83,816	2,00,000
Reserves & Surplus	290,534,553	38,20,06,000
Fixed Assets	1,47,06,83,202	1,32,71,25,056
Current Assets	1,29,55,77,630	34,93,97,040
Current Liabilities	1,25,48,11,220	32,00,34,521
Profit/(Loss) for the year	(91,471,447)	--
Revenue	452,136,433	--
Earning per share	(4.78)	--

Review of operations

Your Company has set up a state-of-art facility, comparable to the best available internationally, for manufacture of Railway Freight Wagons and heavy engineering components at Karjan in Vadodara District of Gujarat. The Plant has a capacity to manufacture 3000 wagons per annum. The manufacturing facilities & infrastructure at the plant include robotic welding systems & a large number of NC/CNC metal cutting and metal forming machines.

Your Company has an excellent team of qualified technicians, engineers and managers with extensive experience in heavy engineering and fabrication industry. Our thrust areas are Safety, Quality and Constant Improvement. JRIL has been awarded certification to G-105 Standard by Ministry of Railways for Open, Covered and Flat Wagons. Your Company is also accredited with ISO 9001:2008, ISO 14001:2004 and BS OHSAS 18001:2007 certifications. Recently, Company has been approved by DLW & ICF for medium to heavy fabrication work.

Your Company has successfully executed an order from the Ministry of Railways for manufacture and supply of 250 nos. stainless steel BOXNHL wagons. The order has been completed well before the stipulated delivery period and the wagons manufactured by the Company have been awarded the highest wagon quality ratings by RDSO among all wagon manufacturers. Presently, we are executing an export order for Gondola type coal wagons to Mozambique. The order is expected to be completed during the second quarter of Financial Year 2013-14.

Dividend

No dividend is being declared or paid during the financial year under review.

Public Deposits

The Company has not accepted any Deposits within the meaning of Section 58A of the Companies Act, 1956 and the Rules made there under.

Directors

During the year Mr. Amit Bajpai has been appointed as an Additional Director w.e.f 24th May, 2013, whose appointment shall come to an end at the forth coming Annual General Meeting and is proposed to be regularized in the forthcoming Annual General Meeting. The Company has received notice from a member pursuant to Section 257 of the Companies Act, 1956, signifying his intention to propose the candidature of Mr. Amit Bajpai for the office of Director.

In terms of the provisions of Section 256 of the Companies Act, 1956, Ms. Sminu Jindal and Mr. Sunil Jain shall retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment.

Directors Responsibility Statement

Pursuant to Section 217 (2AA) of the Companies Act, 1956, for the Financial Year 2012-13, your Directors report as under:-

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures (if any);
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the company for that period;
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) that the directors had prepared the annual accounts on a going concern basis.

Conservation of Energy, Technology Absorption, Foreign Exchange Earning And Outgo

As required under Section 217(1)(e) of the Companies Act, 1956, read with Rule 2 of the Companies (Disclosures of Particulars in the Report of the Board of Directors) Rules, 1988, information relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is enclosed as Annexure A.

Auditors

M/s. N.C. Aggarwal & Company, Chartered Accountants, Auditors of the Company will retire at the forthcoming Annual General Meeting, and are eligible for re-appointment. A Certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

Audit Committee

Your Company has an Audit Committee with the following composition:

1. Mr. Sunil Kumar Jain
2. Mr. Arun Kumar Khosla
3. Ms. Amit Bajpai

The Committee met at regular intervals to take up the matter as envisaged in Section 292A of the Companies Act, 1956.

Particulars of Employees

A statement containing the required particulars of employees as stipulated under Section 217(2A) of the Companies (Particulars of Employees) Rules, 1975, is as below:

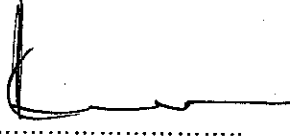
Name	Designation	Age (years)	Remuneration (Per Month)	Qualifications	Experience (years)	Date of commencement of employment	Previous employment
Mr. Arun Kumar Khosla	Whole-Time Director	52	Rs. 5,26,770	B.E. (Mech) & MBA	29	01/12/2009	Northern Railways

1. Remuneration includes salary, allowances, Co's contribution to the Provident Fund, Superannuation, Gratuity Funds and value of other perquisites on the basis of the Income Tax Act, 1961.
2. The employees referred aforesaid, are not the relative of any director or manager of the Company.
3. All the appointments in relation to the aforesaid employee is Non-contractual.
4. The employees referred aforesaid; do not hold any equity share whether directly or indirectly in the company.

Acknowledgement

The Board of Directors of the Company wish to place on record their thanks and appreciation to all the staff members and executives for their contribution to the operations of the company. The Directors also place on record their sincere thanks to the shareholders for their continued support, co-operation and confidence in the Management of the Company.

On behalf of the Board of Directors
Jindal Rail Infrastructure Limited


.....
Arun Kumar Khosla
Whole-time Director AK


.....
Amit Bajpai
Director

Place: New Delhi
Dated: 23rd May, 2013

Annexure A

Information as per Section 217(1)(e) of the Companies Act, 1956 read with companies (disclosure of particulars in the Report of Board of Directors) Rules, 1988 as part of the Directors' Report for the year ended 31st March, 2013.

I. Conservation of Energy

a) Energy conservation measures taken:

- I. Optimization in Plant Lighting done
- II. Optimization of Plant office Air-conditioning done

b) Additional investments and proposals, if any, being implemented for reduction of consumption of energy: An additional investment of Rs. Rs. 29,859.00 was made during the financial year 2012-13.

c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods;

The impact of measures taken at point (a) and (b) has resulted in total conservation of energy amounting to Rs. 5,00,000 within three months.

d) Total energy consumption and energy consumption per unit of production as per Form A provided in the Attachment in respect of industries specified in the Schedule thereto:

A. Power and fuel consumption			
		Current year	Previous Year
1	Electricity		
	Purchased Unit-	765435	323676
	Total Amount	Rs. 6000946	Rs. 2603688
	Rate/Unit	Rs. 8.52	Rs. 9.05
	Own Generation		
	Through Diesel Generator		
	Units	2500	--
	Units per Litre of fuel oil/gas	2.7	--
	Cost/Units	19.91	--
	Rate/unit		
B. Consumption per unit of production			
	Products (With details) unit BOXNHL Wagons	250	NIL
	Electricity	470168	NIL
	Per Unit	1881	NIL

II. Technology Absorption

A. Research and development (R & D) :

1. Specific areas in which R & D carried out by the company: The Company has designed and developed Gondola type open box wagon with Scheffel HS Mark VII bogies and AAR direct release brake system. Its tare weight is 20 T and has a pay load capacity of 60 T. As it is fitted

with rotary coupler at one end, the unloading can be quickly and easily done by overturning the wagon which makes it most suitable for transportation of coal, iron ore etc.

2. Benefits derived as a result of the above R&D : We have been awarded a export contract for manufacture, supply and maintenance of 100 such wagons for their use in Mozambique.

3. Future plan of action: The Company looks forward to sell the product in the African market which has huge demand for rolling stock.

4. Expenditure on R & D:

(a)	Capital	Rs 1,02,00,000/
(b)	Recurring	Nil
(c)	Total	Rs. 102,00,000/-
(d)	Total R & D expenditure as a percentage of total turnover:	2.04%

III. Technology, absorption, adaptation and innovation

1. Efforts, in brief, made towards technology absorption, adaptation and innovation- We have adopted Robotic welding system for under frame components, door, body side wall and body end wall.

2. Benefits derived as a result of the above efforts, e.g., product improvement, cost reduction, product development, import substitution, etc. - It assures consistency in unmatched quality of welding with repeatability. As a result, our wagons are rated the best by RDSO, in terms of quality.

IV. Foreign Exchange Earnings and Outgo

- a) Activities relating to exports, initiatives taken to increase exports, développement of new export markets for products and services.
Continued drive is being made to increase exports and to develop new export markets.
- b) Total foreign exchange used and earned:
Used: USD 18,51,835.85
Earned: USD 8,21,845.49

On behalf of the Board of Directors
Jindal Rail Infrastructure Limited


.....
Arun Kumar Khosla
Whole-time Director


.....
Amit Bajpai
Director

Place: New Delhi
Dated: 23rd May, 2013

AUDITORS' REPORT

To
The Members of Jindal Rail Infrastructure Limited

Report on the Financial Statements

We have audited the accompanying financial statements of **Jindal Rail Infrastructure Limited**, which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements 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 estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations 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:

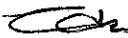
- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) In the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N


G. K. Aggarwal
Partner
Membership No. 08662
Date: 23rd May, 2013
Place: New Delhi



Annexure to Auditors' Report

Referred to in Paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirements" of our report of even date.

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the management during the year and we are informed that no serious discrepancies have been noticed by the management on such verification.
- (c) No fixed assets were disposed off during the year.
- (ii) (a) As explained to us, the management during the year has physically verified inventories. In our opinion, the frequency of verification is reasonable.
- (b) According to the information and explanation given to us, the procedures of physical verification of stock followed by the management are reasonable and adequate in relation to the size of the Company and the nature of the business.
- (c) On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of the inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.
- (iii) (a) As informed, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly paragraphs (iii) (b), (c) and (d) of the Order, are not applicable.
- (b) The Company has not taken any loans from parties listed under the register maintained under Section 301 of the Companies Act, 1956. Accordingly, paragraphs (iii) (f) and (g) of the Order are not applicable.
- (iv) In our opinion and according to information and explanations given to us, having regard to the explanation that some of the items purchased are of special nature and suitable alternative sources do not exist for obtaining comparable quotations, there are adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventories, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanations provided to us by the management, during the year, no contracts or arrangements with the parties referred to in section 301 of the Act have been entered into. Accordingly, paragraph (v) (b) of the Order is not applicable.
- (vi) The Company has not accepted any deposits from the public to which the provisions of Section 58A, 58AA or any other relevant provisions of the companies Act, 1956 and the companies (Acceptance of Deposit) Rules, 1975 apply.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and the nature of the business. However, the same needs to be enlarged.
- (viii) We have broadly reviewed the books of accounts maintained by the company pursuant to the Rules made by the Central Government for the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 in respect of the company's products and are of the opinion that, prime facie, the prescribed records have been made and maintained. We have, however, not made a detailed examination of records with a view to determine whether they are accurate or complete.



N.C. AGGARWAL & CO.
CHARTERED ACCOUNTANTS

- (ix) (a) To the best of our knowledge and as explained, the Company is generally regular in depositing with the appropriate authorities all statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth-tax, service tax, customs duty, excise duty, Cess etc. where there are applicable. There are no arrears as at 31st March, 2013 for a period of more than six months from the date they become payable.
- (b) According to the information and explanation given to us, there are no dues in respect of provident fund, employees' state insurance, sales tax, excise, Service tax, entry tax, income tax and custom duty, which have not been deposited on account of any dispute.
- (x) The Company's accumulated losses at the year end, i.e. as at March 31, 2013 is not more than fifty per cent of its net worth. The Company has incurred cash loss during the current financial year ended March 31, 2013. This being the first accounting year after commencement of operation and was therefore, no statement of profit and loss for previous year ended 31st March, 2012.
- (xi) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to the bank.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- (xiv) According to the records of the Company examined by us and the information and explanations given to us, the Company, during the year, has not dealt with/traded in shares, securities and other investments.
- (xv) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) According to the information and explanation furnished to us, the term loan taken from bank have been applied for the purpose for which they were received, other than temporary deployment pending application.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, in our opinion, there are no funds raised on short term basis which have been used for long term investment.
- (xviii) The Company has not made any preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Act.
- (xix) The company has not issued any debentures .Hence, clause (xix) of Order is not applicable.
- (xx) The company has not made any public issue during the year.



N.C. AGGARWAL & CO.
CHARTERED ACCOUNTANTS

- (xxi) During the course of our examination of the books and records of the company, and according to the information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For N.C. Aggarwal & Co.
Chartered Accountants
Firm Registration No. 003273N



G. K. Aggarwal
Partner
Membership No. 086622
Date: 23rd May, 2013
Place: New Delhi



Jindal Rail Infrastructure Limited
Balance Sheet as at 31st March, 2013

(Amount in Rs.)

Particulars	Note No	As at 31st March 2013	As at 31st March 2012
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	191,503,000	191,503,000
(b) Reserves and Surplus	2	290,534,553	382,006,000
(2) Share Application money pending allotment	3	156,883,816	200,000
(3) Non-current liabilities			
(a) Long-term borrowings	4	1,060,513,957	983,401,851
(b) Long-term provisions	5	2,558,246	2,592,553
(4) Current liabilities			
(a) Short-term borrowings	6	102,863,168	97,906,797
(b) Trade payables	7	22,092,873	51,901,563
(c) Other current liabilities	8	1,129,699,374	170,135,164
(d) Short-term provisions	9	155,805	90,997
Total Equity and Liabilities		2,956,804,792	1,879,737,925
II. ASSETS			
(1) Non-current assets			
(a) Fixed Assets	10		
(i) Tangible assets		1,467,635,652	183,939,920
(ii) Intangible assets		3,047,550	-
(iii) Capital work-in-progress		-	1,143,185,136
(b) Non-current investments	11	100,000,000	100,000,000
(c) Deferred tax assets (net)	12	45,632,832	-
(d) Long-term loans and advances	13	44,543,128	102,755,829
(e) Other non-current assets	14	368,000	460,000
(2) Current assets			
(a) Current investments	15	-	12,325,137
(b) Trade receivables	16	2,660,411	-
(c) Inventories	17	140,050,230	142,004,054
(d) Cash and Bank Balances	18	1,078,555,597	58,443,082
(e) Short-term loans and advances	19	73,025,789	136,228,121
(f) Other current assets	20	1,285,603	396,646
Total Assets		2,956,804,792	1,879,737,925

Significant accounting policies and notes to the financial statements

30

In terms of our report of even date annexed hereto

For N.C. AGGARWAL & CO.
Chartered Accountants
Firm Registration No. 003273N

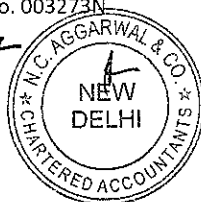
G.K.AGGARWAL

Partner

M.No.086622

Place: New Delhi

Dated: 23rd May, 2013



For and on behalf of the Board Of Directors of
Jindal Rail Infrastructure Limited

Arun Kumar Khosla

Whole Time Director

Megha Gupta

Company Secretary

Amit Bajpai

Director

Jindal Rail Infrastructure Limited

Statement of Profit and Loss for the year ended 31st March 2013

(Amount in Rs.)

Particulars	Note No.	Period ended 31st March 2013
Income		
Revenue from operations (Gross)	21	460,968,921
Less :- Excise duty		15,100,365
Revenue from operations (Net)		445,868,556
Other income	22	6,267,877
Total revenue		452,136,433
Expenses		
Cost of materials consumed	23	422,429,420
Changes in inventories of finished goods, work in progress and stock in trade	24	(100,655,769)
Employee benefits expense	25	46,623,597
Finance costs	26	146,415,215
Depreciation and amortisation expense	27	46,162,821
Manufacturing Expenses	28	7,672,911
Other expenses	29	20,592,517
Total Expense		589,240,711
Profit/(Loss) for the year before taxation		(137,104,278)
Tax expenses		
Current Tax		
Deferred Tax		(45,632,832)
Total tax expense		(45,632,832)
Profit/(loss) for the year after Taxation		(91,471,447)
Earnings per equity share of Face value of Rs.10/- each		
Basic		(4.78)
Diluted		(4.78)

Significant accounting policies and notes to the financial statements

30

In terms of our report of even date annexed hereto

For N.C. AGGARWAL & CO.
Chartered Accountants
Firm Registration No. 003273N

G.K.AGGARWAL

Partner

M.No.086622

Place: New Delhi

Dated: 23rd May,2013



For and on behalf of the Board Of Directors of
Jindal Rail Infrastructure Limited

Arun Kumar Khosla

Whole Time Director

Amit Bajpai

Director

Megha Gupta

Company Secretary

Jindal Rail Infrastructure Limited
Cash Flow Statement for the year ended March 31, 2013

(Amount In Rs.)

	For the year ended 31st March,2013	For the Year ended 31st March,2012
A. CASH FLOWS FROM OPERATING ACTIVITIES:		
Operating profit before working capital changes (a)	(137,104,278)	-
Adjustment for:		
Depreciation	46,162,821	-
Interest paid	140,610,049	-
Dividend received	(491,822)	-
Interest received	(5,776,055)	-
Preliminary Expenses written off	92,000	-
Loans and advances and other assets	43,593,475	(101,916,741)
Inventories	1,953,824	(142,042,813)
Trade and other Payables	25,184,169	14,114,465
Cash earned from change in working capital (b)	114,224,182	(229,845,089)
Direct taxes paid	(10,677,604)	-
Net cash Inflow/(Outflow) from operating activities (a+b)	103,546,578	(229,845,089)
B. CASH FLOWS FROM INVESTING ACTIVITIES:		
Interest received	4,887,098	557,103
Dividend Received	491,822	2,495,948
Purchase of fixed assets	(75,217,668)	(514,839,938)
Sale/(Purchase)of current Investments	12,325,137	(12,325,137)
Net cash Inflow/(Outflow) from investing activities	(57,513,610)	(524,112,024)
C. CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from Issue of Shares (Including Security Premium)	-	378,300,000
Proceeds from Share Application Money	156,683,816	(177,800,000)
Proceeds from Term Loan (net of repayment)	981,713,958	464,930,093
Proceeds from working capital Loan	4,956,371	97,906,797
Interest paid	(169,274,597)	-
Net cash Inflow/(Outflow) from financing activities	974,079,548	763,336,890
Net increase in cash and cash equivalents	1,020,112,517	9,379,777
Cash and cash equivalents (opening balance)	58,443,082	49,063,305
Cash and cash equivalents (closing balance)	1,078,555,597	58,443,082
	1,020,112,517	9,379,777

Note:

1

Cash and cash equivalents (closing balance) includes other Bank Balance of Rs.16,282,307/-and (Previous Year Rs.8,537,855)

2

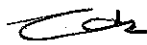
Previous Year figures have been regrouped wherever considered necessary.

As per our report of even date

For **N. C. Aggarwal & Co.**

Chartered Accountants

Firm Registration No: 003273N


G.K. Aggarwal

Partner

Membership No. 086622

Place: New Delhi

Dated: 23rd May,2013



For and on behalf of the Board of Directors of
Jindal Rail Infrastructure Limited


Arun Kumar Khosla

Whole Time Director


Amit Bajpai

Director


Megha Gupta

Company Secretary

Jindal Rail Infrastructure Limited

Notes forming part of Balance sheet and Statement of Profit and Loss

(Amount in Rs.)

	DESCRIPTION	As at 31st March 2013	As at 31st March 2012
1	SHARE CAPITAL		
(a)	AUTHORISED SHARE CAPITAL 21,600,000 (Previous Year 21,600,000) Equity Shares of Rs.10/- each	216,000,000	216,000,000
(b)	ISSUED, SUBSCRIBED AND PAID UP CAPITAL 19,150,300 (Previous Year 19,150,300) Equity Shares of Rs.10/- each	191,503,000	191,503,000
(c)	RECONCILIATION OF THE NUMBER OF SHARES OUTSTANDING AT THE BEGINNING AND AT THE END OF THE YEAR Shares outstanding at the beginning of the year Add: Shares issued during the year	19,150,300 -	6,540,300 12,610,000
	Shares outstanding at the end of the year	19,150,300	19,150,300

(d)	SHARE OF THE COMPANY HELD BY :-	No of Shares	No of Shares
	Jindal ITF Limited	19,150,300	19,150,300

(e) SHARES IN THE COMPANY HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES ARE AS UNDER:				
Name of the Shareholder	As at 31st March 2013		As at 31st March 2012	
	No. of Shares Held	% of Holding	No. of Shares Held	% of Holding
Jindal ITF Limited, the Holding Company*	19,150,300	100%	19,150,300	100%

* Including 700 Shares (Previous year 700 shares) held by Person/companies as nominee of Jindal ITF Ltd.

(f)	Terms/Rights attached to Equity Shares
	The Company has only one class of equity shares having a par value of Rs.10/- per equity share. Each equity shareholder is entitled to one vote per share.

	DESCRIPTION	As at 31st March 2013	As at 31st March 2012
2	RESERVES AND SURPLUS		
(a)	SECURITIES PREMIUM ACCOUNT As per last account Add:Received during the year Closing Balance	382,006,000 - 382,006,000	129,806,000 252,200,000 382,006,000
(b)	PROFIT AND LOSS ACCOUNT Profit Brought Forward Add:-Profit/(Loss) for the year Closing Balance	- - (91,471,447) (91,471,447)	- - - -
	Total Reserves and Surplus (a+b)	290,534,553	382,006,000

3	SHARE APPLICATION MONEY PENDING ALLOTMENT	156,883,816	200,000
	(5,229,461 Equity shares at an premium of Rs 20/- Per share to be allotted till the end of next year.Short in authorised capital will be increased at the time of allotment of shares).		



Jindal Rail Infrastructure Limited**Notes forming part of Balance sheet and Statement of Profit and Loss**

(Amount in Rs.)

	<u>DESCRIPTION</u>	As at 31st March 2013	As at 31st March 2012
4	LONG-TERM BORROWINGS		
	SECURED LONG TERM BORROWINGS		
	RUPEE TERM LOAN		
	From Banks	-	983,401,851
	From Others (Aditya Birla Finance Limited)*	1,060,513,957	-
	Total Long Term Borrowings	1,060,513,957	983,401,851

*Term loan from Aditya Birla Finance Limited Sanctioned Amount Rs 110 crore (Disbursed amount Rs.106.05 crore) carries interest@14.25% p.a. repayable in 29 quarterly installments from september 2014 as follows:FY 2014-15 Rs. 7.95 crore ,FY 2015-16 to 2016-17 Rs 10.61 crore each year ,FY 2017-18 to 2019-20 Rs.14.85 crore each year, FY 2020-21 Rs.19.09 crore and FY 2021-22 Rs.13.25 crore .Term loan is secured by way of equitable mortgage of land and building, hypothecation of movable fixed assets both , present or future, pari-passu charges on book debts, receivables, and pledge of 51% shares of Borrower.

	<u>DESCRIPTION</u>	As at 31st March 2013	As at 31st March 2012
5	LONG TERM PROVISIONS		
	For Employee Benefits		
	Gratuity (unfunded)	-	379,440
	Leave Encashment (unfunded)	2,558,246	2,213,113
	Total Long Term Provisions	2,558,246	2,592,553

	<u>DESCRIPTION</u>	As at 31st March 2013	As at 31st March 2012
6	SHORT TERM BORROWINGS		
	SECURED SHORT TERM BORROWINGS		
	Working Capital Facility from Bank*	102,863,168	97,906,797
	Total Short Term Borrowings	102,863,168	97,906,797

*Secured by hypothecation of current assets , comprising of stocks of raw materials, stores and spares, consumables, stock in process, finished goods etc, present and future, lying at its works, godowns, elsewhere as acceptable to bank, including stock in transit, cash and credit balances in their loan/other accounts and all present and future book debts / receivables as also clean or documentary bills , domestic or export, whether accepted or otherwise and the cheques/ drafts / instruments etc drawn in its favour and carries interest @14% p.a.

	<u>DESCRIPTION</u>	As at 31st March 2013	As at 31st March 2012
7	TRADE PAYABLES*		
	Dues to other than Micro and Small enterprises	22,092,873	51,901,563
	Total Trade Payables	22,092,873	51,901,563

*There are no Micro and Small Enterprises, to whom the Company owes dues as at 31st March 2013. This information as Required to be disclosed under the Micro, Small and Medium Enterprises Development Act 2006 has been Determined to the extent such Parties have been Identified on the basis of information available with the Company.

	<u>DESCRIPTION</u>	As at 31st March 2013	As at 31st March 2012
8	OTHER CURRENT LIABILITIES		
	Current maturities of Long term debt	1,022,662,565	118,060,713
	Other Payables		
	Statutory Dues	1,966,902	633,157
	Due to others	3,967,170	5,307,736
	Capital Creditors	-	46,133,558
	Advance from Customers	101,102,737	-
	Total Other Current Liabilities	1,129,699,374	170,135,164



Jindal Rail Infrastructure Limited

Notes forming part of Balance sheet and Statement of Profit and Loss

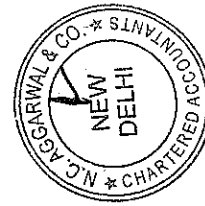
(Amount in Rs.)

	<u>DESCRIPTION</u>	As at 31st March 2013	As at 31st March 2012
9	SHORT TERM PROVISIONS		
	For Employee Benefits		
	Gratuity (unfunded)	-	7,204
	Leave Encashment (unfunded)	155,805	83,793
	Total Short Term Provisions	155,805	90,997



Jindal Rail Infrastructure Limited
Notes forming part of Balance sheet and Statement of Profit and Loss
Note-10
Fixed Assets

Fixed Assets	(Amount in Rs.)									
	Gross Block			Accumulated Depreciation			Net Block			
	Balance as at 1st April 2012	Additions/ (Disposals)	Other Adjustments *	Balance as at 31st March 2013	Balance as at 1st April 2012	Depreciation charge for the year	Other Adjustment	Balance as at 31st March 2013	Balance as at 31st March 2012	
A										
<u>Tangible Assets</u>										
Land	174,072,549	15,460,240	-	189,532,789	-	-	-	189,532,789	174,072,549	
Plant and Equipment	292,324	642,308,209	(115,690)	642,484,843	27,151	24,332,340	(11,818)	618,137,170	265,173	
Furniture and Fixtures	249,105	2,941,319	-	3,190,424	45,276	133,333	-	3,011,815	203,829	
Vehicles	3,713,615	3,655,006	-	7,368,621	395,098	833,391	-	6,140,132	3,318,517	
Office equipment	6,785,860	704,757	(2,966,884)	4,523,733	706,008	731,356	(529,143)	3,615,512	6,079,852	
Building	-	565,566,290	-	565,566,290	-	15,594,402	-	549,971,888	-	
Computers	-	1,943,531	2,966,884	4,910,415	-	248,064	529,143	4,133,208	-	
Electrical Equipments	-	96,836,388	115,690	96,952,078	-	3,847,121	11,818	93,093,138	-	
Total	185,113,453	1,329,415,740	-	1,514,529,193	1,173,533	45,720,007	-	1,467,635,652	183,939,920	
B										
<u>Intangible Assets</u>										
Computer software	-	3,490,364	-	3,490,364	-	442,814	-	442,814	3,047,550	
Total	-	3,490,364	-	3,490,364	-	442,814	-	442,814	-	
Grand Total(A+B)	185,113,453	1,332,906,104	-	1,518,019,557	1,173,533	46,162,821	-	1,470,683,202	183,939,920	
Previous Year	153,904,606	31,208,847	-	185,113,453	284,256	889,276	-	1,173,533	183,939,920	



Jindal Rail Infrastructure Limited
Notes forming part of Balance sheet and Statement of Profit and Loss

(Amount in Rs.)

	<u>DESCRIPTION</u>	As at 31st March 2013	As at 31st March 2012
11	Non-Current Investments (At Cost Less Provision) Equity Shares Fully Paid Up -Unquoted Bharuch Dahej Railway Company Limited 10,000,000 (Previous Year 10,000,000) Equity Shares of Rs.10 each	100,000,000	100,000,000
	Total Non Current Investments	100,000,000	100,000,000

	<u>DESCRIPTION</u>	As at 31st March 2013	As at 31st March 2012
12	DEFERRED TAX ASSETS		
(A)	Deferred Tax Liability Difference between book and tax depreciation	40,640,082	-
(B)	Deferred Tax Assets Carried forward losses	85,392,340	-
	Disallowance under Income Tax Act, 1961	880,574	-
	Total Deferred Tax assets	86,272,914	-
	Net Deferred Tax Asset (Liability) (B-A)	45,632,832	-

	<u>DESCRIPTION</u>	As at 31st March 2013	As at 31st March 2012
13	Long-term loans and advances		
(a)	Capital Advances Unsecured, Considered good	2,982,489	88,821,241
	Sub Total- Capital Advances	2,982,489	88,821,241
(b)	Security Deposits Unsecured, Considered good	41,560,639	3,800,612
	Sub Total-Security Deposits	41,560,639	3,800,612
(c)	Other Loan and advances Advances recoverable in cash or in kind Unsecured, Considered good	-	10,133,976
	Sub Total-Other Loan and advances	-	10,133,976
	Total Long Term Loans and Advances (a+b+c)	44,543,128	102,755,829

	<u>DESCRIPTION</u>	As at 31st March 2013	As at 31st March 2012
14	Other Non Current Assets Miscellaneous Expenditure to the extent not written off	368,000	460,000
	Total Other Non Current Assets	368,000	460,000

	<u>DESCRIPTION</u>	As at 31st March 2013	As at 31st March 2012
15	Current Investments - Non Trade (At Cost Less Provision) Mutual Funds Principal Mutual Fund (Nil units (Previous Year 12324.274units) of Rs.1000.07 each)	-	12,325,137
	Total Current Investments	-	12,325,137



Jindal Rail Infrastructure Limited

Notes forming part of Balance sheet and Statement of Profit and Loss

(Amount in Rs.)

	DESCRIPTION	As at 31st March 2013	As at 31st March 2012
16	Trade Receivables		
	Outstanding Less than Six Months		
	Unsecured, Considered good	2,660,411	-
	Total Trade Receivables	2,660,411	-

	DESCRIPTION	As at 31st March 2013	As at 31st March 2012
17	Inventories		
	Raw Materials	32,828,657	136,672,337
	Store and Spares	6,565,804	5,331,717
	Stock in Process	100,655,769	-
	Total Inventories	140,050,230	142,004,054

	DESCRIPTION	As at 31st March 2013	As at 31st March 2012
18	Cash and Bank Balances		
A.	Cash and Cash Equivalents		
	Balances with Banks		
	- In current Accounts	29,540,034	49,480,717
	- In Deposit Accounts with original maturity less than 3 months #	1,032,128,420	-
	Cash in Hand	604,836	424,510
B.	Other Bank Balances		
	- Deposits with original maturity of more than three month but less than 12 months	16,215,365	8,537,855
	- Fixed Deposits with bank with original maturity more than 12 months*	66,942	-
	Total Cash and Bank Balances (A+B)	1,078,555,597	58,443,082

Pledged with Aditya Birla Finance Limited

*Pledged with bank as margin for bank Guarantee

	DESCRIPTION	As at 31st March 2013	As at 31st March 2012
19	Short-term loans and advances		
(A)	Loan and Advances to related parties		
	Unsecured, Considered good		
	Jindal ITF Ltd.	635,476	-
	JITF Shipyard Limited	-	15,000,000
	JITF Water Infrastructure Limited	-	40,000,000
	Sub Total- Loan and Advances to Related Parties	635,476	55,000,000
(B)	Other		
	Unsecured, Considered good		
	Advance Recoverable in Cash or in kind*	39,463,631	79,961,797
	Advance to vendors	21,428,331	936,385
	TDS Receivable	10,733,626	56,022
	Others	764,725	273,917
	Sub Total -Other Short Term Loans and Advances	72,390,313	81,228,121
	Total -Short Term Loans and Advances (A+B)	73,025,789	136,228,121

*includes service tax cenvat,excise duty receivable,Duty drawback receivable,etc.



Jindal Rail Infrastructure Limited

Notes forming part of Balance sheet and Statement of Profit and Loss

(Amount in Rs.)

	<u>DESCRIPTION</u>	As at 31st March 2013	As at 31st March 2012
20	<u>Other Current Assets</u>		
	Interest accrued on Fixed Deposit	1,285,603	396,646
	Total Other Current Assets	1,285,603	396,646



Jindal Rail Infrastructure Limited
Notes forming part of Balance sheet and Statement of Profit and Loss

(Amount in Rs.)

	Description	Period ended 31st March 2013
21	Revenue from operations	
	Sale of Products - Railway freight wagons	440,430,140
	Other Operating Revenue	
	Scrap Sale	5,438,416
	Revenue from operations	445,868,556

	Description	Period ended 31st March 2013
22	Other income	
	Interest on Fixed Deposit	5,776,055
	Dividend Income	491,822
	Total	6,267,877

	Description	Period ended 31st March 2013
23	Cost of materials consumed	
	Raw Material consumed	422,429,420
	Total	422,429,420

	Description	Period ended 31st March 2013
	Detail of Material consumed	
	Cast steel Bogies	103,537,000
	Parts of CRF Sections	94,278,607
	Draft Gear and Coupler assembly	76,589,789
	Others	148,024,024
	Total	422,429,420

	Description	Period ended 31st March 2013
24	Changes in inventories of finished goods, stock in process and Stock-in-trade	
	Opening Stock	
	Stock in process	-
	Total Opening Stock	-
	Closing Stock	
	Stock in process	100,655,769
	Total Closing Stock	100,655,769
	(Increase)/Decrease in Stock	(100,655,769)

	Description	Period ended 31st March 2013
25	Employee benefits expense	
	Salary and wages	44,647,529
	Contribution to Provident and other Funds	1,491,700
	Workmen and staff Welfare	484,368
	Total	46,623,597



Jindal Rail Infrastructure Limited**Notes forming part of Balance sheet and Statement of Profit and Loss**

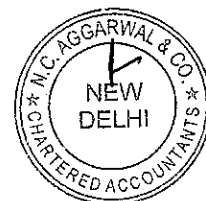
(Amount in Rs.)

	Description	Period ended 31st March 2013
26	Finance Costs	
	Interest on Term Loan	132,258,018
	Interest on Bank Borrowings	8,352,031
	Bank and Finance Charges	5,805,166
	Total	146,415,215

	Description	Period ended 31st March 2013
27	Depreciation and amortisation expense	
	Depreciation on Fixed Assets	45,720,007
	Amortization of Intangible assets	442,814
	Total	46,162,821

	Description	Period ended 31st March 2013
28	Manufacturing Expenses	
	Operating Expenses	2,835,135
	Power and Fuel	4,837,776
	Total	7,672,911

	Description	Period ended 31st March 2013
29	Other Expenses	
	Travelling and Conveyance	5,337,047
	Insurance	1,005,098
	Auditor Remuneration	
	-As Audit Fees	24,000
	-As Tax Audit Fees	12,000
	Legal and Professional fees	4,097,574
	Communication costs	566,807
	Rates and Taxes	1,000,259
	Rent	606,000
	Repair and Maintenance	1,937,344
	Director Sitting Fees	40,000
	Security Charges	2,304,783
	Printing and Stationery Expenses	137,232
	Fees and Subscription	231,930
	Books and Periodicals	6,490
	Advertisement Expenses	60,600
	Business Promotion	675,492
	Commission Charges	7,000
	Miscellaneous Expenditure written off	92,000
	Miscellaneous Expenses	2,450,861
	Grand Total	20,592,517



JINDAL RAIL INFRASTRUCTURE LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
NOTE: 30

1. Nature of Operations

Jindal Rail Infrastructure Limited is a Company incorporated on 25th May, 2007 with the main object to carry on the business in Rail infrastructure in and outside India.

2. Statement of Significant Accounting Policies

(a) Basis of preparation

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis.

(b) Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Cost comprises the purchase price and attributable cost of bringing the asset to its working condition for its intended use. All revenue expenditure direct and indirect inclusive of borrowing costs incurred till the date of completion of the project is carried to the pre-operative expenditure.

(c) Investments

Long-term investments are stated at cost which inter-alias includes brokerage, commission, stamp duty etc. When there is a decline in their value except temporary decline, the carrying amount is reduced on an individual investment basis and decline is charged to the Profit and Loss account. Appropriate adjustment is made in carrying cost of investment in case of subsequent rise in value of investments. Current Investment is valued at lower of cost or market value.

(d) Foreign Exchange Transactions

Foreign currency transaction during the year recorded at the rate of exchange prevailing at the date of transaction. Current assets, loan other than for financing fixed assets and current liabilities in foreign currency, outstanding at the year end are translated at the rate of exchange prevailing at the close of the year and resultant gains/losses are recognized in profit and loss account of the year except (a) in cases where they are covered by specific forward foreign exchange contracts in which cases these are translated at contracted rate of exchange and resultant gains/losses recognized in profit and loss account over the life of contract . Gain or loss on reinstatement on the forward exchange transaction or on cancellation of forward exchange contracts, if any, is reflected in the profit and loss account.

(e) Retirement Benefits

- (i) Liabilities in respect of gratuity to the employees are accounted for on for on actuarial valuation basis as per determined at the Year end.
- (ii) Liabilities in respect of accumulated earn leaves to the credit of employees are accounted for on actuarial valuation basis as per determined at the year end.

(f) Miscellaneous Expenditure

Preliminary Expenses i.e initial share issue expenses is being amortised in five years after commencement of business.

(g) Taxation

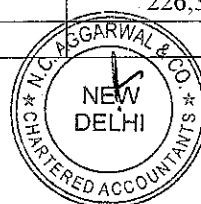
Current tax provision is computed for income calculated after considering allowances and exemptions under the provisions of the applicable Income Tax Laws.

Deferred tax is accounted at the current rate of tax to the extent of temporary timing differences that originate in one year and are capable of reversal in one or more subsequent years.

3. Contingent Liabilities

(Amount in Rs.)

Particulars	Current Year	Previous Year
Bank Guarantees	31,700,000	304,80,750
Letter of Credit Outstanding	226,328,600	47,88,000
Corporate Guarantees issued to lenders of fellow subsidiary	Nil	22,20,00,000



JINDAL RAIL INFRASTRUCTURE LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
NOTE: 30

4. Related Party Transactions

List of Related Parties & Relationship (As identified by the Management)

Holding Company

Jindal ITF Limited (Direct holding)

Jindal Saw Limited (Indirect Holding through Jindal ITF Limited)

Fellow Subsidiary Companies

- JITF Water Infrastructure Limited
- JITF Waterways Limited
- JITF Urban Infrastructure Services Limited
- JITF Urban Infrastructure Limited
- JITF Shipyards Limited
- JITF Infralogistics Limited
- Jindal Intellicom Limited
- JITF ESIPL CETP (Sitarganj) Limited (Indirect)
- Timarpur-Okhla Waste Management Company Private Limited (Indirect)
- JITF Water Infra (Naya Raipur) Limited (Indirect)
- JITF Coal Logistics Limited
- Jindal ITF Kobelco Eco Limited (Indirect) (Upto 31st October, 2012)
- JITF Shipping & Logistics (Singapore) Pte Ltd (Indirect)
- JITF Global Water Holding Pte. Ltd (Indirect) *
- JITF Water Infra (Rajkot) Limited (Indirect) (upto 29th January,2013)
- JITF Urban Waste Management (Bathinda) Limited (Indirect)
- JITF Urban Waste Management (Ferozepur) Limited (Indirect)
- JITF Urban Waste Management (Jalandhar) Limited (Indirect)
- JITF Manila Water Development Company Limited (Indirect) (Upto 6th February,2013)
- JITF Industrial Infrastructure Development Company Limited (w.e.f. 2nd May, 2012)
- IUP Jindal Metals & Alloys Limited (Indirect)
- S.V. Trading Limited (Indirect)
- Jindal Saw USA, LLC (Indirect)
- Jindal Saw Holding FZE (Indirect)
- Jindal Saw Middle East FZC (Indirect)
- Jindal Saw Gulf LLC (Indirect)
- Intellicom Insurance Advisors Limited (Indirect)
- Ralael Holdings Limited (Indirect)
- Jindal Saw Italia S.P.A (Indirect)
- Jindal Fittings Ltd.
- Quality Iron & steel Ltd.
- Green Ray Holdings
- Derwant Sand SARL(Indirect)
- Universal Tube Accessories Pvt. Limited(w.e.f.30th August 2012)
- Jindal Saw Espana SL(w.e.f.21st March 2013)

**Stike off application for closure is filed on 3rd January,2013 with Accounting and Corporate Regulatory Authority, Singapore. Closure action is awaited.*

Joint Venture

- JWIL-SSIL JV(w.e.f.28th February,2012)
- SMC-JWIL JV(w.e.f.24th December,2012)
- JWIL-RANHILL JV(w.e.f.27th November,2012)

Key Management Personnal

1. Mr. A. K. Khosla (Whole Time Director)
2. Ravindra Nath Aga (Director)



JINDAL RAIL INFRASTRUCTURE LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
NOTE: 30

Description	Holding Company		Fellow Subsidiaries	
	Current Year (Rs.)	Previous Year (Rs.)	Current Year (Rs.)	Previous Year (Rs.)
Share Capital including share premium received during the year	Nil	378,300,000	Nil	Nil
Share application money received during the year	156,683,816	200,500,000	Nil	Nil
Advance paid				
JITF Shipyards Limited	Nil	Nil	Nil	15,000,000
JITF Water Infrastructure Limited	Nil	Nil	Nil	40,000,000
Expense reimbursed/to be reimbursed:				
Jindal ITF Ltd	Nil	102,435	Nil	Nil
Erection and commissioning expense Capitalized to Plant and Machinery:				
JITF Water Infrastructure Limited	Nil	Nil	40,000,000	27,575,000
JITF Shipyards Limited	Nil	Nil	15,000,000	Nil
Expenses recovered/to be recovered:				
Jindal ITF Limited	635,476	Nil	Nil	Nil
JITF Water Infrastructure Limited	Nil	Nil	Nil	Nil
Balance as on 31.3.2013				
Share application money	156,883,816	200,000	Nil	Nil
Share Capital including share premium	573,509,000	573,509,000	Nil	Nil
Advance Payable				
JITF Shipyards Ltd	Nil	Nil	Nil	15,000,000
JITF Water Infrastructure Limited	Nil	Nil	Nil	40,000,000
Amount Receivable from:				
Jindal ITF Limited	635,476	Nil	Nil	Nil
Amount Payable to:				
Jindal ITF Limited	Nil	102,435	Nil	Nil

Remuneration to Key Management Personnel

(Amount in Rs.)

Salary, bonus and contribution to PF	Current Year	Previous Year
Arun Kumar Khosla	64,04,952	58,15,305

5. Director Remuneration

(Amount in Rs.)

Particulars	Current year	Previous year
Salary including allowances	6,086,312	5,296,965
Contribution to Provident Fund	307,320	293,760
Perquisites paid	11,320	224,580
Total	6,404,952	5,815,305



JINDAL RAIL INFRASTRUCTURE LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
NOTE: 30

6. The disclosure regarding employee benefits as per AS-15 on "Employee Benefits" (Revised 2005) are as under:-

Defined Contribution Plan:

Company's contribution to Provident Fund Rs. 14,91,700/- including admin charges (Previous year Rs. 15,81,340/-)

Defined Benefits Plan:

Gratuity and leave encashment

Actuarial Assumptions	Gratuity (Funded)		Leave Encashment (Non-Funded)	
	Current Year	Previous Year	Current Year	Previous Year
Discount Rate (per annum)	0.080	0.085	0.080	0.085
Future salary increase	0.055	0.060	0.055	0.060
Expect return on plan assets	0.090	0.090	0.000	0.000
Mortality rate	LIC (1994-96) Ultimate Mortality Table		LIC (1994-96) Ultimate Mortality Table	

The assumption of future salary increase takes into account the inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Reconciliation of present value of obligation	Gratuity (Funded)		Leave Encashment (Non-Funded)	
	Current Year	Previous Year	Current Year	Previous Year
	(Amount in Rs.)		(Amount in Rs.)	
Present value of Gratuity obligation at the beginning of the Year	970,255	390,700	1786397	671,724
Current Service Cost	523777	491,793	857797	905,131
Interest Cost	77620	33,210	142912	57,097
Past Service Cost	Nil	Nil	Nil	Nil
Actuarial (gain)/ loss	(261834)	54,553	(522214)	207,801
Benefits paid	Nil	Nil	(62922)	(55,356)
Present value of obligation at the end of the Year	1309818	970,255	2201970	17,86,397
Net (Asset)/Liability recognized in the Balance Sheet as at Year end	Gratuity (Funded)		Leave Encashment (Non-Funded)	
	(Amount in Rs.)		(Amount in Rs.)	
Present value of obligation at the end of the Year	1,309,818	970,255	2201970	17,86,397
Fair value of plan assets at end of the Year	1,712,342	583611	Nil	Nil
Funded Status/Difference	402524	26,949	(2201970)	(1786397)
Excess of actual over estimated	29532	7,625	Nil	Nil
Net present value of funded obligation recognized as asset/(liability) in the Balance Sheet	402524	(386644)	(2201970)	(17,86,397)
Expenses recognised in the Profit and Loss Account	Gratuity (Funded)		Leave Encashment (Non-Funded)	
	(Amount in Rs.)		(Amount in Rs.)	
Current Service Cost	523777	491,793	857797	905,131
Interest Cost	77620	33,210	142912	57,097
Expected return on plan assets	(89,748)	(59,213)	Nil	Nil
Actuarial (gain)/loss	(261834)	54,553	(522214)	207,801



JINDAL RAIL INFRASTRUCTURE LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
NOTE: 30

Past Service Cost	Nil	Nil	Nil	Nil
Benefit Paid	Nil	Nil	(62,922)	(55,356)
Total expenses recognised in the Statement of Profit and Loss for the Year	220283	520,342	478,495	11,70,029

*Does not include sick leave liability of Rs. 512077/- (Previous year Rs. 500,509/-)

7. CIF Value of Import

(Amount in Rs.)

Particulars	Current Year	Previous Year
Capital Goods	9,364,221	187,433,776
Raw Material	18,880,250	50,753,252

8. Expenditure in Foreign Currency

(Amount in Rs.)

Particulars	Current Year	Previous Year
Traveling Expenses	--	21,807

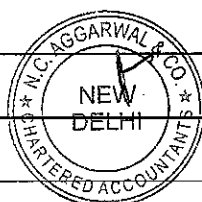
9. Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for (Net of advances)
Rs. Nil/- as at March 31, 2013 (Previous year Rs. 40,620,905/-)

10 Capital Work in progress includes following Pre operative expenses Pending allocation/allocated on completion of project

(Amount in Rs.)

Detail of Pre-operative Expenses	AS AT 31.03.2013 Rs.	AS AT 31.03.2012 Rs.
Consultancy charges towards design and drawing & Other Professional Service	--	4,500,562
Business Promotion	20,148	211,368
Travelling and Conveyance	254,036	1,997,735
Communication Expenses	75,969	488,676
Interest on Term Loan	26,007,701	116,456,841
Depreciation	--	889,276
Rates and Taxes	21,972	488,401
Rent	50,000	922,200
Repair and Maintenance	3,930	269,549
Electricity	1,095,519	3,452,675
Salaries and wages	6,036,239	31,144,953
- Audit Fees	--	20,000



JINDAL RAIL INFRASTRUCTURE LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
NOTE: 30

Bank Charges	187,242	2,420,161
Charity and Donation	--	855,000
Miscellaneous expenses	5,214,747	43,943,831
Total	38,967,503	208,061,228
Less : Dividend on Current Investments	--	2,495,947
Scrap Sales	--	1,749,245
Interest received	--	557,103
Total	38,967,503	203,258,933
Add; Preoperative Brought Forward	344,046,591	140,787,658
Less: Capitalised during the year	383,014,094	--
Total carried forward	--	344,046,591

11. Financial and Derivative Instruments

(a) Nominal amounts of derivative contracts entered into by the company and outstanding as at 31st March, 2013 for hedging Currency and interest rate related risks:

(Amount in Rs.)

S.no	Particulars	As at 31 st March,2013	As at 31 st March,2012
1.	Interest rate swaps	-	-
2.	Options	-	-
3.	Forward Contracts	-	-

(b) Foreign Currency exposures that has not been hedged by derivative instrument or otherwise are as under:

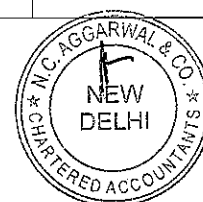
(Amount in Rs.)

S.no	Particulars	As at 31 st March,2013	As at 31 st March,2012
1.	Receivables/ inflow	-	-
2.	Payable/ Outflow	346,188	-

12. Earning per share (EPS) :

(Amount in Rs.)

Description	Period ended 31st March, 2013
<u>Basic and Diluted</u>	
Profit/(Loss) For the year after tax	(91,471,447)
No.of shares outstanding at the end of year	19,150,300
Weighted Average No of Shares outstanding for calculating Basic and Diluted EPS	19,150,300
Earning per share (Basic and Diluted)	(4.78)



JINDAL RAIL INFRASTRUCTURE LIMITED
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS
NOTE: 30

13. Previous year figures has been regrouped/ rearranged where necessary.

14. The company has commenced commercial operation from 1st June, 2012, hence, Statement of Profit and loss is prepared for the period from 1st June, 2012 to 31st March, 2013. Therefore there are no previous year figures in Statement of profit and loss.

As per our report of even date.

For N. C. Aggarwal & Co.

Chartered Accountants

Firm Registration No: 003273N



G. K. Aggarwal

Partner

Membership No. 086622



Place: New Delhi

Dated: 23rd May, 2013

For and on behalf of the Board of Directors of
Jindal Rail Infrastructure Limited

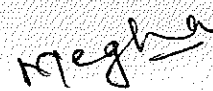


Arun Kumar Khosla

Whole Time Director

Amit Bajpai

Director



Megha Gupta

Company Secretary