
**DEDICATED
FREIGHT
CORRIDOR
CORPORATION
OF INDIA LIMITED**

**ANNUAL REPORT
2007-2008**

**डेडिकेटेड फ्रेट कोरिडोर
कॉरपोरेशन लिमिटेड**

(भारत सरकार का एक उपक्रम)

पंजीकृत कार्यालय: 101-ए, रेल भवन, नई दिल्ली -110001

कार्पोरेट कार्यालय: पालिका भवन, सेक्टर - XIII

आर. के. पुरम, नई दिल्ली-110066

**वार्षिक रिपोर्ट
2007-2008**

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LIST OF DIRECTORS

Name	Designation	Joined with effect from
Mr. K. C. Jena	Chairman	19.09.2007
Mr. V.K. Kaul	Managing Director	15.09.2007
Mr. R. K. Sinha	Director (Finance)	17.09.2007
Mr. B. B. Saran	Director (Project Planing)	19.06.2008
Mr. P. N. Shukla	Director (Operation & Business Development)	15.10.2007
Mr. Pradeep Bhatnagar	Director	28.02.2008
Mr. Deepak Krishan	Director	28.02.2008
Mr. Gajendra Haldea	Director	02.05.2008

FORMER DIRECTORS

Name	Designation	Ceased to be Director w.e.f.
Mr. R. Ashok	Director	07.04.2008
Mr. Ravindra Nath Verma	Director	28.02.2008
Mr. Rakesh Chopra	Director	28.02.2008

GENERAL INFORMATION

REGISTERED OFFICE

Room No 101-A, Rail Bhawan,
Raisina Road, New Delhi -110001

STATUTORY AUDITORS

M/s K.G. Somani & Co.
Chartered Accountants
3/15 Asaf Ali Road
New Delhi

INTERNAL AUDITORS

S.P. Gautam & Co.
Chartered Accountants
Noida

BANKERS

Union Bank of India
Centurion Bank
Axis Bank
Yes Bank
Corporation Bank

CHAIRMAN'S MESSAGE

Dear Shareholders,

It gives me great pleasure to welcome you all at the Second Annual General Meeting of the Company. It is indeed a matter of pride for us to be associated with the most ambitious and biggest project of the Ministry of Railways.

As you all know, Dedicated Freight Corridor Corporation of India Limited (DFCC) is a special purpose vehicle created to undertake planning & development, mobilization of financial resources, construction, maintenance and operation of Dedicated Freight lines covering about 3236 route kms on two Corridors-Eastern Corridor (1767 kms) from Ludhiana to Dankuni and Western Corridor (1469 kms) from Jawahar Lal Nehru Port Mumbai to Tughlakabad/Dadri along with interlinking of two corridors at Dadri. It envisages 'state of the art' Construction Technology, upgradation of transportation systems, increase in productivity and reduction in unit transportation cost.

I am happy to announce that our Corporation has already done a substantial amount of preparatory and preliminary work during the short period of eight months since the present management was put in charge in Sept/Oct. 2007. I am delighted to share with you the overall update on the progress made during the year. During the year, Company has set up eight field units at Mumbai, Vadodra, Ahmedabad, Jaipur, Kanpur, Ludhiana, Allahabad, Ajmer at the Eastern and Western Corridors under the supervision of the Chief Project Managers for ensuring efficient and timely execution of the work. The Company has awarded contracts for detailed Engineering Survey including Geo technical investigations, collection and compilation of field data relating to L-section, utilities, GAD for bridges, hydrological data and preparation of land plans for acquiring land wherever required. Land acquisition is spread over 7 states of Bihar, U.P, Haryana, Punjab, Rajasthan, Gujarat and Maharashtra covering 48 districts.

Land plans for 600 kms are ready and due for notification and another 500 kms will be available shortly. First Gazette notification for acquisition of Land for 100 kms on Bhaupur-Madrak was issued in June, and 'Competent Authority' for 3 districts, namely, Itawa, Kanpur & Aurya in the State of Uttar Pradesh have been notified. Notification of 'Competent Authority' for 11 more districts is under issue. Engagement of General Consultants for preparation of Bid document for EPC/Design & Build Contract for Bhaupur-Mandrak section on Eastern Corridor is being finalized.

As per Budget announcement, work on Eastern and Western Corridor, is to commence during 2008-2009. Towards achievement of this objective, tender notices for Construction of DFC lines on Sonnagar-Mughalsarai (102 kms) on Eastern Corridor for Rs.568 Crs and Construction of major bridges in Vaitarna-Surat section of Western Corridor for Rs.419 Crs have been issued. The Corporation expects construction work to start on both the Corridors during Oct/Nov 08.

The Corporation is committed to time bound execution of the project through focused planning, financing, construction and maintenance of the project as "Time" is the essence of any project management.

Dedicated Freight Corridors would, I am sure, provide a fillip to the national economy and would help to tap the growing demands of transportation with economical and environment friendly techniques. I am confident that with your unstinting support and with the commitment and dedication of officers and employees, DFCC will achieve greater heights in times to come.


K.C. Jena
Chairman

NOTICE

NOTICE is hereby given that the 2ND Annual General Meeting of Members of Dedicated Freight Corridor Corporation of India Limited will be held on Monday, 21st July 2008 at 3.00 P.M. at Committee Room No1, 2nd Floor, Rail Bhawan, Raisina Road, New Delhi-110001 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2008 and the schedules annexed thereto together with the Directors' and Auditors' Report and comments of the Comptroller and Auditor General of India thereon.
2. To fix the remuneration of the Statutory Auditors of the Company reappointed by the Comptroller & Auditor General of India and to pass the following resolution as Ordinary Resolution.

"Resolved that the remuneration of the Statutory Auditor of the Company, reappointed by Comptroller and Auditor General of India be fixed as Rs. 50000/- (Rupees Fifty Thousand) for the financial year 2008-2009."

"Resolved further that pursuant to section 224(8)(aa) of the Companies Act, 1956, the Board of Directors of the Company be and are hereby authorized to fix the remuneration and reimbursement of out of pocket expenses in connection with the audit work, to the Statutory Auditors as reappointed by Comptroller & Auditor General of India in future."

SPECIAL BUSINESS

3. **To consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution.**

"Resolved that pursuant to section 17 of the Companies Act, 1956 & subject to the confirmation of the Company Law Board (powers delegated to the Registrar of Companies) consent of the members be and is hereby accorded to amend Clause III(A)1(ix) of the Memorandum of Association as follows.

- ix) To carry on the business of providers of rail infrastructure for carriage of goods in particular, and to generally carry on all businesses relating to a Railway Administration in relation to Non-Government Railways (as defined in The Railways Act, 1989 as amended from time to time), including but not limited to

FURTHER RESOLVED that the Company Secretary be and is hereby authorized to incorporate the amendments/modifications in the Memorandum and Articles of Association of the Company and to take further necessary actions to comply with the relevant laws and provisions of the Companies Act, 1956."

4. **To consider and if thought fit, to pass with or without modification, the following resolution as Special Resolution.**

"Resolved that pursuant to section 31 of the Companies Act, 1956 and subject to the approval from the concerned authority, if any, consent of the members be and is hereby accorded to alter the Articles of Association of the Company by replacing

- **Exiting Article 1(g) of the Articles**

"The Company or this Company means Dedicated Freight Corridor Corporation of India Ltd."

DEDICATED FREIGHT CORRIDOR CORPORATION OF INDIA LIMITED

By the following new Article

Article 1

The Company (g) "The Company or this Company means Dedicated Freight Corridor Corporation of India Limited, and at all times be deemed to be a Railway Administration as defined under The Railways Act, 1989 as amended from time to time or equivalent definition of Railway Administration in the new or amended Act which may come into force.

FURTHER RESOLVED that the Company Secretary be and is hereby authorized to incorporate the amendments/modifications in the Memorandum and Articles of Association of the Company and to take further necessary actions to comply with the relevant laws and provisions of the Companies Act, 1956.

Place: New Delhi
Date: 30.06.2008

By Order of the Board


Meenu Kapoor
Company Secretary

Note :

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a Proxy to attend and vote on a poll instead of himself and the Proxy need not be the member of the Company. The instrument appointing the Proxy should, however, be deposited at the Registered Office of the Company not less than forty-eight hours before the commencement of the Meeting.
2. An Explanatory Statement pursuant to section 173(2) of the Companies Act, 1956 relating to special business to be transacted at the meeting is annexed herewith.
3. The Proxy Form is attached herewith.

**AN EXPLANATORY STATEMENT PURSUANT TO
SECTION 173(2) OF THE COMPANIES ACT, 1956**

Item No 3

Your Directors placed before the Board the proposal to alter Clause III(A)(1)ix of the Memorandum of Association of the Company as According to The Railways Act, 1989 there is no definition for the word Railway Company as it is replaced by the word Railway Administration. Therefore, it was proposed to make changes in clause III(A)(1)ix of the Memorandum of Association of the Company by replacing the existing words 'Railway Company' with ' Railway Administration in relation to non Government Railway.'

According to the provisions of section 17 of the Companies Act, 1956. A Company may, by Special Resolution, alter its Memorandum with respect to the objects of the Company subject to the confirmation of the Company Law Board. The company can alter its Memorandum of Association by passing Special Resolution at the General Meeting of the Members. Therefore, your Directors propose the aforesaid Resolution for your approval at the upcoming Annual General Meeting.

None of the Directors are interested in the above Resolution.

Item No 4

Your Directors placed before the Board the proposal to replace Article 1(g) of Articles of Association of the Company by new Article in order to get the protection and authority available to a Railway Administration under the Act.

According to the provisions of section 31 of the Companies Act, 1956 a company can alter

the Articles of Association of the Company by passing Special Resolution at the General Meeting of the Members of the Company. Therefore your Directors proposed the aforesaid Resolution for your approval at the upcoming Annual General Meeting.

None of the Directors are interested in the above resolution.

Place: New Delhi
Date : 30.06.2008

PROXY FORM

I.....of.....

resident/s of.....being the member of

Dedicated Freight Corridor Corporation of India Limited, hereby appoint Mr.

.....of.....

.....or failing

him/her.....of

.....as my/our proxy to attend and vote for me on my behalf at the

2nd Annual General Meeting of the Company to be held on Monday, 21st day of July 2008, at

300 P.M at Committee Room No1, 2nd Floor, Rail Bhawan, Raisina Road, New Delhi-

110001and/or at any adjournment thereof.

Signed this.....day of2008,

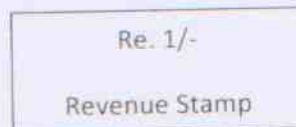
Signature.....

Ledger Folio.....

No of Shares held

Name :

Address :



NOTE :

The Proxy in order to be effective must be received by the Company at the registered office, not less than 48 hours before the time of the meeting. The proxy need not be a member of the Company.

DIRECTORS' REPORT

Ladies /Gentlemen,

Your Directors have pleasure in presenting the 2nd Annual Report of the Company for the financial year ended 31st March 2008 on the working and operations of the Company along with the Audited Accounts for the year ended 31st March 2008.

1. SUMMARY OF ANNUAL ACCOUNTS 2007-08

The Corporation has incurred the following expenditure during the year.

1) Investment in Fixed Assets	:	Rs.1.09 crores
2) Expenditure on Project Execution	:	Rs.9.24 crores

1. Fixed Assets

The expenditure has been incurred mainly on computer equipment and peripherals (Rs.63.73 lakhs); Furniture and fixtures (Rs.25.07 lakhs) and other office equipments like air-conditioners, fans, telephone instruments etc (Rs.19.76 lakhs).

2. Expenditure on Project Execution

The gross expenditure is Rs.9.24 crores which includes expenditure on preliminary project expenses (Rs.3.15 crores), Cost of staff (Rs.1.85 crores), vehicles (Rs.0.65 crores), taxes (0.94 crores), depreciation on fixed assets (0.12 crores). The remaining expenditure is on office contingencies like telephones, stationery, books & periodicals, electricity expenses, houses keeping expenses, rents, travelling & conveyance (Rs.2.53 crores) etc. Expenditure on taxes includes Rs.0.89 crores towards income tax payable on interest earnings and Rs.0.04 crores towards fringe benefit taxes.

The Corporation has earned gross revenue amounting to Rs.2.72 crores through interest. After deducting the interest earned during the year, the net expenditure on project execution is Rs.6.44 crores.

2. SNAP SHOT OF THE PROJECTS AWARDED BY THE COMPANY

During the period under review the company awarded the following tenders

Tender No.	Name of work	Awarded to
HQ/EN/Pre(Works)/LDH	Staking out alignment, detailed engineering construction survey for detour from Ambala to Doraha on left side of GT Road at any other location(s) as directed by the Engineer in Charge, preparation of land Plan for Section 4 & 6 notification under Indian Land Acquisition Act, 1894, identification and preparation of Land Acquisition Plan for dumping locations for ballast/blanket material etc. Geotechnical investigation, preparation of GAD for Minor & Major bridges along with preparation of schedule of quantities & tender document for construction of Dedicated Freight Corridor from Talheri at Km. 156 to Ludhiana on Eastern Freight Corridor.	M/s Scott Wilson India Pvt Ltd. vide letter No.HQ/EN/Pre(Works)/LDH dated 07.03.2008 A-26/4 Mohan Cooperative Indl. Estate, Mathura Road, New Delhi
HQ/EN/Pre.(Works)/MTC	Staking out alignment, detailed engineering construction survey for detour at any location(s) as directed by the Engineer in Charge,	M/s Monarch Surveyors & Contractors Pvt Ltd. vide letter No.HQ/EN/Pre.(Works)/MTC

