**Pipavav Railway Corporation Limited**
(CIN: U45200DL2000PLC151199)

| Particulars | For the Year Ended 31st March 2018 ( Rs. per share) | For the Year Ended 31st March 2017 (Rs. per share) |
|---|---|---|
| **Note 29: Earnings per share (EPS)** | | |
| **Basic EPS** | | |
| From continuing operation | 3.84 | 4.01 |
| **Diluted EPS** | | |
| From continuing operation | 3.84 | 4.01 |

**29.1 Basic Earning per Share**

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company by weighted average number of equity shares outstanding during the year. The earnings and weighted average number of equity shares used in calculation of basic earning per share:-

| | | |
|---|---|---|
| Profit attributable to equity holders of the Company (Rs. in Lakhs) | 7,517.58 | 7,855.45 |
| Earnings used in calculation of Basic Earning Per Share **(Rs. in Lakhs)** | **7,517.58** | **7,855.45** |
| Weighted average numbers (in Lakhs) of shares for the purpose of basic earnings per share | **1,960.00** | **1,960.00** |

**29.2 Diluted Earning per Share**

The earnings and weighted average number of equity shares used in calculation of diluted earning per share:-

| | | |
|---|---|---|
| Profit attributable to equity holders of the company (Rs. in Lakhs) | 7,517.58 | 7,855.45 |
| Earnings used in calculation of diluted Earning Per Share from continuing operations **(Rs. in Lakhs)** | **7,517.58** | **7,855.45** |

The weighted number of equity shares for the purpose of diluted earning per share reconciles to the weighted average number of equity shares used in calculation of basic earning per share as follows:

| | | |
|---|---|---|
| Weighted average number **(no. in Lakhs)** of Equity shares used in calculation of basic earnings per share | 1,960.00 | 1,960.00 |
| Effect of dilution | - | - |
| Share Options | - | - |
| Weighted average number **(no. in Lakhs)** of Equity shares used in calculation of diluted earnings per share | **1,960.00** | **1,960.00** |

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K. S. Ponnuswami
Partner
M. No.70276
Regd. No.6747-N
New Delhi

Pipavav Railway Corporation Limited
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**Notes 30: Capital management**

The Company's objective is to manage its capital in a manner to ensure and safeguard their ability to continue as a going concern so that the Company can continue to provide maximum returns to shareholders and benefit to other stakeholders.

Further, the Company manages its capital structure to make adjustments in light of changes in economic conditions and the requirements of the financial covenants. The Company does not have any liability towards borrowings as at 31st March 2018 and 31st March 2017 . The Company manages its working capital requirement through internal accruals.

No changes were made in the objectives, policies or processes for managing capital during the year ended 31st March 2018.

**Note 31: Fair Value measurements**

(i) The Carrying values of Financial Instruments by categories are as follow: **(Amount in Rs. Lakhs)**

| Particulars | As at 31st March 2018 | | | As at 31st March 2017 | | |
|---|---|---|---|---|---|---|
| | FVTPL | FVTOCI | Amortised Cost | FVTPL | FVTOCI | Amortised Cost |
| **Financial Assets** | | | | | | |
| (i) Trade Receivables | - | - | 5,237.42 | - | - | 6,474.84 |
| (ii) Cash and Cash Equivalents | - | - | 96.37 | - | - | 523.78 |
| (iii) Bank balances (including all deposits) (other than cash & cash equivalents) | - | - | 27,017.40 | - | - | 18,090.91 |
| (iv) Security Deposits-Non Current | - | - | 24.43 | - | - | 22.94 |
| (v) Other Current Financial Assets | - | - | 801.00 | | | 590.04 |
| **Total Financial Assets** | - | - | **33,176.62** | - | - | **25,702.51** |
| | | | | | | |
| **Financial Liabilities** | | | | | | |
| (i) Trade payables | - | - | 1,824.61 | - | - | 2,006.53 |
| (ii) Expense payables | - | - | 50.83 | - | - | 21.85 |
| (iii) Security Deposits | - | - | 2.78 | - | - | 3.62 |
| **Total Financial Liabilities** | - | - | **1,878.22** | - | - | **2,032.00** |

(ii) Comparison by class of the carrying amounts and fair value of the Company's financial instruments other than those with carrying amounts that are reasonable approximation of fair values are not presented since fair value of all financial instruments as on reporting date approximates their carrying value.

**(iii) Financial risk management**

The Company's principal financial liabilities comprise of trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations and to provide guarantees to support its operation. The Company's principal financial assets include trade and other receivables, deposits with banks and cash & cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's financial risk activities are governed by appropriate policies and procedures and those financial risks are identified, measured and managed in accordance with the companies policies and risk objectives. The Board of directors reviews and agrees on policies for managing each of these risk, which are summarized below:

**a) Market Risk**

Market risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of changes in market prices. Market risk comprises of Interest rate risk, currency risk and other price risk. Financial instruments affected by market risk include advance deposits and other non derivative financial instruments.

**b) Interest Rate Risk**

Interest rate risk is the risk that the fair value of future cash flows of a financial instruments will fluctuate because of change in market interest rate. The Company is not exposed to interest rate risk.

**c) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The Company is exposed to credit risk from its operating activities (primarily trade receivable) and from its financial activities including deposits with banks and other financial instruments.

**Trade Receivable**

Customer credit risk is managed by the Company's established policy, procedure and control relating to customer credit risk management. Outstanding customer receivable are regularly monitored and an impairment analysis is performed at each reporting date on individual basis for major customers. The Company does not hold any collateral as security.

**Financial instruments and cash deposits**

Credit risk from balances with banks and financial institutions is managed in accordance with the Company's policy. Investment of surplus are made only with approved counterparty on the basis of the financial quotes received from the counterparty.

**d) Liquidity risk**

The ultimate responsibility for liquidity risk management rests with the Board of Directors. The Company manages maintaining adequate banking facilities by continuously monitoring forecast and actual cash flows and by matching the maturities of financial liabilities.

P.K. CHOPRA & CO. Chartered Accountants
K. S. Ponnuswami
Partner
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Regd. No. 6747-N
New Delhi

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