

THE CENTRAL PROVINCE RAILWAYS COMPANY LIMITED



ANNUAL REPORT

2015-2016

DIRECTORS:	Mr. Haresh Bhojwani - MD & CEO Mr. Amitkumar Rander Mr. Arvind Kumar Gupta Mr. Shivanand Rama Hemmady Mr. Rupali Kadam
BANKERS:	Axis Bank Ltd.
AUDITORS:	M/s S.B.JAJOO & CO, Chartered Accountants
REGISTERED OFFICE:	Unit No. B-35, Ganjawala Shopping Center, S. V.P Road, Borivali West, Mumbai- 400092
R & T AGENTS:	Bigshare Services Pvt. Ltd., E2 & 3, Ansa Industrial Estate, Saki-vihar Road, Saki Naka, Andheri (E), Mumbai-400 072. Tele. 91-22-28470652 / 40430200 / 28470653. Fax: 91-22-28475207. E-mail: investor@bigshareonline.com www.bigshareonline.com
Listing	The Bombay Stock Exchange Ltd. (BSE Code:501827)

NOTICE

NOTICE is hereby given that the 106th Annual General Meeting of the shareholders of the Company will be held on 28th September, 2016 at 11.00 AM at Mangalya Bhavan, Link Road, Off Yogi Nagar, Borivali (West), Mumbai-400092. To transact the following business:

ORDINARY BUSINESS:

- 1 To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2016 and the Audited Profit and Loss Account of the Company for the period ended on that date together with Directors' Report and Auditors' Report thereon.
- 2 To consider and if thought fit, to pass with or without modifications, the following, resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. Amitkumar Rander (DIN: 05311426), a Director liable to retire by rotation pursuant to section 152(6) of the Companies Act 2013, who seek re-election, be re-appointed as the director of the Company."

- 3 To ratify the appointment of M/s S.B.JAJOO & CO, Chartered Accountants, as Statutory Auditors of the Company by passing following resolution:

"RESOLVED THAT pursuant to the provisions of Section 139(1) of the Companies Act, 2013 read with Rule 3 of the Companies (Audit and Auditors) Rules, 2014, the consent of the members of the Company be and is, hereby, accorded to ratify the appointment of M/s S.B.JAJOO & CO, Chartered Accountants, as the Statutory Auditor of the Company for the financial year ending 31st March, 2017, as made in the 104th Annual General Meeting of the Company held on 20th September, 2014.

**By Order of the Board of Directors
For The Central Province Railways Co. Ltd
Sd/-**

**Place: Mumbai
Date: 30th August 2016**

**Mr. Haresh Bhojwani
(Din: 02895523)
(Director)**

NOTES:

1. A member entitled to attend and vote on a poll is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member. a person can act as proxy on behalf of members upto and not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the company. further, a member holding more than ten percent (10%) of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member. The instrument appointing proxy must be deposited at the registered office of the company not less than 48 hours before the time of holding the meeting. Proxies in order to be effective must be received by the company not less than 48 hours before the meeting.
2. Pursuant to the provisions of section 91 of the Companies Act, 2013, the register of members and share transfer books of the company will remain closed from 22nd September 2016 to 28th September 2016 both days inclusive.
3. Members are requested to address all communication regarding transfer of shares, change of address etc. directly to the Share Transfer Agent of the Company, **Bigshare Services Private Limited, E-3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Mumbai-400072**, and in case their shares are held in the dematerialized form, this information should be passed on to their respective Depository Participants without any delay.
4. Members desirous of availing nomination facility may send their nomination in the prescribed form. Nomination forms can be obtained from the Registrars/ Company.
5. Members desirous of obtaining any information concerning the account and operations of the Company are requested to address their queries to the Chairman, so as to reach the Registered Office of the Company at least seven days before the date of the Meeting, to enable the Company to make available the required information at the Meeting, to the extent possible.
6. On dematerialisation of shares, the nomination registered by the Company automatically stands cancelled. In the case of shares held in electronic (dematerialised) form, the Members are given an option of nomination at the time of opening a demat account. If no nomination is made at the time of opening the demat account, they should approach their respective Depository Participant.

We, therefore, appeal to the members to register their name in getting the documents in electronic mode by sending an e mail giving their Registered Folio No. and/or DP Id/Client Id to the dedicated e mail address at cprclimited@gmail.com

7. Members/Proxies are requested to bring the Attendance Slip sent with this Notice duly filled-in for Attending the meeting.

8. Explanatory Statement pursuant to section 102 of the Companies Act, 2013 forms part of this Notice hereto.
9. Members are requested to bring their copy of Annual report to the meeting.
10. In terms of circular no.MRD/DoP/Cir-05/2010 dated 20th May, 2009 issued by Securities and Exchange Board of India (SEBI) it is now mandatory for the transferee of the physical shares to furnish copy of PAN card to the Company or its RTA for registration of transfer of shares. Shareholder is requested to furnish copy of PAN card at the time of transferring their physical shares.
11. The particulars of Directors who are seeking appointment/ reappointment are given below:

Name	Mr.Amitkumar Rander
Age	31 years
Qualification	B.E & MBA
Nature of Expertise	Overall Business management
No of years of Experience in the industry	7 years
Name of the Companies in which also holds Directorship	1)Rander Infra Limited 2) JSB Homes LLP
Name of the Companies in committees of which also holds Membership/ Chairmanship	Nil
Shareholding in the Company	Nil

E voting:

1. According to section 108 of Companies Act, 2013, read with Rule 20 of Companies (Management and Administration) Rules, 2014 e-voting is mandatory for all listed Companies or Companies having Shareholders not less than one thousand.
2. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (I) Limited (CDSL):
3. A member may exercise his vote at any general meeting by electronic means and company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014.
4. During the e-voting period, members of the Company, holding shares either in physical form or dematerialized form, as on a fixed date, may cast their vote electronically.
5. The e-Voting shall remain open from 25th September 2016, 9.A.M till 27th September 2016, 5 P.M.

6. *E-Voting shall be completed one days prior to the date of Annual General Meeting which is scheduled to be held on 28th September, 2016.
7. The Board of Directors at their meeting have appointed Mr. Harsh Vijay Gor, Partner of H V Gor & Co, Practicing Company Secretaries as the scrutinizer for e-Voting to unblock the votes in favour or against, if any, and to report forthwith to the Chairman. The scrutinizer will be responsible to conduct e-Voting in a fair and transparent manner.
8. Vote once casted by the member cannot be changed/ altered.

Process of E voting:

1. The voting period begins on 25th September 2016, 9 A.M and ends on 27th September 2016. 5 P.M During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
2. Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
3. The shareholders should log on to the e-voting website www.evotingindia.com
4. Click on "Shareholders" tab.
5. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
6. Next enter the Image Verification as displayed and Click on Login.
7. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
8. If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN*	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 1 then enter RA00000001 in the PAN field.

Dividend Bank Details# OR Date of Birth DOB#	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).
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9. After entering these details appropriately, click on "SUBMIT" tab.
10. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential
11. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
12. Click on the EVSN for the relevant The Central Province Railways Company Limited on which you choose to vote.
13. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
14. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
15. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
16. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
17. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
18. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
19. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile

20. Note for non- Individual Shareholders and Custodians.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be emailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

21. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com

Registered Office:
Unit No. B-35,
Ganjawala Shopping Center
S.V.P. Road, Borivali West
Amit Kumar Rander
Mumbai- 400092.

By Order of the Board of Directors
For The Central Province Railways Co.Ltd
Sd/-
Mr. Haresh Bhojwani
(Director)
(Din: 02895523)

DIRECTORS' REPORT**1. INTRODUCTION**

Your Directors are elated in presenting the 106th Annual Report of the Company along with the Audited Statement of Accounts for the year ended as on 31st March, 2016.

2. FINANCIAL RESULTS

(Amount in Rs)

Particulars	Current Financial Year (2015-2016)	Previous Financial Year (2014-2015)
Net Profit/(Loss)Before Depreciation and Tax	(1,177,510)	(13,79,975)
Depreciation	Nil	Nil
Profit / (Loss) before Tax	(1,177,510)	(13,79,975)
Provision for Tax	Nil	Nil
Profit/ (loss) after Tax	(1,177,510)	(13,79,975)
Balance Brought forward	(15,747,303)	(14,367,329)
Adjusted against capital reduction	(88,36,000)	Nil
Balance carried to Balance Sheet	(80,88,814)	(15,747,303)

3. OPERATION DURING THE YEAR

The Central Railway had demanded a sum of Rs.18.72 Crores in December 2002 towards repairs, rehabilitation, renewals and replacements of the railway assets. During the year also the dispute remains unresolved.

The Company has disowned the liability on the ground that these liabilities being in the nature of replacement are to be borne by the Central Railway, as per the Contracts. But in spite of disowning the liability by your Company, the Central Railway has adjusted an amount of Rs.22,8,01,465.65/- being the railway earnings of your Company for the period from October, 2002 to 31st March, 2015. Hence, your Company thought it proper and as an abundant caution and not to harm the interest of shareholders of the Company and therefore decided not to include the said Income from railways amounting to Rs.6,90,801.89/- in the Accounts for the year ended 31st March, 2016.

4. SHARE CAPITAL:

During the year under review, the Company have allotted 56400 equity shares of Rs. 10/- each to the existing equity shareholders of the Company pursuant to the Order of the Hon'ble High Court of Judicature of Bombay dated May 08, 2015 approving the Reduction of Share Capital of The Central Province Railways Company Limited under section 100 to 104 of Companies Act, 1956.

Accordingly after reduction the shareholders of the Company holding 100 equity shares of Rs. 10/- each as on the record date, received 6 equity shares of Rs. 10/- each post the capital reduction.

5. DEPOSITORY SYSTEM:

The equity shares of the Company are available for dematerialization through Depository participants, on both the Depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

6. DIVIDEND:

Considering the loss for the year under review, your Directors do not recommend any dividend for the year ended 31st March, 2016.

7. CORPORATE SOCIAL RESPONSIBILITY

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the provisions of Section 135 of the Companies Act, 2013 are not applicable.

8. STATUTORY AUDITORS

M/s S.B.JAJOO & CO, Chartered Accountants, **(Firm Registration Number: 125915W)** were appointed as the Statutory Auditors of the company last year in AGM held on 20th September 2014, for five consecutive years, subject to ratification at every Annual General Meeting. Accordingly, their appointment is proposed to be ratified in the ensuing AGM. They have given their eligibility & consent for the proposed ratification.

9. SECRETARIAL AUDITORS

M/s. H V Gor & Co, Practicing Company Secretaries have been appointed in the Board Meeting held on 27th May, 2016 as the Secretarial Auditor of the Company u/s 204 of the Companies Act, 2013 to conduct Secretarial Audit of the matters of the Company and report thereof. The Secretarial Auditor's Report has been annexed to the Board Report under Annexure IV.

10. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

There was no qualification, reservation or adverse remark made by the Auditors in their report. The explanations made by the Board relating to the qualifications, reservations, adverse remarks made by the Practicing Company Secretary in his Secretarial Audit Report are furnished as under:

a. AUDITORS'S COMMENT:

Pursuant to Section 203 (1)(b) & (c) of the Companies Act, 2013 read with Rule 8 and Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has failed to appoint a Company Secretary in whole time employment of the Company.

EXPLANATION:

The Company has been inviting the applications for the post of Company Secretary in whole time employment of the Company by issuing classifieds in the newspapers. However, the Company has failed to receive application from a suitable candidate for the aforementioned responsibilities.

b. AUDITOR'S COMMENT:

The Company has filed certain intimations to the Stock Exchange under the Listing Agreement read with SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, related to Outcome of Board meetings after stipulated time period.

EXPLANATION:

Due to inadvertent errors certain outcomes related to Board Meeting were intimated beyond stipulated time period

c. AUDITOR'S COMMENT:

The Company has filed Shareholding Holding Pattern for the quarter ended with the Stock Exchange as per Regulation 31(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 but beyond the stipulated time for the quarter ended December, 2015 and March, 2016.

EXPLANATION:

Due to inadvertent errors the Shareholding pattern for the quarter ended 31st December, 2015 and 31st March, 2016 as per Regulation 31(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 were filed beyond the stipulated time period with the stock exchange.

d. AUDITOR'S COMMENT:

The Company is in process of updation of its website with documents required to be uploaded thereon as per the provisions of the Companies Act, 2013 and Listing Agreement read with SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.

EXPLANATION:

The website of the Company has not been updated due to technical reasons. However, the Company is in the process of updating the website.

e. AUDITOR'S COMMENT:

The Company is not in compliance with Clause 41 (III)(b) of the Listing Agreement for the period 1st April, 2015 to 30th November, 2015 and Regulation 47 (1)(a) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, for the period 1st December, 2015 to 31st March, 2016, related to publication of Notice of Board Meeting in news papers.

EXPLANATION:

The Company has failed to comply with the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirement) Regulations due to genuine oversight on the part of the Company. However, the Company has proposed to comply with the same from this financial year.

f. AUDITOR'S COMMENT:

The Company is not in compliance with Clause 41(IV)(a) of the Listing Agreement for the period 1st April 2015 to 30th November, 2015 and Regulation 47(1)(b) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, for the period 1st December, 2015 to 31st March, 2016, related publication of Financial Results in news papers.

EXPLANATION:

The Company has failed to comply with the Listing Agreement and SEBI (Listing Obligations and Disclosure Requirement) Regulations due to genuine oversight on the part of the Company. However, the Company has proposed to comply with the same from this financial year.

g. AUDITOR'S COMMENT:

Pursuant to Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 the Company has failed to appoint Internal Auditor for the Financial Year 2015-16.

EXPLANATION:

Although the appointment of Internal Auditor is mandatory, the Board of Directors of the Company are of the opinion that looking at the size of the company and its business operations, the Statutory Auditors appointed by the Company have devised proper systems for internal financial control and to ensure compliance with the provisions of all the applicable laws, and that such systems are adequate and are operating effectively.

h. AUDITOR'S COMMENT:

The Company has not filed e-form MR-1 with the Registrar of Companies on appointment of Mr. Haresh Bhojwani (DIN:02895523) as Managing Director & CEO

EXPLANATION:

Due to inadvertent error, the Company failed to file e-form MR-1 with the Registrar of Companies for appointment of Mr. Haresh Bhojwani as Managing Director and CEO of the Company. However, the management has promised to comply with the same.

11.DIRECTORS

There was no change in the Board of Directors of the Company during the financial year under review.

10 DECLARATION BY THE INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

11 BOARD MEETINGS

During the financial year under review, the Board of Directors met Seven times.

12 COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are applicable to the Company and hence the Company has devised a policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013.

13 INFORMATION PURSUANT TO RULE 5 (2) OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

The Company has not appointed any employee(s) in receipt of remuneration exceeding the limits specified under Rule 5 (2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

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

The Company has duly set up an Internal Complaints Committee (ICC) in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, to redress complaints received regarding sexual harassment.

The following is a summary of sexual harassment complaints received and disposed off during the year 2015-16.

No of complaints received:	Nil
No of complaints disposed off:	Nil

15 DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (3) (c) read with Section 134 (5) of the Companies Act, 2013, your Directors state that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation relating to material departures, if any;
- b. They have, in the selection of the accounting policies, consulted the Statutory Auditors and have 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 as at 31st March, 2016 and of its **Loss** for the year ended on that date;
- c. They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- d. They have prepared the annual accounts for the year ended 31st March, 2016 on a 'going concern' basis; and
- e. They have laid down Internal Financial Controls, which are adequate and are operating effectively.
- f. They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

The Company has not advanced loans or made investments or given any guarantee pursuant to Section 186 of the Companies Act, 2013 during the year under review.

17 DISCLOSURES OF AMOUNTS, IF ANY, TRANSFER TO ANY RESERVES.

It is not proposed to carry any amount to any reserves from the profits of the Company. Hence, disclosure under Section 134 (3) (j) of the companies act, 2013 is not required.

18 MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate on the date of this report.

19 ENERGY CONSERVATION AND TECHNOLOGY ABSORPTION:

The particulars as required under the provisions of Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 in respect of conservation of energy and technology absorption are not required to be furnished considering the nature of activities undertaken by the Company during the year under review. Further during the year under review, the Company has neither earned nor used any foreign exchange.

20 STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT

The Company has developed & implemented Risk Management Policy. However, Company has not come across any element of risk which may threaten the existence of the Company.

21 DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

The Board of Directors of the Company have allotted 56400 equity shares of Rs. 10/- each to the existing equity shareholders of the Company held as on record date of the Company pursuant to the Order of the Hon'ble High Court of Judicature of Bombay dated May 08, 2015 approving the Reduction of Share Capital of THE CENTRAL PROVINCE RAILWAYS COMPANY LIMITED under section 100 to 104 of Companies Act, 1956.

Accordingly after reduction the shareholders of the Company holding 100 equity shares of Rs. 10/- each as on the record date, will receive 6 equity shares of Rs. 10/- each post the capital reduction. Due to this the Share Capital of the Company of Rs. 94,00,000 comprising 9,40,000 equity shares of Rs. 10/- each got reduced to Rs. 5,64,000 comprising 56,400 equity shares of Rs.10/- each

22 DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS PURSUANT TO RULE 8 (5) (viii) OF COMPANIES (ACCOUNTS) RULES, 2014:

The Company has an adequate internal financial control system, commensurate with the size of its business operations.

23 PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES MADE PURSUANT TO SECTION 188 OF THE COMPANIES ACT, 2013

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

24 EXTRACT OF ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in "Annexure MGT-9".

25 DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND PROVIDING VIGIL MECHANISM

The Audit Committee consists of the following members;

- a. Mr. Arvind Kumar Gupta
- b. Mr. Shivanand Rama Hemmady
- c. Mr. .Haresh Bhojwani

The above composition of the Audit Committee consists of independent Directors viz., Mr . Arvind Kumar Gupta and Mr. Shivanand Rama Hemmady who form the majority.

The Company has established a vigil mechanism and overseas through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the chairman of the Audit Committee on reporting issues concerning the interests of co employees and the Company.

26 CORPORATE GOVERNANCE:

Your Company is committed to adopting the best Corporate Governance practices. It believes that proper corporate governance is not just a regulatory compliance but also a facilitator for enhancement of stakeholder's value. Reports on Corporate Governance and Management Discussions & Analysis are annexed and form part of this report.

27 APPRECIATION AND ACKNOWLEDGEMENT

The Board of Directors wish to place on record their appreciation for the co-operation and support of the Company's Bankers, its valued customers, employees and all other intermediaries concerned with the Company's business.

Your directors are grateful towards all members for supporting and sustaining us during the intricate days. We look forward to your continued support and reiterate that we are determined to ensure that the plans are successfully implemented.

Registered Office:
Unit No. B-35,
Ganjawala Shopping Center
S.V.P. Road, Borivali West
Mumbai-400092.

By Order of the Board of Directors	
For The Central Province Railways Co.Ltd	
Sd/-	Sd/-
Mr. Amit Kumar Rander	Mr. Haresh Bhojwani
(Director)	(Director)
(DIN: 05311426)	(DIN: 02895523)

Form MGT - 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31st March 2015

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

I. REGISTRATION AND OTHER DETAILS:

CIN	:	L45202MH1910PLC000319
Registration Date	:	10/11/1910
Name of the Company	:	THE CENTRAL PROVINCE RAILWAYS COMPANY LIMITED
Category / Sub-Category of the Company	:	Company Having Share Capital
Address of the Registered office and contact details	:	Unit No. B-35, Ganjawala Shopping Center, S. V. P. Road, Borivali West, Mumbai-400092.
Whether listed company	:	Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any:	:	Bigshare Services Private Limited E-3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Mumbai – 400 072, Tel/Fax: 022-28470652/28475207 Website: www.bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of assembled railway track fixtures,	2599	100%
2	Construction of floating or submersible drilling platforms	30114	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN / GLN	Holding subsidiary / associate	% of shares held	Applicable section
1	N.A	N.A	N.A	N.A	N.A
2	N.A	N.A	N.A	N.A	N.A

I SHARE HOLDING PATTERN**(Equity Share Capital Breakup as percentage of Total Equity):****i. Category-wise Share Holding:**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
a) Individual/HUF	N.A	670	670	0.07	N.A	48	48	0.07	N.A
b) Central Govt	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
c) State Govt(s)	N.A	23350	23350	2.48	N.A	1401	1401	2.48	N.A
d) Bodies Corp.	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
e) Banks / FI	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
f) Any other	N.A	33450	33450	3.56	N.A	2007	2007	3.56	N.A
Sub-total(A)(1):	N.A	57470	57470	6.11	N.A	3456	3456	6.11	N.A
(2) Foreign									
a) NRIs - Individuals	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
b) Other – Individuals	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
c) Bodies Corp.	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Sub-total (A)(2):									
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	N.A	57470	57470	6.11	N.A	3456	3456	6.11	N.A
B. Public Shareholding	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
(1) Institutions	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
a) Mutual Funds	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
b) Banks / FI	4250	36200	40450	4.30	8697	2175	10872	19.28	N.A
c) Central Govt	N.A	N.A	N.A	N.A	N.A	206	206	0.37	N.A
d) State Govt(s)	N.A	3410	3410	0.36	N.A	N.A	N.A	N.A	N.A
e) Venture Capital Funds	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
f) Insurance Companies	140699	N.A	140699	14.97	N.A	N.A	N.A	N.A	N.A
g) FIIs	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
h) Foreign Venture Capital Funds	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
i) Others (specify)	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Sub-total (B)(1):	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
(2) Non-Institutions									
a) Bodies Corp.	49779	60110	109889	11.69	1395	2819	4214	7.48	N.A
i) Indian	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
ii) Overseas	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
b) Individuals	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	304885	264944	569829	60.62	N.A	N.A	N.A	N.A	N.A
ii) Individual shareholders holding nominal share capital in excess of Rs 1Lakh	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	N.A	N.A	N.A	N.A	20205	16166	36371	64.49	N.A
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
c) Others Clearing Members/NRI	1403	16850	18253	1.94	346	935	1281	2.27	N.A

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub-total(B)(2):									
Total Public Shareholding (B)=(B)(1)+(B)(2)	501016	381514	882530	93.89	30643	25757	56400	100	N.A
C. Shares held by Custodian for GDRs & ADRs	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A
Grand Total (A+B+C)	501016	438984	940000	100	30643	25757	56400	100	N.A

ii. SHAREHOLDING OF PROMOTERS:

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the Year			
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	DHANRAJ MILLS PVT LTD	33450	3.56	N.A	DHANRAJ MILLS PVT LTD	2007	3.56	N.A
2	THE PRESIDENT OF INDIA	23350	2.48	N.A	THE PRESIDENT OF INDIA	1401	2.48	N.A
3	TEJKUMAR BALKRISHNA RUIA	670	0.07	N.A	TEJKUMAR BALKRISHNA RUIA	48	0.07	N.A
	Total	57470	6.11	N.A	Total	3456	6.11	N.A

iii. **CHANGE IN PROMOTERS' SHAREHOLDING (PLEASE SPECIFY, IF THERE IS NO CHANGE):**

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	N.A	N.A	N.A	N.A
	At the End of the year	N.A	N.A	N.A	N.A

iv. **SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):**

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

v. SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Sl. No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
	For each of the Directors and KMP				
	At the beginning of the year	N.A	N.A	N.A	N.A
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc)	N.A	N.A	N.A	N.A
	At the End of the year	N.A	N.A	N.A	N.A

II INDEBTEDNESS:

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

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

III REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager				Total Amount
		Haresh Bhojwani	_____	_____	_____	_____
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	6000/-	_____	_____	_____	6000/-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A	N.A	N.A	N.A	N.A
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A	N.A	N.A	N.A	N.A
2	Stock Option	N.A	N.A	N.A	N.A	N.A
3	Sweat Equity	N.A	N.A	N.A	N.A	N.A
4	Commission	N.A	N.A	N.A	N.A	N.A
	- as % of profit	N.A	N.A	N.A	N.A	N.A
	- others, specify	N.A	N.A	N.A	N.A	N.A
5	Others, please specify	N.A	N.A	N.A	N.A	N.A
	Total (A)	N.A	N.A	N.A	N.A	N.A
	Ceiling as per the Act	N.A	N.A	N.A	N.A	N.A

B. REMUNERATION TO OTHER DIRECTORS:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Shivanand Hemmady	Rupali Kadam	_____	_____	
1	Independent Directors					
	Fee for attending board / committee meetings	18,000/-	25,000/-	N.A	N.A	43,000/-
	Commission	N.A	N.A	N.A	N.A	N.A
	Others, please specify	N.A	N.A	N.A	N.A	N.A
	Total (1)	N.A	N.A	N.A	N.A	N.A
2	Other Non-Executive Directors	N.A	N.A	N.A	N.A	N.A

	Fee for attending board / committee meetings	N.A	N.A	N.A	N.A	N.A
	Commission	N.A	N.A	N.A	N.A	N.A
	Others, please specify	N.A	N.A	N.A	N.A	N.A
	Total (2)	N.A	N.A	N.A	N.A	N.A
	Total (B)=(1+2)	N.A	N.A	N.A	N.A	N.A
	Total Managerial Remuneration	N.A	N.A	N.A	N.A	N.A
	Overall Ceiling as per the Act	N.A	N.A	N.A	N.A	N.A

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
1	Gross salary	N.A	N.A	N.A	N.A
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A	N.A	N.A	N.A
	(b) Value of perquisites u/s17(2) Income-tax Act, 1961	N.A	N.A	N.A	N.A

IV PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

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

REPORT ON CORPORATE GOVERNANCE**A. MANDATORY REQUIREMENTS:****1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company looks upon Corporate Governance as an enterprise-wide Endeavour targeted at value creation in the form of striking optimum balance between the profit it earns for its Shareholders and the spread it charges. This is sought to be achieved by conducting the business in a professional manner, using a combination of delegation and accountability amongst key executives in the Company, skill upgrades through need-based training, etc. and high level of investor / lender satisfaction through timely debt servicing and grievance settlement. To foster best Corporate Governance practices, the Company has formulated a "Code of Business Conduct and Ethics for its Board Members and Senior Management" which seeks to bring high level of ethics in managing its business affairs. Affirmation by all Directors and senior Officers of the Company to the effect that they have complied with and not violated the Code is required to be obtained at the end of each year.

2. BOARD OF DIRECTORS**▪ Composition:**

The Board of the Company presently consists of Five Directors. The Board comprises of Two Executive Directors & Three Non- Executive Independent Directors. The Independent Directors brings in Independent judgment in the Board's deliberations and decisions. The maximum tenure of Independent Director is in compliance with the Act. All Independent Directors have confirmed that they meet the criteria as mentioned under Regulation 16(1)(b) of the Listing Regulations read with Section 149(6) of the Act. The Composition of Directors is as under:

The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting as also the number of Directorships and Committee Memberships held by them in other companies were as under:

The Composition of Board of Directors is as under:

Name of the Director / DIN No	Nature of Directorship	No. of Directorships in other public Limited companies	Memberships of other Committee(s) of other public limited companies		No. of Board Meetings Attended	Last AGM Attended (Yes/ No)
			Chairman	Member		
Shivanand Rama Hemmady	Non Executive Independent Director	12	-	-	6	Yes
Haresh Atmaram Bhojwani	Executive Director	7	-	-	6	Yes
Arvind Kumar Gupta	Non Executive Independent Director	5	-	-	6	Yes
Amitkumar Rander	Executive Director	1	-	-	6	Yes
Rupali Ganpat Kadam	Non Executive Independent Director	1	-	-	6	Yes

- Board meetings of the Company**

During the year 2015-2016, the Board met Six times and the gap between two meetings did not exceed one hundred and twenty days. The date on which the said meetings were held are as under:

28th May, 2015	04th November, 2015
11th August, 2015	10th February, 2016
31st August, 2015	29th February, 2016

The necessary quorum was present for all the meetings.

During the year a meeting of the Independent Directors was held on 30th March, 2016. The Independent Directors, inter-alia, reviewed the performance of non-independent directors, Chairman of the Company and the Board as a whole.

3. COMMITTEES OF THE BOARD

The Board has total three Committees namely,

A. Audit Committee

B. Nomination and Remuneration Committee

C. Stakeholders Relationship Committee

A) AUDIT COMMITTEE:

The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulations, read with Section 177 of the Companies Act, 2013.

The Terms of Reference of the Audit Committee are broadly as under:

- Oversight of Companies financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommendation for appointment, remuneration and terms of appointment of Auditors of the Company.
- Approval of payments to Statutory Auditors for any other services rendered by the Statutory Auditors.
- Reviving, with the management, the Annual Financial Statements & Auditors Report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors Responsibility Statement to be included in the Board's Report in terms of Clause (c) of sub-section 3 of Section 134 of the Act.
 - Changes, if any, in Accounting policies and practices and reasons for the same.
 - Major Accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications under Draft Audit Report
- Reviving with the management, the quarterly financial statements before submission to the Board.
- Review and monitor Auditor's Independence and performance, and effectiveness of Audit process.
- Approval or any subsequent modification of transactions of the Company with related parties.
- Examination of Financial Statements and the Auditors Report thereon.
- Evaluation of Internal Financial Controls and Risk Management Systems
- Establish Vigil Mechanism for directors and employees to report genuine concerns in such manner as may be prescribed.

- The Audit Committee may call for comments of the auditors about Internal Control Systems, the scope of audit, including observations of the auditors & review of financial statements before their submission to the Board and may also discuss any issue with the internal and Statutory Auditors and the management of the Company.
- The Audit Committee shall review the information required as per SEBI Listing Regulations.

Composition and Attendance of Audit Committee

During the year the Committee met 4 times on

1) 28th May, 2015 2) 11th August, 2015 3) 04th November, 2015 4) 10th February, 2016

Name of Director	Category	No. of Meetings Attended
Mr.Shivanand Rama Hemmady	Independent – NED (Chairman)	4
Mr.Arvind Kumar Gupta	Independent – NED (Member)	4
Mr.AtmaramHareshBhojwani	Executive Director	4

The necessary quorum was present at the meetings.

- All members of the Board Audit Committee are financially literate and have relevant finance and /or audit exposure.
- At least One Audit Committee Meeting was held every quarter.
- Mr.Shivanand Rama Hemmady the Chairman of Audit Committee, was present at the 105th Annual General Meeting.

ii.Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulations, read with Section 178 of the Companies Act, 2013.

The broad terms of reference of the Nomination and Remuneration Committee are as under:

- Recommend to the Board the set up and composition of the Board and its Committees including the formulation of the criteria for determining qualifications, positive attributes and independence of a director.
- Recommend to the Board the appointment and re-appointment of the Directors.
- Recommend to the Board the appointment of Key Managerial Personnel ("KMP" as defined by the Act) and Executive team members of the Company (as defined by this Committee)
- Carry out evaluation of every director's performance and support the Board and Independent Directors in the evaluation of the performance of the Board, its committees and individual directors. This shall include the formulation of criteria for evaluation of Independent Directors and Board.
- Recommend to the Board the Remuneration policies for directors, executive team, key managerial personnel as well as rest of employees.
- Reviewing the performance of the Managing Director(s) and recommending to the Board the quantum of annual increments and annual commission.

- Oversee familiarization programmes for directors.
Performing such other duties and responsibilities as may be consistent with the provisions of the Companies Charter.

Composition and Attendance of Remuneration Committee:

During the year 2015-2016, the Committee met once on 31st August, 2015.

The Composition and Attendance at the Remuneration Committee Meeting during the year were as under:

Name of the Director	Category	No. of Meetings attended
Mr. Shivanand Rama Hemmady	Independent – NED (Chairman)	1
Mr. Arvind Kumar Gupta	Independent – NED (Member)	1
Ms. Rupali Ganpat Kadam	Independent – NED (Member)	1

Performance Evaluation Criteria for Independent Directors:

The performance evaluation criteria for Independent Directors are determined by the Nomination and Remuneration committee. Indicative lists of factors that may be evaluated include participation and contribution by a director. Commitment, effective deployment of knowledge and expertise, integrity and maintenance of confidentiality and independence of behavior and judgment.

Remuneration Policy:

The Remuneration Policy has been formed in accordance with the provisions of sub-section (3) of Section 178 of the Companies Act, 2013. The criteria for determining the remuneration of directors are laid down by the Nomination and Remuneration committee. Indicative list of criteria defined in the policy are;

Minimum Qualification:	Graduate
Positive Attribute:	Analyzing, Visionary, Determined
Experience:	5 Years (2 years for professional)

iii. Stakeholders Relationship Committee:

The Stakeholders Relationship Committee is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulations read with Section 178 of the Companies Act, 2013.

The Broad terms of reference of the Stakeholders Relationship Committee areas under:

- Consider and resolve the grievances of security holders of the Company including redressal of investor complaints such as transfer of securities, non receipt of dividend/ notice/annual reports, etc. and all other securities holders' related matters.
- Consider and approve issue of share certificates (including issue of renewed or duplicate Share certificates), transfer and transmission of securities, etc.

Composition and attendance of Stakeholders Relationship committee:

During the year 2015-2016, the Committee met twice on 31st August, 2015 & 29th February, 2016.

The Composition and Attendance at the Stakeholders Relationship committee Meeting during the year were as under:

Name of the Director	Category	No. of Meetings Attended
Mr.Shivanand Rama Hemmady	Independent – NED (Chairman)	2
Mr.Arvind Kumar Gupta	Independent – NED (Member)	2
Ms.RupaliGanpatKadam	Independent – NED (Member)	2

4. GENERAL BODY MEETING:

Details of the location of the last three AGMs & EGMs and the details of the resolution passed or to be passed by Postal Ballot.

Year Ended	AGM/ EGM	Date of Meeting	Place of Meeting	Special Resolution Passed	Time
2012-2013	AGM	28/09/2013	B- 35, Ganjawala Shopping Center,S.V.P Road,Borivali(west),Mumbai-400092.	No Special Resolution Passed in the Meeting	10.30A.M
2013-2014	AGM	20/09/2014	The Conference hall 1st Floor,Gokul Anand,Hotel Pvt Ltd,Ashokvan Shivvallabh Road,W.E.Highway,Dahisar (East),Mumbai-400068.	Increasing the Borrowing Limits Appointment of Director	10.00A.M
2014-2015	EGM	05/01/2015	The Maharaja,Business Hotel, Kohinoor Complex, Western Express Highway, Rawalpada, Dahisar East, On Service Road,Mumbai - 400 068	Reduction of Capital of Company	11.00A.M
2014-2015	AGM	30/09/2015	Mangalya Bhavan, Link Road, Off Yogi Nagar,Borivali (West),Mumbai-400092	No Special Resolution Passed in the Meeting	10.30A.M

All the resolutions including special resolutions set out in the respective Notices of the meetings aforesaid were passed by the Shareholders of the Company at the respective meetings.

5. DISCLOSURES:**a) Subsidiary Companies**

The Company does not have any subsidiary as on 31st March, 2016.

b) Disclosures on materially significant transactions with related party

There were no materially significant Related party Transactions during the financial year ended 31st March, 2016, that may have potential conflict with the interest of the Company at large. The details of related party transactions as per AS-18 form part of the Notes to Accounts.

c) Disclosure of Accounting Treatment

The Company follows Accounting Standards issued by The Institute of Chartered Accountants of India and in the preparation of financial statement, the Company has not adopted any treatment of Accounting Policies different from those prescribed in Accounting Standards.

d) Proceeds from Public issue or Preferential allotment

The Company has not made any public issue or preferential allotment during the year under review.

e) Management Discussion and Analysis Report

The Management Discussion and Analysis Report has been annexed to the Directors report.

f) Details of non-compliances with regard to Capital market

With regard to the matters related to the Capital market, the Company has complied with all the requirements of listing Agreement as well as SEBI Regulations. No penalties were imposed or strictures passed against the Company by the Stock Exchange, SEBI or any other Statutory Authority during the last three years in this regard.

g) Whistle Blower Policy and Vigil Mechanism

Pursuant to the provisions of Section 177 of Companies Act, 2013 and the rules made there under, the Company has established "Whistle Blower Policy/ Vigil Mechanism" in its endeavor to provide its Board, Senior Management and Employees a secure and a fearless working environment, for directors and employees to report genuine concerns to the chairman of the Audit Committee. The purpose of this policy is to create an awareness and fearless environment for the employees to report an instance of unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct. The Framework of the policy strives to foster responsible and secure Whistle Blowing. The policy should be read in conjunction with applicable regulation and existing policies and procedures of the Company.

h) Reconciliation of Share Capital Audit

A qualified Practicing Company Secretary carried out a Share Capital Audit to reconcile the total admitted Equity Share Capital with the National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL") and the total issued and listed equity share capital. The Audit report confirms that the total issued / paid up capital is in agreement with the total number of shares in physical form and total number of dematerialized shares held with NSDL and CDSL.

i) Code of Conduct

The Company has adopted a Code of Conduct for the Directors and Senior Management Personnel of the Company. The Members of the Board and Senior Management Personnel have affirmed the compliance with code applicable to them during the year ended March 31, 2016. The Annual Report of the Company contains a certificate issued by the CEO and Managing Director in terms of SEBI Listing Regulations on the compliance declarations received from Independent Directors, Non-Executive Directors and Senior Management.

j) Details of director seeking appointment

The details of Directors seeking appointment / re-appointment forms part of notice of Annual General Meeting.

6. MEANS OF COMMUNICATION:

The quarterly, half yearly, Annual Results of the Company, are published in leading newspapers in India. The results are also displayed on the company's website www.thecentralprovincerailways.com. Further press releases made by the Company from time to time are also displayed on the Company's website.

7. GENERAL SHAREHOLDERS INFORMATION:

i.	Date of Incorporation	10 th November, 1910
ii.	Corporate Identity Number (CIN)	L45202MH1910PLC000319
iii.	Registered Office	Unit no: B-5, Ganjawala Shopping Center, S.V.P Road, Borivali West, Mumbai-400092. Email: cprclimited@gmail.com Website: www.thecentralprovincerailways.com TelNo.022-28935838
iv.	Annual General Meeting	Date : 28 th September 2016 Time : 11.00 AM Address: Mangalya Bhavan, Link Road, off Yogoi, nagar Borivali (west), Mumbai -400092.
v.	Financial Calendar	a) April to March b) 1st Quarter Results - within 45 days from the end of the Quarter c) 2nd Quarter Results- within 45 days from

		the end of the Quarter d) 3rd Quarter Results - within 45 days from the end of the Quarter e) 4th Quarter Results - within 60 days from the end of the Quarter
vi.	Date of Book Closure	22 nd September 2016 till 28 th September 2016 (both days inclusive)
vii.	Listing on Stock Exchanges	Bombay Stock Exchange Limited.
viii.	ISIN Number for CDSL/NSDL	INE631B01020
ix.	BSE Scrip Code	501827
x.	Registrar and Transfer Agents	Bigshare Services Private Limited E-3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Mumbai – 400 072. Tel/Fax: 022-28470652/28475207 Website: www.bigshareonline.com

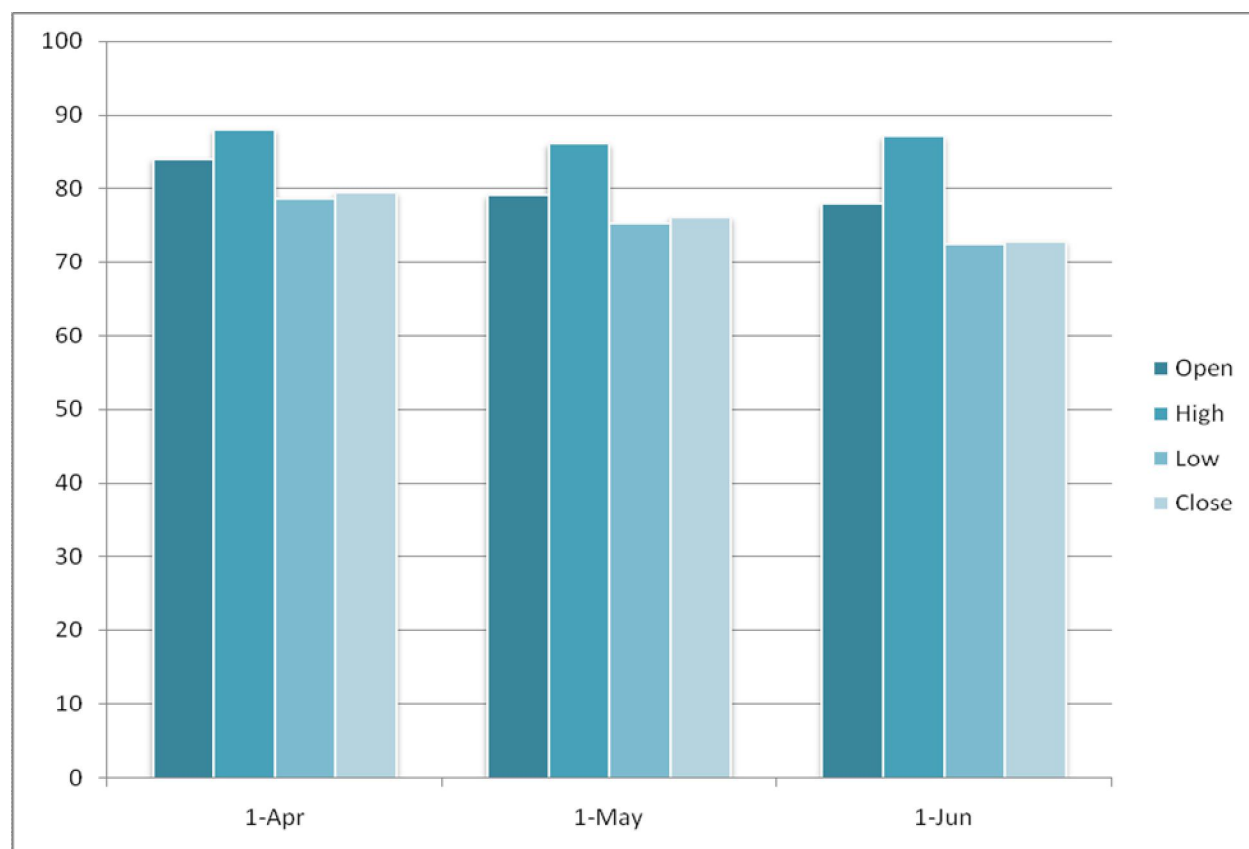
xi. Listing of Equity Shares:

The Securities of the Company are listed at The Bombay Stock Exchange Limited, Mumbai, The Company has paid listing fees for the financial year 2015-2016 to the Bombay Stock Exchange Limited

x. Market Price Data: High, Low during each month during the last financial year:

Month*	Price of The Central Province Railways Company Ltd. on Bombay Stock Exchange Limited (Price in Rs.)			
	Open	High	Low	Close
Apr-15	84.00	88.00	78.65	79.35
May-15	79.00	86.00	75.15	76.00
Jun-15	77.95	86.95	72.35	72.80

During the period July 2015 to March 2016 Trading was suspended by Bombay Stock Exchange Limited reference L/DOSS/KM/INV/ATTD/501827/1.



Share Prices During the Financial Year under Review

xi. Buy-Back of Shares:

There was no buy-back of shares during the year under review.

xii. Share Transfer System:

All the transfer received are processed by the Share Transfer Agent –
Bigshare Services Private Limited,

E-3, Ansa Industrial Estate,

Saki Vihar Road, Sakinaka, Mumbai – 400 072.

Tel/Fax: 022-28470652/28475207

Website: www.bigshareonline.com and approved by the Board/Committee and returned well within the stipulated period from the date of receipt.

xiii. Distribution Of Shareholding As On 31.03.2016:

Distribution of Shares	No. of Shareholders	Percentage to Total No. of Shareholders	Share Amount	Percentage to total Share Capital
01- 5000	2981	99.6657	375390	66.5585
5001-10000	5	0.1672	33140	5.8759
10001-20000	2	0.0669	26310	4.6649
20001-30000	2	0.0669	44740	7.9326
30001-40000	0	0.000	0.000	0.000
40001-50000	0	0.000	0.000	0.000
50001-100000	1	0.0334	84420	14.9681
Total	2991	100.00	5,64,000	100.00

xiv. Shareholding pattern as on 31.03.2016 is as follows:

Category	No. of Shares held	Holding Strength %
Clearing Member	166	0.2943
Corporate Bodies	4214	7.4716
Financial Institutions	8442	14.9681
Government Companies	206	0.3652
Holding Company	1401	2.4840
Nationalised Bank	2430	4.3085
Non Resident Indian	1091	1.9344
Promoters	2055	3.6436
Public	36371	64.4876
Trust	24	0.0426
Total	56,400	100.00

xv. Dematerialization of shares

The total equity share Capital of the Company is 5,64,000 as on 31st March 2016, of which 30,643 equity shares i.e. 54.33% of the total paid up equity capital are traded in electronic form. Further from total electronically traded shares 20416 Equity shares were held in electronic form with National Securities Depository Limited (NSDL) and 10227 Central Depository Services (India) Limited (CDSL) and remaining 25757 Equity shares are in Physical form. All the demat requests were generally processed and confirmed within 7 days of receipt.

xvi. Address for correspondence:**THE CENTRAL PROVINCE RAILWAYS COMPANY LIMITED**

Unit No. B-35, Ganjawala Shopping Center

S. V. P. Road, Borivali West ,Mumbai-400092.

Shareholders correspondence may be directed to the Company's Registrar and Share Transfer Agents whose address is given below:

Bigshare Services Private Limited,

E-3, Ansa Industrial Estate,

Saki Vihar Road, Sakinaka,

Mumbai – 400 072.

Tel/Fax: 022-28470652/28475207

Website: www.bigshareonline.com

xvii. Secretarial Audit Report

As stipulated by the Securities and Exchange Board of India, Secretarial Audits have been carried out, by Firm of Practicing Company Secretary, to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to the stock exchanges and is also placed before the board of directors. The audit, inter alia, confirms that the total listed and paid-up capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL) and total number of shares in physical form.

Registered Office:

Unit No. B-35, For
Ganjawala Shopping Center
S.V.P. Road, Borivali West
Mumbai-400092.

By Order of the Board of Directors

The Central Province Railways Co.Ltd
Sd/-

Mr.Haresh Bhojwani
(Din:-02895523)
(Director)

Auditors' Certificate regarding compliance of conditions of Corporate Governance

To
The Members
The Central Province Railways Company Limited

1. We have examined the compliance of conditions of Corporate Governance by **The Central Province Railways Company Limited**, for the year ended on 31st March, 2016 as stipulated in:
 - Clause 49 (excluding clause 49(VII)(E)) of the Listing Agreements of the Company with stock exchange(s) for the period from April 01, 2015 to November 30, 2015.
 - Clause 49(VII)(E) of the Listing Agreements of the Company with the stock exchange(s) for the period from April 01, 2015 to September 01, 2015.
 - Regulation 23(4) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations) for the period from September 02, 2015 to March 31, 2016 and
 - Regulations 17 to 27 (excluding regulation 23(1 to 8) and 24(1 to 6) and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the period from December 01, 2015 to March 31, 2016.
2. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. We have examined the relevant records of the Company in accordance with the Generally Accepted Auditing Standards in India, to the extent relevant and as per the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India.
4. In our opinion and to the best of our information and according to our examination of the relevant records and the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement and regulation 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C, D and E of Schedule V of the Listing Regulations for the respective periods of applicability as specified under paragraph 1 above, during the year ended March 31, 2016.
5. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For S.B.JAJOO & CO,
Chartered Accountants
Firm Reg.No : 125915W
Sd/-
(Sanrosh.B.Jajoo)
Proprietor
Membership No.118622

Place: Mumbai
Date: 28th May 2015

FORM MR-3

[Pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Secretarial Audit Report

For the Financial year ended 31st March 2016

To,
The Members,
The Central Province Railways Company Limited.,
CIN: L45202MH1910PLC000319

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to the good corporate practices by **The Central Province Railways Company Limited.** (herein after referred to as "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts and statutory compliances and expressing our opinion thereon.

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

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

1. The Companies Act, 2013 and rules made thereunder;
2. The Securities Contract (Regulation) Act, 1956 and rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investments, External Commercial Borrowings;
5. The following regulations and guidelines prescribed under the Securities Exchange Board of India (SEBI) Act, 1992 (the Act):
 - a. The SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011;
 - b. The SEBI (Prohibition of Insider Trading) Regulations, 2015;
 - c. The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(not applicable to the Company during the Audit period)**;
 - e. The SEBI (Issue and Listing of Debt Securities) Regulations, 2008 **(not applicable to the Company during the Audit period)**;
 - f. The SEBI (Registrar to an Issue and Share Transfer Agents) Regulation, 1993 regarding the Companies Act and dealing with client;

- g. The SEBI (Delisting of Equity Shares) Regulations, 2009;
- h. The SEBI (Buyback of Securities) Regulations, 1998 **(not applicable to the Company during the Audit period);**

6. We have relied on the representations made by the Company and its officers for system's and mechanism formed by the Company for compliances under other applicable Acts, Laws and regulations to the Company. The list of major head group of Acts, Laws and Regulations as applicable to the Company is given below:

- a. The Merchant Shipping Act, 1958 and Rules made thereunder;
- b. The Carriers Act 1865;
- c. The Carriage by Road Act, 2007,
- d. The Multimodal Transportation of Goods Act, 1993;
- e. The Motor Vehicle Act, 1988;
- f. The Motor Transport Workers Act, 1961;
- g. Payment of Gratuity Act, 1972;
- h. Employees Provident Fund and Miscellaneous Provisions Act, 1952;
- i. The Payment of Bonus Act, 1965;
- j. Employees State Insurance Act, 1948;
- k. Minimum Wages Act, 1948;
- l. Equal Remuneration Act, 1976
- m. Bombay Shop and Establishment Act, 1948;
- n. Acts as prescribed under Direct Tax and Indirect Tax;
- o. Maharashtra State Profession Tax Act, 1975;
- p. The Child Labour (Prohibition and Regulation) Act, 1986;
- q. Maternity Benefits Act, 1961;
- r. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- s. Local laws applicable at the registered office of the Company;
- t. Indian Contract Act, 1872;
- u. Negotiable Instrument Act, 1881;

We have also examined compliance with the applicable clause of the following:

1. Secretarial Standards 1- on Meetings of Board of Directors and Secretarial Standard-2 on General Meetings, issued by the Institute of Company Secretaries of India. (Other Secretarial Standards are not applicable since the same are not notified during the audit period.)
2. The Listing Agreements entered into by the Company with Bombay Stock Exchange, read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

- i. Pursuant to Section 203 (1)(b) & (c) of the Companies Act, 2013 read with Rule 8 and Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has failed to appoint a Company Secretary in whole time employment of the Company;

- ii. *Pursuant to Section 138 of the Companies Act, 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 the Company has failed to appoint Internal Auditor for the Financial Year 2015-16.*
- iii. *The Company has failed to file e-form MR-1 with the Registrar of Companies for appointment of Mr. Haresh Bhojwani (DIN:02895523) as Managing Director & CEO*
- iv. *The Company has filed certain intimations to the Stock Exchange under the Listing Agreement read with SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015, related to Outcome of Board meetings after stipulated time period.*
- v. *The Company has filed Shareholding Holding Pattern for the quarter ended with the Stock Exchange as per Regulation 31(1)(b) of the SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 but beyond the stipulated time for the quarter ended December, 2015 and March, 2016.*
- vi. *The Company is in process of updation of its website with documents required to be uploaded thereon as per the provisions of the Companies Act, 2013 and Listing Agreement read with SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015.*
- vii. *The Company is not in compliance with Clause 41 (III)(b) of the Listing Agreement for the period 1st April, 2015 to 30th November, 2015 and Regulation 47 (1)(a) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, for the period 1st December, 2015 to 31st March, 2016, related to publication of Notice of Board Meeting in news papers.*
- viii. *The Company is not in compliance with Clause 41(IV)(a) of the Listing Agreement for the period 1st April 2015 to 30th November, 2015 and Regulation 47(1)(b) of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, for the period 1st December, 2015 to 31st March, 2016, related publication of Financial Results in news papers.*

We further report that

The Board of Directors of the Company is duly constituted with proper balance of executive directors, non executive directors and Independent directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board meeting, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decisions are carried through while the dissenting members' views are captured and recorded as the part of the minutes.

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

We further report that during the audit period, the Company has taken following specific events or actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above;

1. Pursuant to the Order of the Hon'ble High Court of Judicature of Bombay, dated May 08, 2015, approving the Reduction of paid- up Share Capital of the Company under Section 100 to 104 of the Companies Act, 1956, the Board of Directors of the Company allotted 56,400 (Fifty Six Four Hundred) Equity shares of Rs. 10/- (Rupees 10 Only) each fully paid up to the existing Equity Shareholders of the Company as on the record date (i.e., 18th June, 2015), in such proportion that, after the reduction the Shareholders of the Company holding 100 Equity Shares of Rs. 10/- (Rupees Ten Only) each fully paid up as on the record date will get 6 Equity Shares of Rs. 10/- (Rupees Ten Only) each fully paid-up post the capital reduction.

**For H V Gor & Co,
Practicing Company Secretaries
Sd/-
Mr. Ketan R Shirwadkar
Partner
ACS No: 37829/CP NO:15386**

**Date: 24th August 2016
Place: Navi Mumbai**

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

ANNEXURE A OF SECRETARIAL AUDIT REPORT

To,
The Members,
The Central Province Railways Company Limited.,
CIN: L45202MH1910PLC000319

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

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

Date: 24th August 2016
Place: Navi Mumbai

For H V Gor & Co,
Practicing Company Secretaries
Sd/-
Mr. Ketan R Shirwadkar
Partner
ACS No: 37829/CP NO:15386

MANAGEMENT DISCUSSION & ANALYSIS

Director are pleased to present the Management Discussion and Analysis Reports for the year ended March 31, 2016 as under:

➤ **Overview :**

Indian Railways, which is ranked as one of the largest railway networks in the world and considered as the lifeline of the nation is going to witness the Railway Budget 2016-17. the country is eagerly looking forward for this budget, which is expected to be presented more development.

➤ **Industry Structure:**

With the Foreign inflow of Funds in the Indian Railways, the Industry looks forward for major turnaround and growth in all aspects of industry.

➤ **Opportunities and Threat**

With the Foreign inflow of Funds in the Indian Railways, Rs 8.5 lakh crore to be spent in 5 years for modernization of rail infrastructure. to invest Rs 1.21 lakh crore in 2016-17.

The continued losses and halted operations of the Company causes a threat reenter the business but Directors and Management of the Company are hopeful to overcome the threat and commence the operations of the Company with new energy and Zest.

➤ **Business operations:**

The Central Railway had demanded a sum of Rs.18.72 Crores in December 2002 towards repairs, rehabilitation, renewals and replacements of the railway assets. During the year also the dispute remains unresolved.

The Company has disowned the liability on the ground that these liabilities being in the nature of replacement are to be borne by the Central Railway, as per the Contracts. But in spite of disowning the liability by your Company, the Central Railway has adjusted an amount of Rs.21,008,596/- being the railway earnings of your Company for the period from October, 2002 to 31st March, 2015. Hence, your Company thought it proper and as an abundant caution and not to harm the interest of shareholders of the Company and therefore decided not to include the said Income from railways amounting to Rs. 8,96,476/- in the Accounts for the year ended 31st March, 2015.

➤ **Out Look**

Outlay for railway electrification increased by 50 per cent; 2,000-km route to be electrified next fiscal. Railways to generate 9 crore mandays in financial year 2017-18 and 14 crore mandays in 2018-19. Railways to get Rs 40,000 cr budgetary support from the government.

➤ **Internal control System**

The Company has not carried on any operations during the year but the Company has an adequate internal control system commensurate with the size of the company and the nature of its business which ensures that functioning of the Company is managed efficiently and effectively, assets are safeguarded, regulatory compliances are complied with and transactions are recorded after appropriate authorization.

➤ **Human relations**

The Company did not have any employee during the year under review and hence, no reporting required under this head.

➤ **Forward Looking and Cautionary Statements:**

Management Discussion and Analysis contains forward-looking statements concerning the Company's future plans, strategies, and performance.

The government Railway Minister Suresh Prabhu has sanctioned 11 projects worth Rs 30,000 crore for the Central Railway (CR) in the Budget 2016.

The budget also announced The railways have also sanctioned construction of fourth line between Nagpur and Wardha and Bhusawal and Jalgaon, all new railway stations to be built as per Accessible India guidelines.

"Over all the Budget was satisfactory for CR. Seven surveys have also been sanction for rail link between Pune and Nashik and Manmad to Indore, The Company therefore wishes to caution readers that actual results may differ materially.

Registered Office:

**Unit No. B-35, Ganjawala Shopping Center,
S.V. P. Road, Borivali West,**

MUMBAI- 400092

Dated :30th August 2016

By Order of the Board of Directors

**For The Central Province Railways Co.Ltd
Sd/-**

**Mr. Haresh Bhojwani
(Din 02895523)
(Director)**

INDEPENDENT AUDITOR'S REPORT**TO,****THE MEMBERS OF****THE CENTRAL PROVINCES RAILWAYS COMPANY LIMITED****Report on the Financial Statements**

We have audited the accompanying financial statements of **The Central Provinces Railways Company Limited** ("the Company"), which comprise the Balance Sheet as at **31/03/2016**, the Statement of Profit and Loss, for the year then ended, and a summary of the 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 stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control

relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2016**, and its **Loss** and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the companies (Auditor's Report) Order 2016 ("the order") issued by the central government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraph 3 and 4 of the order.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and 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 the written representations received from the directors as on **31/03/2016** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2016** from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company did not have any pending litigations on its financial position in its financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. The Company does not required to be transferred fund to the Investor Education and Protection Fund.

For S B JAJOO & CO.

chartered accountants

FRN: 125915W

Sd/-

Santosh B Jajoo

Proprietor

Membership No: 118622

Place: Mumbai

Date: 28.05.2016

Annexure - A to the Auditors' Report

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31st March 2016, we report that:

- (i) (a) The Company has No proper records for Fixed Capital Expenditure on Railway Construction account as shown in schedule No. 5 annexed to Balance Sheet which is in possession and control of the Central Railway.
- (b) Physical verification could not be conducted by the management of fixed Assets under railway construction account since the assets are in possession and control of the Central Railway and hence discrepancies, if any are not presently ascertainable.
- (c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.
- (ii) (a) As explained to us, shares are held as stock in trade which treated as inventories which have been physically verified during the year by the management at reasonable intervals.
- (b) Procedures for physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification.
- (iii) In our opinion and according to the information and explanations given to us, the Company has neither granted nor taken any loans, secured or unsecured to/ from the companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Hence, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.

- (vi) The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (I) of section 148 of the Companies Act.
- (vii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income-tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, value added tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31st March 2016 for a period of more than six months from the date they became payable.
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, Clause 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, Clause 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, Clause 3(xii) of the Order is not applicable.

- (xiii) The Company has not entered into any transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, Clause 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For S B Jajoo & Co.
chartered accountants
FRN: 125915W
Sd/-
Santosh B Jajoo
Proprietor
Membership No: 118622
Place: Mumbai
Date: 28.05.2016

Annexure - B to the Auditors' Report**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **The Central Provinces Railways Company Limited** ("the Company") as of 31st March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

(1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

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

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S B JAJOO & CO.

chartered accountants

FRN: 125915W

Sd/-

Santosh B Jajoo

Proprietor

Membership No: 118622

Place: Mumbai

Date: 28.05.2016

Balance Sheet (And Reduced) as at 31st March 2016

Particulars	Note No.	As at 31st March 2016		As at 31st March 2015	
		Rupees	Rupees	Rupees	Rupees
I. EQUITY AND LIABILITIES					
(1) Shareholders' Funds					
(a) Share Capital	1	564,000		9,400,000	
(b) Reserves and Surplus	2	<u>(8,088,814)</u>		<u>(15,747,303)</u>	
			(7,524,814)		(6,347,303)
(2) Current Liabilities					
(a) Short-term borrowings	3	17,194,627		16,800,000	
(b) Other current liabilities	4	<u>531,139</u>		<u>28,090</u>	
			17,725,766		16,828,090
TOTAL			<u>10,200,952</u>		<u>10,480,787</u>
II. ASSETS					
(1) Non-current assets					
(a) Fixed assets	5				
(i) Tangible assets		5,158,370		5,158,370	
(ii) Capital work-in-progress		<u>1,961,482</u>		<u>1,961,482</u>	
		7,119,852		7,119,852	
(b) Other non-current assets	6	<u>2,699,407</u>		<u>2,699,407</u>	
			9,819,259		9,819,259
(2) Current assets					
(a) Inventories	7	335,802		335,802	
(b) Cash and cash equivalents	8	<u>45,891</u>		<u>325,726</u>	
			381,693		661,528
TOTAL			<u>10,200,952</u>		<u>10,480,787</u>
Significant accounting policies	12				
Notes on financial statements	1 to 20				
The accompanying notes are integral part of the financial statements					
In accordance with our report attached					

For S B JAJOO & CO
Chartered Accountants
Firm number: 125915W
Sd/-
Santosh Jajoo
Proprietor
Membership No.118622
Place : Mumbai
Date : 25/05/2016

For and on behalf of the Board of
The Central Provinces Railway Company Limited

Sd/-
Haresh Bhojwani
Director
Din no 02895523

Sd/-
Amitkumar Rander
Director
Din no 02912070

Statement of Profit and Loss for the year ended 31st March, 2016

Particulars	Note No.	For the Year Ended March 31, 2016 Rupees	For the Year Ended March 31, 2015 Rupees
I. Revenue from operations		NIL	NIL
II. Expenses:			
(a) (Increase) / decrease in inventories	9	-	606,816
(b) Other expenses	10	1,177,510	773,159
Total Expenses		1,177,510	1,379,975
III. Profit/(Loss) for the period (I-II)		(1,177,510)	(1,379,975)
IV. Earning per equity share:	11		
(i) Basic		(1.36)	(1.47)
(ii) Diluted		(1.36)	(1.47)
Significant accounting policies	12		
Notes on financial statements	1 to 20		
The accompanying notes are integral part of the financial statements			
In accordance with our report attached			

For S B JAJOO & CO
Chartered Accountants
Firm number: 125915W
Sd/-
Santosh Jajoo
Proprietor
Membership No.118622
Place : Mumbai
Date : 25/05/2016

For and on behalf of the Board of
The Central Provinces Railway Company Limited

Sd/-
Haresh Bhojwani
Director
Din no 02895523

Sd/-
Amitkumar Rander
Director
Din no 02912070

Cash flow statement for the year ended March 31, 2016

Particulars	For the Year Ended March 31, 2016 Rupees		For the Year Ended March 31, 2015 Rupees	
<u>Cash flows from operating activities</u>				
Net Profit/(Loss) before taxation		(1,177,510)		(1,379,975)
Adjustments for:				
Balances written off	Nil	Nil	Nil	Nil
<u>Operating Profit / (Loss) before Working Capital Changes</u>		(1,177,510)		(1,379,975)
Adjustment For :				
(Increase) / Decrease in Inventories	-		606,816	
(Increase) / Decrease in Short-term loans and advances	-		20,000,000	
Increase / (Decrease) in Other Current Liabilities	503,049	503,049	(30,976)	20,575,840
Net cash from operating activities (A)		(674,461)		19,195,865
Cash flows from investing activities (B)				-
<u>Cash flows from financing activities</u>				
Acceptance / (Repayment) of short term borrowings	394,627	394,627	(19,000,000)	(19,000,000)
Net cash from financing activities (C)		394,627		(19,000,000)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		(279,834)		195,865
Cash and cash equivalents at beginning of reporting period		325,726		129,860
Cash and cash equivalents at end of reporting period		45,891		325,726

Cash & Cash equivalents:

Cash and cash equivalents consist of cash on hand and balances with banks, and investments in money market instruments. Cash and cash equivalents included in the statement of cash flows comprise the following amounts in the balance sheet:

Particulars	As at 31st March 2016 Rupees	As at 31st March 2015 Rupees
Cash in hand	10,053	126,984
Balance with Banks		
- in Current Account	35,838	198,742
Cash & Cash Equivalents as at the end of the year	45,891	325,726

Notes:

- 1) The Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard 3 "Cash Flow Statements".
- 2) Previous Year's figures have been reclassified to conform to current year's presentation.

In accordance with our report attached

For S B JAJOO & CO

Chartered Accountants
Firm number: 125915W
Sd/-
Santosh Jajoo
Proprietor
Membership No.118622
Place : Mumbai
Date : 25/05/2016

For and on behalf of the Board of

The Central Provinces Railway Company Limited

Sd/-
Hareesh Bhojwani
Director
Din no 02895523

Sd/-
Amitkumar Rander
Director
Din no 02912070

Notes on financial statements

Note 1 : Share Capital

Particulars	As at 31st March 2016		As at 31st March 2015	
	No. of shares	Rupees	No. of shares	Rupees
Authorized:				
Equity Shares of Rs. 10/- each	2,000,000	20,000,000	2,000,000	20,000,000
	2,000,000	20,000,000	2,000,000	20,000,000
Issued, subscribed and fully paid up:				
Equity Shares of Rs. 10/- each	56,400	564,000	940,000	9,400,000
	56,400	564,000	940,000	9,400,000

Rights & restriction attached to equity shareholders

The Company has only one class of equity shares having a face value of Rs. 10/- each. Every Shareholder is entitled for one vote per share. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

Reconciliation of the number of Shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March 2016		As at 31st March 2015	
	No. of shares	Value of Shares	No. of shares	Value of Shares
Number of equity shares at the beginning of the year	940,000	9,400,000	940,000	9,400,000
Less : Number of shares reduced as per scheme of reduction of capital *	883,600	8,836,000	-	-
Number of equity shares outstanding at the end of the year	56,400	564,000	940,000	9,400,000

* Pursuant to the scheme of reduction of capital u/s 66 of The Companies Act 2013 as approved by the shareholders and Hon'ble High Court of Bombay, the company has reduced the issued, the subscribed and fully paid up share capital from Rs. 94,00,000/- divided into 9,40,000 fully paid up Equity Shares of Rs. 10 each, to Rs. 5,64,000/- divided into 56,400 fully paid up Equity Shares of Rs. 10 each.

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

Name of Shareholders	As at 31st March 2016		As at 31st March 2015	
	No. of shares	% of Holdings	No. of shares	% of Holdings
a) Life Insurance Corporation of India Ltd.	8,442	14.97	140,699	14.97
b) S. G. Glass Works P. Ltd.	3,259	5.78	54,310	5.78

Note 2 : Reserves and Surplus

Particulars	As at 31st March 2016		As at 31st March 2015	
	Rupees		Rupees	
Profit & Loss Account :				
Opening Balance		(15,747,303)		(14,367,329)
Less: Adjusted against capital reduction *		(8,836,000)		-
Add: Profit/ (Loss) for the Year		(1,177,510)		(1,379,975)
Closing Balance		(8,088,814)		(15,747,303)

Note 3 : Short-term borrowings

Particulars	As at 31st March 2016		As at 31st March 2015	
	Rupees		Rupees	
Unsecured				
From Others		16,900,000		16,800,000
From Directors		294,627		-
Total		17,194,627		16,800,000

Note 4 : Other current liabilities

Particulars	As at 31st March 2016 Rupees	As at 31st March 2015 Rupees
Duties and Taxes Payable	575	-
Due to Director	13,500	-
Sundry Creditor for Expenses	517,064	28,090
Total	531,139	28,090

Note 5 : Fixed assets

Particulars	As at 31st March 2016 Rupees	As at 31st March 2015 Rupees
(a) Fixed assets		
(i) Tangible assets	5,158,370	5,158,370
(ii) Capital work-in-progress	1,961,482	1,961,482
Total	7,119,852	7,119,852

Note 6 : Other non-current assets

Particulars	As at 31st March 2016 Rupees	As at 31st March 2015 Rupees
Others	2,581,155	2,581,155
Balances with Tax authorities	118,252	118,252
Total	2,699,407	2,699,407

Note 7 : Inventories

Particulars	As at 31st March 2016 Rupees	As at 31st March 2015 Rupees
Shares **	335,802	335,802
Total	335,802	335,802

** Inventories, have been valued at lower of cost or market value

Note 8 : Cash and cash equivalents

Particulars	As at 31st March 2016 Rupees	As at 31st March 2015 Rupees
Cash in hand	10,053	126,984
<u>Balance with Banks</u>		
- in Current Account	35,838	198,742
Total	45,891	325,726

Note 9 : (Increase)/decrease in inventories

Particulars	For the year ended March 31, 2016 Rupees	For the year ended March 31, 2015 Rupees
Inventories at the end of the year:	335,802	335,802
Inventories at the beginning of the year:	335,802	942,618
Net (increase) / decrease	-	606,816

Note 10 : Other expenses

Particulars	For the year ended March 31, 2016 Rupees	For the year ended March 31, 2015 Rupees
Advertisement Expenses	74,339	28,910
Printing & Stationery	272,378	41,751
Communication Expenses	9,762	13,356
Managerial Remuneration - Sitting Fees	49,000	20,000
Postage & Courier Charges	34,399	24,181
Conveyance	30,654	11,914
Depository & Other Expenses	62,183	30,648
Stock Exchange Fees	246,470	224,720
Legal & Professional Expenses	253,922	209,464
Office Expenses	40,073	64,043
Office Rent	60,000	60,000
Bank Charges	1,236	2,126
R.O.C Expenses	11,400	10,900
Website Maintenance	2,700	3,034
Interest on TDS	369	22
Auditors Remuneration :		
Audit Fees	28,625	28,090
Total	1,177,510	773,159

Note 11 : Earnings per share

Particulars	For the year ended March 31, 2016 Rupees	For the year ended March 31, 2015 Rupees
Profit After Tax for the year	(1,177,510)	(1,379,975)
Profit Attributable to Equity Share Holders (A)	(1,177,510)	(1,379,975)
Weighted Average Number of Equity Shares for Basic and Diluted EPS (Nos.)(B)	866,367	940,000
Nominal Value of Equity Shares (Rs.)	10	10
Basic and Diluted EPS (A/B)	(1.36)	(1.47)

Sub - Schedule to Note 5 : Fixed Assets

Particulars	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
	Balance as at 1st April 2015	Additions for the year	Deductions during the year	Balance as at 31st March 2016	Balance as at 1st April 2015	For the year	Disposal	Upto 31st March 2016	Balance as at 31st March 2016	Balance as at 31st March 2015
Tangible Assets										
Building	808,906	-	-	808,906	-	-	-	-	808,906	808,906
Plant & Machinery	91,614	-	-	91,614	-	-	-	-	91,614	91,614
Ballast & Permanent	2,512,055	-	-	2,512,055	-	-	-	-	2,512,055	2,512,055
Bridge Work	1,616,243	-	-	1,616,243	-	-	-	-	1,616,243	1,616,243
Electric Work	6,877	-	-	6,877	-	-	-	-	6,877	6,877
Fencing	122,675	-	-	122,675	-	-	-	-	122,675	122,675
Capital Work-in-Prog	1,961,482			1,961,482	-	-	-	-	1,961,482	1,961,482
Current Year	7,119,852	-	-	7,119,852	-	-	-	-	7,119,852	7,119,852
Previous Year	7,119,852	-	-	7,119,852	-	-	-	-	7,119,852	7,119,852

Note 12: Significant Accounting Policies & Notes on financial statements**i. Business**

The Central Provinces Railways Company Limited is public limited listed company. The Company operates in the business of transportation through railways & Trading business.

ii. Income

- a) Financial statements are prepared under historical cost convention on accrual basis in accordance with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013.
- b) Income from Railway represents the net earnings received from Central Railway in terms of the Contracts for the Construction and Working of the Ellichipur Murtajapur Yeotamal Railway and Pulgaon-Arvi Railway.
- c) Income from Central Railways shown in their books of accounts is Rs.6,90,802/- (Rs. 8,96,476 /-) as certified by the management, being the Company's share of income for the period 01.04.2015 to 31.03.2016 has been adjusted by the Central Railway against expenditure claimed to have been incurred by them for and on account of the company's liability towards repairs, rehabilitation, renewals & replacements of the railway assets. The Company has disowned the liability on the ground that these liabilities being in the nature of replacement are to borne by the Central Railway, as per the contract. However, the Company has thought it is prudent not to account for the aforesaid amount of Rs.6,90,802/- (Rs. 8,96,476/-) adjusted in the aforesaid manner by Central Railway. In the past also company has followed this policy of recognition of revenue and there is no change in the policy on this account.

iii. Inventories:

Shares held are considered as stock-in-trade; in case of quoted shares the same are valued at lower of cost & market value.

iv. Fixed Assets

Fixed assets are stated at historical cost of acquisition less depreciation.

v. Depreciation

Under the terms of the agreement with the Government, the working agency namely Central Railway, is responsible for maintaining and renewing the railway. The assets shown as fixed capital expenditure on railway construction account in Schedule '5' annexed are in the physical possession of the Central Railway. In view of the legal opinion obtained in the past that the extent of depreciation under Section 205 and 350 of the Companies Act, 1956 in respect of these assets is nil, the Company has, consistent with the past practice not provided for any depreciation on these assets. However, the Central Railway have in their letter addressed to the Company raised various legal issues such as liability of the Company for certain expenditure incurred by them, provision for depreciation in respect of the assets in their possession etc. The Company is seeking legal opinion in the matter. The issues when resolved may have impact on various items disclosed in the accounts.

vi. Revenue Recognition

All income and expenditure items having a material bearing on the financial statement are recognized on accrual basis.

vii. Provisions and Contingencies

A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible or present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are neither recognized nor disclosed in the financial statements.

viii. Taxes on Income

a) Provision for is made on the basis of the estimated taxable income as per the provisions of the Income Tax Act, 1961 and the relevant Finance Act, after taking into consideration judicial pronouncements and opinions of the Company's tax advisors.

b) Deferred tax is recognized, subject to the consideration of prudence on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

ix. Impairment of Assets

Where carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flow.

Note 13: The Company does not owe any sum to Small Scale Industrial Undertakings.

Note 14: During the year the Company had complied with the requirements / documentation for reduction of its share capital from 9,40,000 equity shares of Rs. 10/- each to 56,400 equity share of Rs. 10 each.

Note 15: Contingent Liabilities

Contingent Liabilities have been not provided in the books of accounts for the balance claim on 01.04.2015 amounting to Rs. 2,28,01,466/- by Central Railway as regards to the Capital Expenditure which have been incurred by central railway in the year 2003 on behalf of the company. Central Railway adjusted the share of income accrued for the current financial year of Rs 6,90,802/- being the Company's share of income adjusted by them and not treated by the Company as income. The balance claim amount as on 31.03.2016 is Rs. 2,21,10,664 /-.

As per the terms of agreement between the Company and the then Secretary of State for, the Construction and Working of Ellichipur Murtajapur Yeotamal Railway and Pulgaon-Arvi Railway the said Secretary of State (now the Railway Board) has a right to terminate the contract by purchasing the assets of the Company at a price which shall not be less than the

total capital cost incurred by the Company. In view of the said contract, no provision for depreciation or impairment of asset is deemed necessary.

Note 16: Related Party Disclosure

Related Party Disclosure under AS-18 issued by the Institute of Chartered Accounts of India. The Management has informed that all the transactions entered during the previous year with various parties do not fall within the purview of the Accounting standard 18 "Related Party Transaction" issued by the Institute of Chartered Accountants of India.

Note 17: Statutory information

Particulars	As at 31st March 2016	As at 31st March 2015
a. Managerial remuneration (sitting fees)	49000	20000
b. Remuneration to Auditors	28625	28090
c. Expenditure in Foreign	Nil	Nil
d. Currency Earnings in Foreign Currency	Nil	Nil

Note 18: No provision for Contingent Liabilities, if any has been made in these accounts.

Note 19: Figures have been rounded off to the nearest rupee.

Note 20: Previous year's figures have been regrouped & rearranged wherever necessary.

As per my report of even date**For S B Jajoo & Co.**

Chartered Accountants

Sd/-

Santosh B Jajoo

Proprietor

M.No.118622

Place:Mumbai

Date:28.05.2016

For and on Behalf of the Board

The Central Provinces Railways Co. Ltd

Sd/-

HareshBhojwani

Director

(Din.02895523)

Sd/-

Amitkumar Rander

Director

(Din:05311426)

THE CENTRAL PROVINCE RAILWAYS COMPANY LIMITED.

PROXY FORM

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

Reg.FolioNO _____ Name of Shareholder _____
D.P.I.D* _____ Client ID* _____
Email ID: _____

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

1. Name:

Address:E-mail Id:.....Signature:....., or failing him

2. Name:

Address:E-mail Id:.....Signature:....., or failing him

3. Name:

Address:E-mail Id:.....Signature:....., or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on the 28th day of September 2016 At 11.00 a.m. at Mangalya Bhavan, Link Road,Off Yogi Nagar,Borivali(West),Mumbai-400092, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

Item No.	Resolution	For	Against
1.	To receive, consider and adopt the Audited Balance Sheet as at and the Audited Profit and Loss Account of the Company for the period ended 31st March, 2016 together with Directors' Report and Auditors' Report thereon.		
2.	Re-appointment of Mr. Amitkumar Rander as Director liable to retire by rotation		
3.	Re-appointment of M/s. S. B. Jajoo & Co, Chartered Accountants, as Auditors of the Company.		

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

Signature of the shareholder _____

[Signature of Proxy] _____

Affix
Re. 1/-
Revenue

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

THE CENTRAL PROVINCE RAILWAYS COMPANY LIMITED

ATTENDANCE SLIP

Annual General Meeting

Reg.FolioNO_____ Name of Shareholder_____

D.P.I.D*_____ Client ID*_____

Email ID: _____

I/We hereby record my/our presence at the Annual General Meeting of the company being held on 28th September 2016 at, Mangalya Bhavan, Link Road, Off Yogi Nagar, Borivali(West), Mumbai-400092, 11.00 A.M.

Signature of the shareholder(s), / Proxy/

Representative_____

Note:

1) Member / proxy holder wishing to attend the meeting must bring the attendance slip to the meeting and hand over the same duly signed at the Venue.

BOOK POST

If undelivered please return to:

THE CENTRAL PROVINCE RAILWAYS COMPANY LIMITED

Regd. Office:Unit no.35/B,Building no.01,Ganjawala Shopping Center,
S.V.P Road,Borivali(west),Mumbai-400092.

Email Id:-cprclimited@gmail.com

Phone No. 022-28935838.