

2006 - 2007



ANNUAL REPORT

DEDICATED FREIGHT CORRIDOR CORPORATION OF INDIA LIMITED

(A Government of India Undertaking)

Regd. Office : 101- A, Rail Bhawan, New Delhi

Corporate Office : Palika Bhawan, Sector - XIII, R.K.Puram, New Delhi - 110 066

Organisation

Name

Designation

PRESENT MANAGEMENT

Mr. K. C. Jena	Chairman
Mr. V.K. Kaul	Managing Director
Mr. R. K. Sinha	Director (Finance)
Mr. P. N. Shukla	Director (Operation & Business Development)
Mr. R.N. Verma	Director
Mr. R.Ashok	Director
	OSD
Mr. B. B. Saran	Officer on Special Duty

MANAGEMENT UPTO 31.03.2007

Mr.J.P.Batra	Chairman
Mr.Shri. Prakash	Director
Mr.Rakesh Chopra	Director
Mr.Madhuresh Kumar	OSD

PRESENT GENERAL MANAGERS IN CORPORATE OFFICE

Mr. A.K. Lal	GM (Finance)
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Mr. S.K. Raina	GGM (Engineering - I)
Mr. Rakesh Goyal	GGM (Engineering - II & HR)
Mr. Rahul Agarwal	GM (Signal & Telecom)
Mr. V.K. Yadav	GGM (Electrical)
Mr. Arun Arora	GM (Rolling Stock & Admin.)
Mr. S.K. Pathak	GM (Engineering - III)
Mr. Manoj K. Akhouri	GM (Operations)
Mr. Niraj Kumar	GM (Business Development)

PRESENT GENERAL MANAGERS / AGM IN FIELD UNITS

Mr. Ashok Kumar,	GM/ Allahabad
Mr. C.P. Gupta	GM/Kanpur
Mr. D.S.Rana	GM/Mumbai
Mr. P.K.Goyal	GM/Ludhiana
Mr.S.P.S.Gupta	GM/Vadodara
Mr. V.K.Khera	GM/Jaipur
Mr.Ashutosh Rankawat	GM/Ahemdabad
Mr.S.C.Gupta	AGM/Vadodara

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CHAIRMAN'S MESSAGE

Dear Shareholders

While welcoming shareholders of DFCCIL to the first Annual General Meeting, I am filled of pride and elation that DFCCIL has got off the ground and is poised to take its first step towards execution of the biggest and most ambitious project to be taken up by the Ministry of Railways since independence. Three functional Directors that is MD, Director Finance & Director (Operation and BD) have taken charge, and have started taking major decisions in the field of designing and finalization of alignment. Seven field offices under General Managers have started functioning at Ludhiana, Jaipur, Vadodara, Ahmedabad, Mumbai, Kanpur & Allahabad.

The Dedicated Freight Corridor is a project for new railway lines exclusively for carrying freight isolated from normal IR traffic and passenger trains. Conceived in 2004-2005, planning for the project began in 2006, and in 2007 initial proposals have been drawn up. In the first phase, the Western Corridor will connect the Jawaharlal Nehru Port to New Delhi via Vadodara, Ahmedabad, Palanpur, Jaipur, and Rewari and further on to Tughlakabad and Dadri, and Eastern Corridor will connect Sonnagar with Ludhiana, with line also connecting to Dadri. In later phases, some other corridors may be taken up for which survey and feasibility study is currently on hand. The Eastern & Western Corridors of DFCC project will include 2,700km or so of exclusive freight lines (new construction), and about 5,000km of feeder lines that will include some new construction and many existing lines that will be upgraded. It is expected that trains running on the DFC lines will be up to 1.5km long and running at up to 100km/h. Double-stacking of containers is expected to be the rule, transit time for freight between Mumbai and New Delhi is expected to drop to about 36 hours from the current 60 hours. Expected completion time for the first phase of the DFC project is around 5-7 years (i.e., completion by 2012-2014).

The project will provide the much-needed additional capacity in the rail infrastructure for growth of Indian Economy and Exim trade, and I am sure that not just DFCC but also the IR will go from strength to strength in foreseeable future.

Directors' Report on the DFCC

Gentlemen

1. The Directors have pleasure in presenting the 1st Annual Report together with the Audited Statement of Accounts of the company for the period ended 31st March 2007.

2. Working of the company

The company was incorporated on 30th October, 2006 with the object to carry on the business of construction related to freight corridor and thereafter for commercial operation. The Company has obtained its Certificate of Commencement of Business on 3rd November, 2006. The working of the company has initiated by a project Commencement Group that consisted of Four SAG officers of the Railway board. The Board of Directors consisted only of the first Directors, and the work done was mainly towards planning, and coordinating with the evaluation team of the agency appointed by Government of Japan (JICA). During the period, the Company had incurred development expenditure of Rs. 61.75 lakhs.

3. Share Capital

The company is incorporated with Authorized Share Capital of Rs. 4000,00,00,000 (Rupees four thousand crore) divided into 4,00,00,000 (Four crore) Equity shares of Rs. 1,000/- each. The Company's Paid Up Share Capital as on 31.03.2007 was Rs. 2,00,00,000 (Rupees two crore) divided into 20,000 (twenty thousand) Equity Shares of Rs. 1000/- each, which stands increased to Rs.17,00,00,000/- representing 1,70,000 equity shares of Rs.1,000/- each as on date.

4. Auditors' Report

The report of the Auditors read with Notes to the accounts is self-explanatory and no separate comments are required.

5. Directors

The First Directors of the Company are Sh.Shri Prakash, Sh. Rakesh Chopra and Sh. R. Ashok nominated by the Ministry of Railways (MOR). Sh.R. N. Verma has been nominated by the MOR as part time Director w.e.f. 2nd August 2007 in the place of Sh.Prakash who ceased to be the Director of the Company.

The MOR had nominated on 20 March, 2007 Sh. J. P. Batra as the Chairman, of the Company. He has superannuated on 31.07.2007. Shri.Rakesh Chopra Former Additional Member (Engg.) has also ceased to be Director since upon his assuming charge of GM/Southern Railways. Shri.K.C.Jena/CRB has been appointed as Chairman of the Corporation with effect from 31st August, 2007 vide Railway Board Letter No.ERBI/2007/2/44/ dt.31/08/2007.

The President has appointed Mr.V.K.Kaul as Managing Director, Mr. R.K.Sinha as Director (Finance) and Mr.P.N.Shukhla as Director (Operations & Business Development) of the Company and they have assumed charge w.e.f. 15th , 17th September and 15th October, 2007 respectively.

6. Auditors

M/s. K. G. Somani & Co. Chartered Accountants, New Delhi, have been appointed as first Statutory Auditor of the Company by the Comptroller and Auditor General of India.

7. Particulars of Employees/Directors Remuneration

Information as per section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended from time to time is not required to be disclosed as none of the employees and Directors was in the receipt of remuneration in excess of the limits prescribed.

8. Conservation of Energy Consumption, Technology absorption

The particulars as prescribed pursuant to section 217 (1) (e) of the Companies Act read with Companies (Disclosure of Particulars in the report of the Board of Directors) Rule, 1988 in respect of the Conservation of Energy and Technology Absorption shall be treated as Nil as the company is presently neither energy intensive nor technology intensive.

9. Responsibility Statement

As required under section 217 (2AA) of the Companies Act, 1956, The Directors confirm that:

- a) In preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
- b) The Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the company for that period.
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) The Directors have prepared the annual accounts on a going concern basis.

10. Acknowledgement

The Directors are grateful to CAG, MOR, IRFC, RVNL, IRCON and their employees and all other concerned for their continuing support to the company.

For and on behalf of the Board

**K.C.JENA
CHAIRMAN**

AUDITORS

Comptroller & Auditor General of India appointed -

- M/s.K.G.Somani & Company, Chartered Accountants for the year 2006-07.

Internal Auditor

- M/S. S.P. Gautam , Chartered Accountant

ANNUAL ACCOUNTS

DEDICATED FREIGHT CORRIDOR CORPORATION OF INDIA LIMITED

BALANCE SHEET AS AT MARCH 31, 2007

Amount in Rs.

LIABILITIES

SCHEDULE

AS AT 31.3.2007

ASSETS

SCHEDULE

AS AT 31.3.2007

SOURCES OF FUNDS

Shareholders' Funds
Share Capital

1 2,00,00,000

APPLICATION OF FUNDS

Fixed Assets
Gross Block
Depreciation
Net Block

2 1,71,052
(11,445)
1,59,607

Development account

3 61,75,189

Current Liabilities and Provisions

Liabilities
Provisions

6 2,92,00,728
7 1,55,320

Current Assets, Loans and Advances

Cash and Bank Balances
Loans and Advances

4 2,00,00,000
5 4,50,540

Miscellaneous Expenditure
(to the extent of not written off)

8 2,25,70,712

TOTAL

4,93,56,048

TOTAL

4,93,56,048

Significant Accounting Policies
Notes to the Accounts

9
10

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

The schedules referred to above form an integral
part of the Balance Sheet

K.G. SOMANI & COMPANY
Chartered Accountants

(VINOD SOMANI)/FCA
Partner

Membership No: 85277



Place: New Delhi
Date: 20-11-2007

V.K. Kaul
(Managing Director)

ON BEHALF OF THE BOARD

R.K. Sinha
(Director Finance)

(R.K. Sinha)
DFOC
R.K. Pur
066

DEDICATED FREIGHT CORRIDOR CORPORATION OF INDIA LIMITED

Schedules attached to and forming part of Balance Sheet as at March 31,2007

	Amount as at 31.03.2007
	Rupees
SCHEDULE 1	
SHARE CAPITAL	
Authorized capital	
4,00,00,000 equity shares of Rs 1000/- each	4000,00,00,000
Issued, subscribed and paid up capital	
20,000 equity shares of Rs 1000/- each fully paid up hold by MOR	2,00,00,000
TOTAL	2,00,00,000

DEDICATED FREIGHT CORRIDOR CORPORATION OF INDIA LIMITED

Schedules attached to and forming part of Balance Sheet as at March 31, 2007

SCHEDULE :2

FIXED ASSETS

BLOCK OF ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK
	Additions during the period	Sales / adjustments during the period	Cost up to Mar. 31, 2007	Depreciation during the period	Depreciation on sale / adjustments	Up to March 31, 2007	As at March 31, 2007
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Computer - Hardware and Software	1,27,056	-	1,27,056	10,909	-	10,909	1,16,147
Office equipment	43,996	-	43,996	536	-	536	43,460
TOTAL	1,71,052	-	1,71,052	11,445	0	11,445	1,59,607

DEDICATED FREIGHT CORRIDOR CORPORATION OF INDIA LIMITED**Schedules attached to and forming part of Balance Sheet as at March 31, 2007****SCH. 3 : STATEMENT OF DEVELOPMENT EXPENSES FOR THE PERIOD FROM
NOVEMBER 03, 2006 TO MARCH 31, 2007**

	For the Period from November 13, 2006 to March 31, 2007	
	Rupees	
Advertisement Expenses	3,124,092	
Telephone Expenses		56,250
Stationery Expenses		3,791
Office Facility	1,073,942	
Annual Maint. Charges		8,068
Books & Periodicals		278
Consultancy Fee		99,835
Electricity Expenses		52,351
Housekeeping Expenses		35,510
Misc. Expenses		614
Detailed Design Engineering		825,317
Project Management Consultancy	1,122,400	
Audit Fees		50,000
Office Expenses		5,013
Office Security Expenses		47,979
Vehicle Hiring Charges		261,970
Income Tax A.Y. 2007-08		155,320
Depreciation		11,445
TOTAL	6,934,175	
Less : Interest From FDR		415,046
Less : Tender Processing Fee		343,940
NET EXPENDITURE TRANSFERRED TO DEVELOPMENT ACCOUNT	6,175,189	

DEDICATED FREIGHT CORRIDOR CORPORATION OF INDIA LIMITED

Schedules attached to and forming part of Balance Sheet as at March 31, 2007

**Amount As at
31.3.2007**

Rupees

SCHEDULE 4

CASH AND BANK BALANCES

Balance with Scheduled Banks

On Fixed Deposit 2,00,00,000

2,00,00,000

TOTAL

2,00,00,000

SCHEDULE 5

LOANS AND ADVANCES

(Unsecured, considered good)

Advances recoverable in cash or in kind or for value to be received

Interest accrued but not due on term deposits 4,15,046

Advance Fringe Benefit tax 5,494

imprest advances 30,000

TOTAL

4,50,540

DEDICATED FREIGHT CORRIDOR CORPORATION OF INDIA LIMITED

Schedules attached to and forming part of Balance Sheet as at March 31, 2007

		Amount as at 31.03.2007
	Rupees	Rupees
SCHEDULE 6		
CURRENT LIABILITIES		
Sundry Creditors		
- Total outstanding dues of creditors other than small scale undertakings		2,92,00,728
TOTAL		2,92,00,728
*There are no small scale undertakings to which the Company owe Rs. 1 lakhs or more, which are outstanding for more than 30 days.		
SCHEDULE 7		
PROVISIONS		
Provision for Income Tax		1,55,320
TOTAL		1,55,320
SCHEDULE 8		
MISCELLANEOUS EXPENDITURE		
Preliminary Expenditure	2,25,70,712	
Less: Written off during the year	<u>-</u>	2,25,70,712
		2,25,70,712

DEDICATE FREIGHT CORRIDOR CORPORATION OF INDIA LIMITED

**BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE
SCHEDULE VI PART IV
COMPANIES ACT, 1956**

I. Registration Details

Registration No.	155,068	State code	55
Balance Sheet Date	31.03.2007		

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue	NIL	Rights Issue	NIL
Bonus Issue	NIL	Private Placement	20,000

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities	49,356	Total Assets	49,356
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Sources of Funds

Paid-up Capital	20,000	Reserves & Surplus	0
Secured Loans	NIL	Unsecured Loans	0
Deferred Tax Liability	NIL		

Application of Funds

Net Fixed Assets	6,335	Investments	0
Net Current Assets	-8,906	Misc. Expenditure	22,571
Accumulated Losses	NIL		

IV. Performance of company (Amount in Rs. Thousands)

Turnover	-	Total expenditure	-
Profit/(Loss) Before tax	-	Profit/(Loss) After tax	-
Earning per Share in Rs.	-	Dividend	-

**V. Generic Names of Three Principal Products/ Services of Company
(as per monetary terms)**

Item Code No. (ITC Code)	98.09
Product Description	Turnkey construction
Item Code No. (ITC Code)	NIL
Product Description	NIL
Item Code No. (ITC Code)	NIL
Product Description	NIL

Managing Director Director

SCHEDULE 9

SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Preparation of Financial Statements

These financial statements have been prepared on an accrual basis under historical cost convention in accordance with the generally accepted accounting principles standard in India including the mandatory accounting Standards issued by the Institute of Chartered Accountants of India and the provisions of the Companies Act, 1956.

2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that effect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statement and the reported amounts of revenues and expenses for the years presented. Actual results could differ from those estimates.

3. Revenue Recognition

Interest on investment is booked on a time proportion basis considering the amounts invested and the rate of interest.

4. Fixed Assets & Depreciation

- a) Fixed assets are stated at historical cost and all directly attributable expenses relating to the acquisition of the assets are capitalized alongwith respective assets.
- d) All development cost being incurred on construction and acquisition of Assets forming part of the railway infrastructure will be capitalized by distributing it pro-rata in proportion to the direct costs of a completed Assets.
- c) Depreciation on individual assets acquired for less than Rs. 5000/- is entirely depreciated in the year of acquisition.
- d) Depreciation is provided on the written down value method at the rates mentioned in Companies Act, 1956.
- e) Depreciation on additions/deletions to Fixed Assets are provided on *pro-rata* basis from/to the date of addition/deletions.

5. Investments

Long Term Investments are valued at cost less provision for permanent diminution in value.

6. Provisions

In accordance with the Accounting Standard-29 (AS-29) issued by The Institute of Chartered Accountants of India, provisions are made for the present obligations where amount can be estimated reliably.

7. Taxation

- a. Taxes including current income tax are computed using the applicable tax rates and tax laws. Liability for additional taxes, if any, is provided/ paid as and when assessments are completed.
- b. The Company have income under the head of “income from other sources” so the liability of deferred tax has not been taken.

8. Miscellaneous Expenditure

Preliminary and other expenses incurred will be written off over a period of five years from the year of commencement of Business operations.

For and on behalf of the Board

V.K.Kaul
Managing Director

R.K.Sinha
Director Finance

SCHEDULE 10

NOTES TO THE ACCOUNTS

1. Related Party Disclosures:

a) Key Management Personnel

Mr.K.C.Jena	Chairman (D.O. J. - 19/9/2007)
Mr.V.K.Kaul	Managing Director (D.O.J-15/09/2007)
Mr.R.K.Sinha	Director (Finance) (D.O.J-17/09/2007)
Mr.P.N.Shukla	Director (Opns. & BD) (D.O.J-15/10/2007)
Mr.Shri Prakash	Director (He was Director as on 31/03/2007)
Mr.Rakesh Chopra	Director
Mr.R. Ashok	Director

b) Enterprises in which directors interest exist:

NIL

c) Disclosure of transactions with related parties:-

Particulars	Transactions		Outstanding Amount **	
	Period ended March 31/03/2007 Rupees		As at March 31, 2007 Rupees	
Remuneration to key Personnel (b) above	NIL	NIL	NIL	NIL

2. Managerial Remuneration

	Period ended March 31/03/2007 Rupees	
Salary & allowances	NIL	
Provident fund and other fund	NIL	

3. Provision for Income tax has been calculated on the interest income received /accrued during the year.
4. The Company was incorporated on November 03, 2006. Accordingly, the first accounts were prepared for the period from November 03, 2006 to March 31, 2007. Accordingly there are no previous year comparable figures.
5. The Company has commenced work related to the project and related expenses have been shown under Development Expenditure Account to be apportioned on projects.

For and on behalf of the Board

V.K.Kaul
Managing Director

R.K.Sinha
Director Finance

AUDITORS' REPORT

1. We have audited the attached Balance Sheet of *M/S Dedicated Freight Corridor Corporation of India Limited* as at *31st March 2007* and related Development Expenses Account for the period ended *31st March 2007* which we have signed under reference to this report.. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956. We give in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order to the extent applicable to the company.
4. Further to our comments in the annexure referred to in paragraph 3 above, we report that:




- a. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of such books.
- c. The Balance Sheet and Development Expenses Account dealt with by this report are in agreement with the books of account.
- d. In our opinion, the attached Balance Sheet and Development Expenses Account dealt with by this report comply with the Accounting Standard referred to in Section 211 (3C) of the Companies Act 1956.
- e. On the basis of written representation received by Directors, as on 31st March 2007 and taken on record by Board of Directors, we report that none of the Directors of the company is disqualified as on 31st March 2007 from being appointed as Director under clause (g) of sub-section (1) of Sec. 274 of Companies Act. 1956.
- f. In our opinion and to the best of our information and according to the explanations given to us, the said account read together with the Significant Accounting Policies and read with Note thereon, give the information required by the Companies Act, 1956 in the manner so required and present a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March 2007;



- ii. In the case of Development Expenses Account, of the Expenditure for the period ended on that date; and.

New Delhi
Dated 20.11.2007

For K. G. SOMAN & CO.
Chartered Accountants

(VINOD SOMANI)
Membership No. 85277

Annexure to the Auditor's Report:

[Referred to in paragraph 3 of the Auditor's Report of even date to the members of Dedicated Freight Corridor Corporation of India Limited on the Financial Statements for the year ended March 31, 2007].


1. The Company was incorporated on 30th October 2006 and is in the process of implementing the project. Most of the clauses of the CARO 2003, are therefore not applicable, during this year.
2. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.

(b) The Management during the year physically verified these fixed assets. We have been informed that the Management has conducted physical verification of fixed assets and they have noticed no material discrepancies.

New Delhi
Dated 20.11.2007



For K. G. SOMANI & CO.
Chartered Accountants


(VINOD SOMANI)
Membership No. 85277



गोपनीय
प.सं./No.स.ले.प. III/प्रति/अकाउंट्स/55-1/2006-07/ 1286

कार्यालय
प्रधान निदेशक, वाणिज्यिक लेखा परीक्षा
एवं पदेन सदस्य लेखा परीक्षा बोर्ड-III,
नई दिल्ली
OFFICE OF THE
PRINCIPAL DIRECTOR OF COMMERCIAL AUDIT
& EX-OFFICIO MEMBER, AUDIT BOARD-III,
NEW DELHI

दिनांक/Dated

11 DEC 2007

सेवा में,

प्रबंध निदेशक,
डेडिकेटेड फ्रेट कोरिडोर कॉरपोरेशन ऑफ इन्डिया लिमिटेड,
पालिका भवन, सैक्टर-12,
आर.के. पूरम,
नई दिल्ली 110 066.

विषय: कंपनी अधिनियम की धारा 619(4) के अधीन डेडिकेटेड फ्रेट कोरिडोर कॉरपोरेशन ऑफ इन्डिया लिमिटेड, नई दिल्ली, के 03-11-2006 से 31-03-2007 तक के लेखाओं पर भारत के नियंत्रक-महालेखा परीक्षक की टिप्पणियाँ।

महोदय,

मैं डेडिकेटेड फ्रेट कोरिडोर कॉरपोरेशन ऑफ इन्डिया लिमिटेड, नई दिल्ली, के 03-11-2006 से 31-03-2007 तक के लेखों पर कंपनी अधिनियम 1956 की धारा 619(4) के अधीन भारत के नियंत्रक-महालेखा परीक्षक की टिप्पणियाँ अग्रेषित करता हूँ।

2. कृपया इस पत्र की संलग्नकों सहित प्राप्ति की पावती भेजी जाए।

भवदीय,

संलग्नक: यथोपरि।

ई. आर. सोलोमन

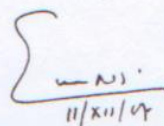
(ई.आर. सोलोमन)
प्रधान निदेशक

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 619(4) OF THE COMPANIES ACT, 1956 ON THE
ACCOUNTS OF DEDICATED FREIGHT CORRIDOR CORPORATION OF
INDIA LIMITED, NEW DELHI FOR THE PERIOD FROM 03.11.2006 TO
31.03.2007.**

The preparation of financial statements of Dedicated Freight Corridor Corporation of India Limited, New Delhi for the period from 03.11.2006 to 31.03.2007 in accordance with the financial reporting framework prescribed under the Companies Act, 1956, is the responsibility of the management of the Company. The statutory auditor appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956, is responsible for expressing opinion on these financial statements under Section 227 of the Companies Act, 1956, based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 20 November 2007.

I on the behalf of the Comptroller and Auditor General of India have decided not to review the report of the statutory auditors' on the accounts of Dedicated Freight Corridor Corporation of India Limited, New Delhi for the period from 03.11.2006 to 31.03.2007 and as such have no comments to make under Section 619(4) of the Companies Act, 1956.

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



(E.R. Solomon)

Principal Director of Commercial Audit and
ex-officio Member Audit Board – III,
New Delhi

Place: New Delhi
Dated 11th December 2007

