



KOCHI METRO RAIL LIMITED

A joint venture of Government of India
and Government of Kerala



ANNUAL REPORT

2020-2021

CONTENTS

	Page No
1. Chairman's Message	04
2. Board's Report	08
3. Secretarial Audit report	36
4. Corporate Governance Report	42
5. Comments of the Comptroller and Auditor General of India	52
6. Independent Auditor's Report	53
7. Financial Statements for the year 2020-21	66





REGISTERED OFFICE

4th Floor, JLN Metro Station, Kaloor, Kochi – 682017. Kerala, India.
Phone: +91 484 2846700 / 2846770. Fax No: +91 484 2970810
www.kochimetro.org

STATUTORY AUDITORS

M/s K Venkatachalam Aiyer & Co.
Chartered Accountants
Building No. 41/3647 B, 1st Floor, Bluebird Towers, Providence Road,
Kochi – 682018

SECRETARIAL AUDITORS

M/s Vivek Sarath & Naufal
Practising Company Secretaries,
Door No. 28/3655, Sunoro Church Road, Metro Pillar #824, Opp. Radisson Blu,
Elamkulam, Cochin – 682020

INTERNAL AUDITORS

M/s CK Prusty and Associates
Chartered Accountants
49/550F, Prasanthi Lane,
Elamakkara, Kochi 682026

COMPANY SECRETARY

Shyam Sunder Agrawal

OUR BANKS

Canara Bank | Union Bank of India | Axis Bank Ltd.

IDBI Bank Ltd. | State Bank of India | Indian Bank

HDFC Bank Ltd. | Federal bank Ltd. | Dhanalaxmi Bank Ltd.

The Kerala State Cooperative Bank



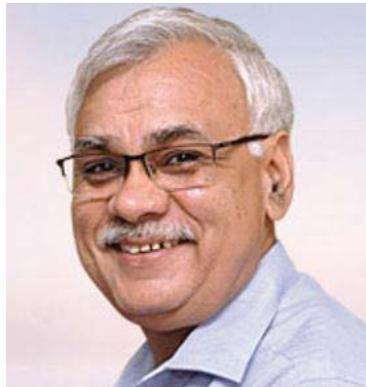
BOARD OF DIRECTORS

(As on 5th August 2021)

- | | | |
|-----------------------------------|---|---|
| Shri. Durga Shanker Mishra | : | Chairman, Kochi Metro Rail Limited
Secretary, Ministry of Housing and Urban Affairs,
Room No.122 C, Nirman Bhawan, New Delhi. |
| Shri. Jaideep | : | OSD (UT) & Ex-Officio Joint Secretary,
Ministry of Housing and Urban Affairs,
Nirman Bhawan, New Delhi. |
| Smt. Sujatha Jayaraj | : | Director (Finance),
Chennai Metro Rail Limited,
Koyambedu, Chennai. |
| Shri. D.K Saini | : | Director Projects, Delhi Metro Rail Corporation,
Metro Bhawan, Fire Brigade Lane,
Barakhamba Road, New Delhi |
| Shri Bhupender Singh Bodh | : | SAG/IRSEE ED/RE, Railway Board
Sem- B 1008, Shipra Srishti, Indirapuram,
Ghazibad, U.P |
| Dr. V. P. Joy | : | Chief Secretary Government of Kerala,
Government Secretariat, Thiruvananthapuram. |
| Shri. Rajesh Kumar Singh | : | Addl. Chief Secretary (Finance)
Government of Kerala,
Government Secretariat, Thiruvananthapuram. |
| Shri K.R. Jyothilal | : | Managing Director, KMRL,
Principal Secretary (Transport),
Government of Kerala, Government Secretariat,
Thiruvananthapuram |
| Shri. Jafar Malik | : | District Collector, Collectorate,
Ernakulam, Kakkadan, Kochi |
| Shri Kumar K.R. | : | Director (Finance)
Kochi Metro Rail Ltd., JLN Metro Station,
4 th Floor, Kaloor. |
| Shri D. K. Sinha | : | Director (System)
Kochi Metro Rail Ltd., JLN Metro Station,
4 th Floor, Kaloor |



Chairman's Message



(Durga Shanker Mishra)
Chairman, KMRL

Secretary, Ministry of Housing and Urban Affairs
Government of India

Dear Shareholders,

I have great privilege in extending a warm welcome to the Tenth Annual General Meeting of your Company. The Board's Report and the Audited Annual Accounts of the Company for the Financial Year 2020-21, the Statutory Auditors' Report as well as comments of Comptroller and Auditor General (C&AG) of India on the Supplementary Audit have already been circulated to you and with your permission, I take them as read.

Operational Stretch

Your Company is currently operational for the stretch from Aluva to Petta; The successful completion of Kochi Metro Phase 1 is indeed a matter of pride and satisfaction for all of us at KMRL. The undertaking was a huge challenge for the entire KMRL team. Our next immediate focus is achieving sustainable operation of Phase I and expansion of network. Work for Phase I Extension is in full swing and scheduled to be completed by 2022. With respect to Phase II from JLN stadium to Infopark via Kakkanad, PIB recommended the proposal for approval of the cabinet for Rs.1957.05 crore and the project has been included in the central budget announced on 1st February 2021. Land acquisition for preparatory works of Phase II is in progress.



Financial performance

The impact of COVID – 19 pandemic affected businesses of the Company in form of adverse impact on ridership as well as on alternate revenue activities. Our operations ceased from 22.03.2020 to 06.09.2020 as per Government directives. The services have started since with new SOP and following all COVID protocols. The entire KMRL team is working tirelessly for restoring the services / ridership to pre-pandemic levels.

During this challenging period, with respect to Non fare box revenue your company is striving hard to increase the reach to the market to get new customers for various retail kiosks and office spaces. The financial performance of your company in 2020-21 is also covered in Board's Report.

Kochi Water Metro project

Your Company was assigned to execute an urban water transit project named as Kochi Water Metro Project on behalf of Government of Kerala (GOK). The project received the environmental clearance from MoEF & CC, GOI in October, 2019. GOK vide its G.O. dated 23rd October, 2020 has sanctioned formation of Special Purpose Vehicle for operation and management of Kochi Water Metro Project with 74% equity by GoK and 26% equity by KMRL. Subsequently, Board of Directors of KMRL in its 40th meeting held on 25th February, 2021, approved the formation of SPV and authorized Directors and Subscribers on behalf of KMRL. Thereafter, GoK on 23rd March, 2021, authorized Directors on behalf of GoK.

Application for incorporation of Kochi Water Metro Limited was filed on MCA portal which has been approved and Kochi Water Metro Limited was incorporated on 14th July, 2021.

On 15th February, 2021, inauguration of Vytila and Kakkanad terminals and route was done by Honourable Chief Minister of Kerala, Shri Pinarayi Vijayan.

16 terminals out of 38 are under construction, 23 Nos of 100 pax boats are being constructed at Cochin Shipyard Ltd, Kochi. There are 55 more, 50 pax vessels to be tendered. The first vessel is expected to be delivered by October 2021 and the inauguration of service is scheduled for December 2021.



IURWTS

For executing the Integrated Urban Regeneration and Water Transport System (IURWTS) Project your company has received revised in-principle approval from the Administrative Department on 12.02.2021 for an amount of Rs 1528 crores. The total length of canal system to be regenerated is 35 km. As part of Land Acquisition for the development activities of the project, your company has submitted Land Acquisition Proposal for an area of 41.27 hectares of private land and 2.79 hectares of Govt. land. Revenue Department has already accorded sanction for acquisition of 41.27 hectares of private land. The project envisages the holistic developments of the canal network (6 canals) in Kochi city including the development of a navigation network connecting water metro and rail metro.

Kochi 1 App

Kochi 1 app is now available to all commuters on both Google Play Store and App Store, will allow commuters to buy tickets and recharge their Kochi1 card online. The app also allows users to book tickets online, view the live metro timetable and fares also comes with a Journey Planner feature that suggests the best routes and modes of travel based on your current location. In terms of Kochi 1 card, your company has achieved another milestone when the number of Kochi 1 cardholder was increased to one lakh in March 2021.

Other Initiatives

Your company energetically engaged in other initiatives also which includes, construction of south walkway for at Grade connectivity of Ernakulam South metro station with Ernakulam Junction Railway station, redevelopment of Kunnara Park for connectivity to Thykoodam metro station, construction of Muttom FOB are some of the projects undertaken by your company for improving last mile connectivity. Your Company also completed the construction of the 250 m length two lane Panamkutty Bridge as part of preparatory work of Phase 1 extension 7 months ahead of the schedule. The bridge was inaugurated and opened to public by Honourable Chief Minister of Kerala, Shri Pinarayi Vijayan on 15.02.2021.

Your company has implemented water conservation projects like rainwater harvesting and water recycling projects. KMRL intends to attain energy neutrality through use of solar energy in an inclusive manner. In order to achieve neutrality to conventional energy, KMRL has already commissioned two phases of solar power projects viz, 2670 KWp Roof Top solar power project



and 2719 KWp Ground mounted type, both together taking the total Power Capacity to 5389 KWp. Other events conducted in the year under review includes, public bicycle sharing, median beautification across metro corridor, cyclothon 2021, Fit India Freedom Run, Earth Hour celebration etc.

Covid Safety Protocol

With the increasing trend of passenger ridership and considering the ongoing Covid 19 pandemic situation, your company has taken all the safety measures by thermal screening, contactless ticketing, regular sanitization of trains & stations, ensuring social distancing etc. Your company also started frequent checks by the security personnel in stations & trains to ensure all Covid 19 protocols are strictly followed by commuters.

Covid-19 has taught many lessons to us and we are excited to cover more length and commit to even more aggressive goals in years to come.

Acknowledgement

I wish to place on record my deep gratitude and appreciation towards our esteemed commuters, citizens of Kochi and the people of Kerala for their continued faith and encouragement I also thank to various departments of Government of India and Government of Kerala, all the stakeholders, Board of Directors, banks, shareholders, labour union, print, audio-visual and social media etc. for their unstinted support to the KMRL Project

I would like to take this opportunity to express my deepest admiration for the outgoing MD Shri Alkesh Kumar Sharma for leading the company in these difficult times in the most efficient manner. I would like to conclude by appreciating the dedication of KMRL's MD, Directors and other employees for providing uninterrupted service as they adapted to the challenges of a global pandemic. We, at KMRL, will strive to make Kochi a safer, comfortable and better place to live, work and travel.

Thanking you,

(Durga Shanker Mishra)

Chairman, KMRL

Secretary, Ministry of Housing and Urban Affairs

Government of India



BOARD'S REPORT 2020-21

Dear Members,

The Directors of your Company are pleased to present the Tenth Annual Report on the business and operations of the Company, along with the Audited Financial Statements, Auditor's Report and comments of Comptroller and Auditor General of India thereon for the financial year ending 31st March 2021.

1.0 Status of Revenue Operation

During the year under review, the total revenue generated was Rs. 167.46 crore as against Rs. 134.95 crore in the previous year includes fare box revenue from metro train operations covering a total distance of 25.2 km from Aluva to Petta, non-fare box revenue, external projects, insurance claim etc.

The total expenditure incurred during the year was Rs. 112.35 crore (previous year Rs. 113.85 crore) giving a profit before Depreciation and amortization expenses, Finance cost, other comprehensive income and tax expenses amounting to Rs. 55.11 crore as against Rs. 21.10 crore in the previous year. Not considering the insurance claim recovery of Rs. 71.34 crore against the flood loss pertaining to the financial year 2018-19, the total loss was 16.23 crore.

After adjustment of Depreciation and amortization expenses, Finance cost, other comprehensive income and tax expenses, a loss amounting to Rs. 334.41 crore (previous year Rs. 310.82 crore) was incurred during the year.

A snapshot of the financial result is given below:

(Rs. In lakh)

Particulars	2020-21	2019-20
Gross Income	16746.07	13495.05
Operating Expenses	11235.83	11385.87
Profit/(Loss) before Interest and Depreciation	5510.24	2109.18
Finance Charges	(18787.03)	(16218.84)
Gross Profit/(Loss)	(13276.79)	(14109.66)
Other Comprehensive Income	(23.03)	(21.64)
Provision for Depreciation	(20140.83)	(16950.68)
Net Profit/(Loss) before Tax	(33440.65)	(31081.98)
Provision for Tax	-	-
Net Profit/(Loss) after Tax	(33440.65)	(31081.98)

1.1 Share Capital and Subordinate debts

The total paid up Share Capital of KMRL as on 31st March 2021 is Rs. 1507.46 crore (previous year Rs. 1507.46 crore). Your Company has received 100% of the approved equity-funding share from the Government of India and the Government of Kerala.

The Government of India and Government of Kerala have released their entire share of sub debt



towards central taxes amounting to Rs. 248.50 crore each. Government of Kerala released Rs. 237.33 crore towards reimbursement of state taxes and Rs. 672.25 crore towards land acquisition, out of which Rs 366 crore is arranged as back to back loan from The Kerala State Cooperative Bank Limited on behalf of Government of Kerala.

During the year, Government of Kerala accorded approval of Rs.1159.26 crores , being the total revised project cost of Phase IA and IB project from Petta to Thripunithura .

An amount of Rs.736.62 crores was accounted by your company under various heads of expenditure as Subordinate Debt.

1.2 Dividend

In view of non-availability of distributable profits, your Directors do not recommend any dividend for the year ended 31st March, 2021.

1.3 Transfer to Reserves

Your Directors do not propose any amount to be transferred to the Reserves for the year ended 31st March, 2021.

1.4 Term Loans & Working Capital Loan

The total loan outstanding as on 31st March, 2021 is Rs. 1218.86 crore and Rs. 1381.57 crore from GOI(Pass Through Assistance- Phase I – Rs.1194.39 crores and NMT -Rs.24.47crore) and Canara Bank respectively.

The total loan outstanding as on 31st March, 2021 for the Phase I extension from the consortium of Canara Bank & Union bank of India amounts to Rs 212.41 crore.

In addition to above, term loans are availed from the Kerala State Cooperative Bank Ltd and HUDCO towards land acquisition for project works , preparatory works, cost escalation for Phase I project, guaranteed by the State Government towards interest servicing and loan repayment. The amounts outstanding as on 31.03.2021 is Rs.282 crore and Rs 544.34 crore from Kerala State Cooperative Bank and HUDCO respectively.

An amount of Rs. 29.24 crore as working capital loan including working capital demand loan as part of COVID assistance from Canara Bank is outstanding as on 31.03.2021.

Your company is rated IND A-/ Stable by India Rating & Research Private Limited towards loan facility to the tune of Rs.909.67 crore.



2.0 The Project in Retrospect

2.1 Project Description – Phase I

The Phase I of the Kochi Metro Rail project was completed with the inauguration of the last stretch, Thykoodam-Petta, Reach-2, with a length of 1.33 kms and 1 station on 07.09.2020 by the Hon'ble Chief Minister of Kerala. The Phase-I was sanctioned in July 2012 and the revised sanctioned cost of the project is Rs. 6218.14 crore.

A Snapshot of Inauguration is given below:

Sl. No.	Reach	From	To	Date of Inauguration / Opening to public
1	1	Aluva	Palarivattom	17 th June 2017
2	2A	Palarivattom	Maharaja's College	3 rd October 2017
3	2B	Maharaja's College	Thykoodam	3 rd September 2019
4	2C	Thykoodam	Petta	7 th September, 2020

2.1.1 Phase 1A and Phase 1B

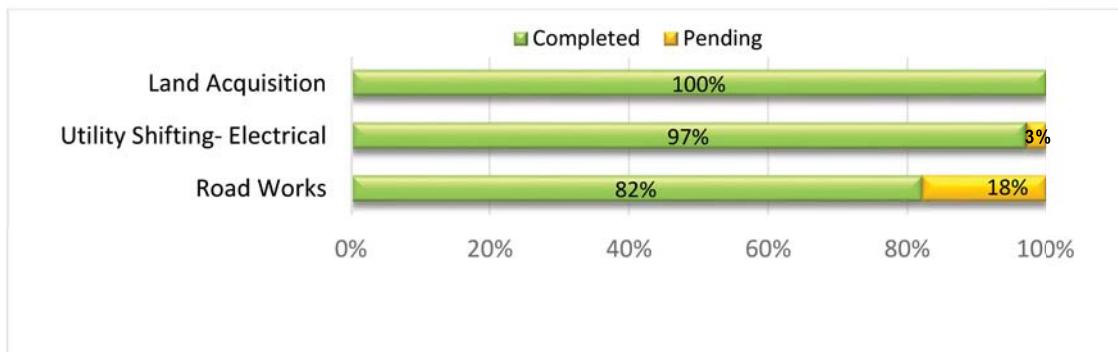
a) Phase 1A (Petta to SN Junction)

The approved cost of Phase IA is 710.93 crore. This stretch consists of viaduct of 1.80 km of 2 stations SN Junction and Vadakkekotta. The stretch is expected to be commissioned by March 2022.

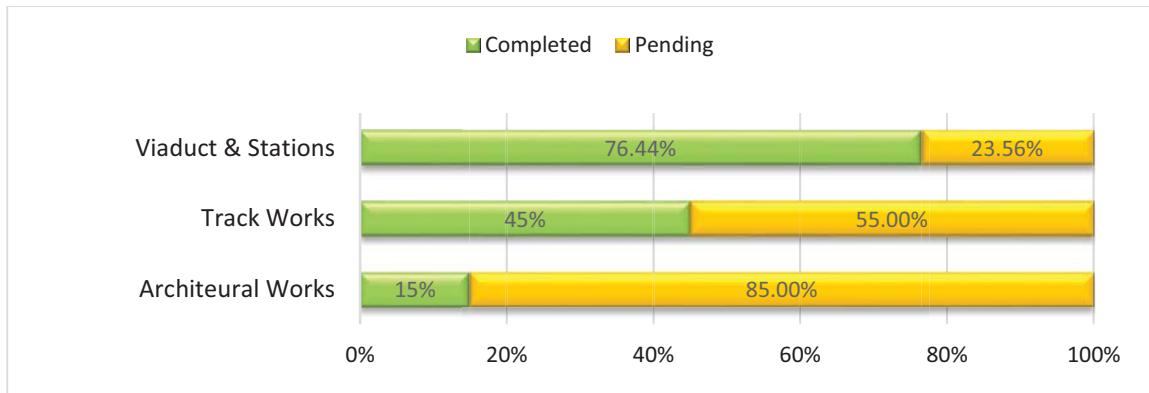
Work Status

The key elements of progress are given below:

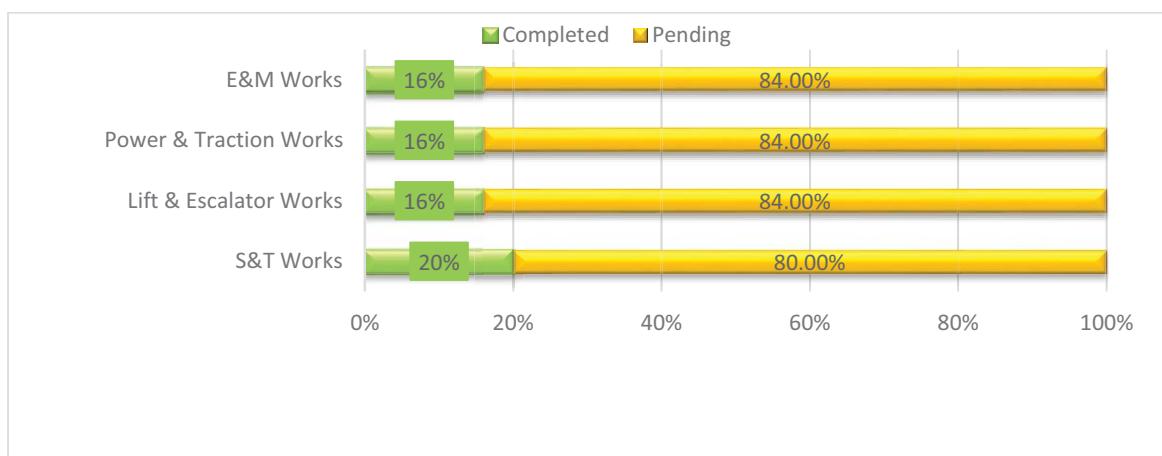
i) Preparatory Works



ii) Civil and Architectural Works



iii) System Works



The land required for Phase 1A have been acquired. The overall Physical Progress of Phase 1A as 30/06/2021 is 57.85%.

b) Phase- IB (SN Junction to Trippunithura Terminal)

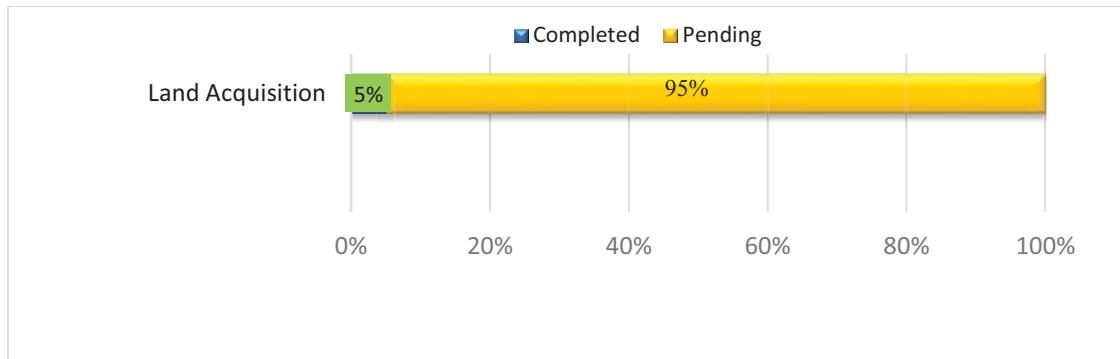
Phase IB leads to Trippunithura Terminal station for a length of 1.20 km from SN Junction metro station, with one station. The revised project cost is Rs 448.33 Cr. The land acquisition is in progress and expected to be completed by September 2021. The stretch is expected to be commissioned by December 2022.



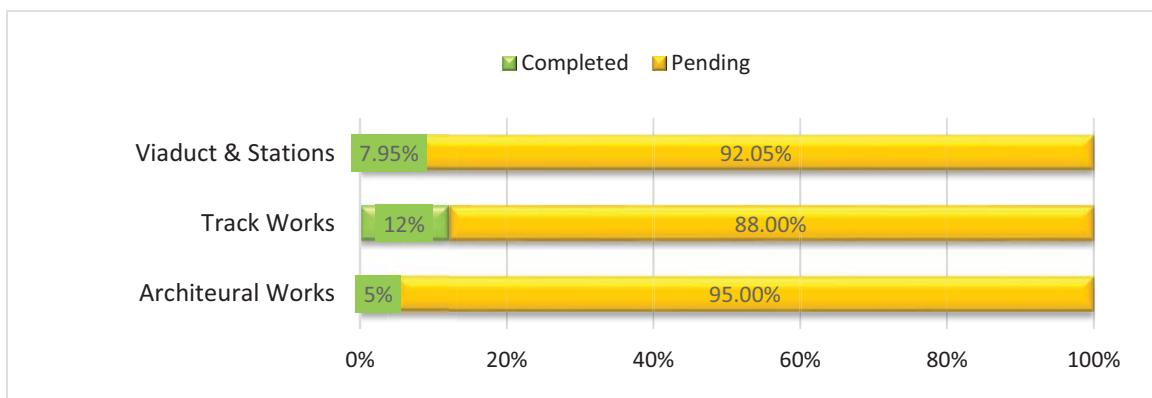
2.2. Work Status

The key elements of progress are given below:

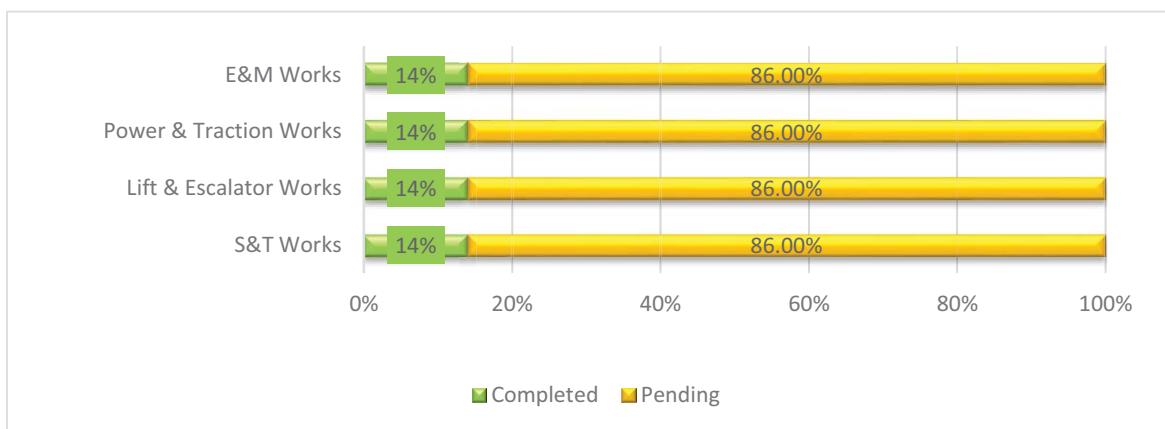
Preparatory Works



I. Civil and Architectural Works



II. System Works



The overall Physical Progress of Phase 1B as on 30/06/2021 is 9.40%



2.3 Project status of Phase II

The Board of Directors in its 18th Meeting held on 16th September, 2014 had accorded approval for taking up the work of the Metro corridor from JLN Stadium to Infopark via Kakkanad for a distance of 11.2 km, at an estimated cost of Rs. 2017.46 crore including taxes & duties. With this mandate, KMRL had submitted the proposal to the GoK and Administrative Sanction was accorded vide No. G.O (M/S) No.32/2015/Trans on 25th May, 2015. Further, the proposal was submitted to Govt. of India (Gol) on 29.05.2015 for approval.

Subsequently, MoHUA vide their letter dated 1st September 2017, had advised to revise and resubmit the proposal as per the provisions of the new Metro Rail Policy 2017. Accordingly, Urban Mass Transit Company (UMTC) was engaged as a consultant to prepare the Alternative Analysis Report (AAR) as well as to revise the Detailed Project Report (DPR) of Phase II from JLN Stadium to Infopark via Kakkanad. The consultant had submitted the reports duly revising cost until completion of the project to Rs. 2310 crore (including taxes & duties) and the same was approved by KMRL Board in its 30th Meeting held on 6th June 2018. The revised proposal was submitted to the Government of Kerala on 14th February 2018. Government of Kerala had accorded administrative sanction through the Government Order No G.O (Ms).No.52/2018/TRANS dated 27th July 2018. The proposal along with Comprehensive Mobility Plan (CMP) Alternative Analysis Report (AAR) and Revised Detailed Project Report (DPR) was submitted to the Government of India for approval through the Letter No.C2/75/207/TRANS dated 27th July 2018.

Further, based on the advice of MoHUA, the cost of the project was revised based on the cost being followed by other metros as well as the benchmark cost of Metro Rail Projects. The revised cost of the project, until completion of the project, is Rs. 1957.05 crore (including taxes & duties). The revised cost along with a supplementary document to the revised DPR was submitted to Gol though GoK letter No.C2/75/2017/Trans dated 4th February 2019. The Revised DPR along with AAR and Comprehensive Mobility Plan (CMP) was circulated by MoHUA among the departments and ministries in the inter-ministerial committee and the clarifications sought were satisfactorily replied.

Based on the submissions made, Department of Expenditure, Government of India has accorded 'In principle' approval for the Phase II of Kochi Metro Rail Project from JLN Stadium to Infopark via Kakkanad for a cost of Rs. 1957.05 crore; communicated vide MoHUA Letter No F.No.K-14011/08/2015-MRTS-IV dated 26th February 2019.

The proposal was considered in the Public Investment Board (PIB) meeting held on 13.03.2020, and is awaiting the approval of Cabinet. Later, Honourable Finance Minister mentioned the proposed Phase-II project in the union budget for the FY 2021-22. This project is awaiting the approval of the Union Cabinet.



2.3.1 Status of various associated works for Phase II are as follows:

1. Appointment of Project Management Consultant (PMC) for execution of the project in Engineering Procurement & Construction (EPC) contract mode: Tender for appointing PMC is floated subject to the approval of project by GoI.
2. (a) Preparatory Works Part-I: Government of Kerala has accorded administrative sanction of Rs. 189 crore for the preparatory works of Phase II. Land acquisition for road widening works have completed and contract for widening 4.5 km of road from JLN stadium station to Kunnumpuram has been awarded and work is expected to be completed by June 2022. Land Acquisition process for entry structures is in advance stage.
(b) Preparatory Works Part-II: Government of Kerala had issued Administrative Sanction for an amount of Rs. 74.07 Crore vide G.O.(Ms) 73/2018/TRANS as a preparatory works package of Phase II for widening 2.5 km of Seaport-Airport Road.
In line with the same, contract KBC1 for road widening along metro corridor for a 2.5 km stretch of Seaport-Airport Road from Kakkanad signal junction to Infopark expressway entrance has been awarded and the work is progressive as per schedule.

3.0 Bliss City

Government of Kerala has allotted 17.43 Acre of land to Kochi Metro Rail Limited for monetising and to generate non-fare box revenue vide Government order in the year 2013. Kochi Metro Rail Limited have decided to convert this land to an Entertainment Hub for all age groups, which can yield some good revenue to meet the Operational Expenses of Kochi Metro. KMRL has requested for an additional 14 acres (approx.) of land in the same vicinity. The consultant appointed for the feasibility study has submitted their final detailed project report for the entire 31.43 Acre (approx.) of land. The project will be taken up upon receiving the balance 14 acres of land and the tender for finalising the concessionaire or developer will be rolled out upon getting such approval.

4.0 Integrated Water Transport Project (Water Metro Project)

Your Company was assigned to execute an urban water transit project named as the Kochi Water Metro Project on behalf of Government of Kerala (GoK). GoK is the de-jure owner of the project and your Company is the project-executing agency responsible for its execution and operation. The Kochi Water Metro Project envisages to connect 38 jetties and provide inter-modal connectivity between jetties, bus terminals and metro networks. The project is expected to reduce traffic congestion and pollution in the city and also ease the access to business in Kochi. The project has 15 defined routes with a total length of 76 km. The total outlay for this project is Rs. 747 crore (excluding land cost). The German funding agency KfW has signed a loan agreement with Government of India for EUR 85 Million on behalf of the German Federal Ministry for Economic Cooperation and Development for the funding of this project. A tripartite agreement between the GoK, KfW and your Company was executed on 18th June 2016 in the presence of the Hon'ble Chief Minister of Kerala, Shri Pinarayi Vijayan in New Delhi.

A consortium comprising of AECOM, UMTC and Zebec Marine was appointed as General Consultant on 2nd June 2017. Your Company has completed all the surveys of the project area



for the General Consultant to finalize the project details. Your Company received all Statutory Clearance for the Water Metro Project from various statutory agencies like National Board for Wildlife, Archaeological Survey of India, Kerala Coastal Zone Management Authority and Kerala State Wetland Authority. The Ministry of Environment and Forest & Climate Change (MoEF & CC) recommended the Environmental Clearance for the Water Metro Project on 1st October 2019.

Based on the final awarded value of the contracts and estimates of the remaining works are to be executed, the General Consultant revised the project cost at Rs. 1064.83 crores. The Govt. of Kerala has accorded its approval for the revised project cost and additional funding of 28.60 Million Euro from KfW.

5.0 Integrated Urban Regeneration and Water Transport System (IURWTS) Project

For executing the project, your company has received revised in-principle approval from the Administrative Department on 12.02.2021 for an amount of Rs 1528 crores. As part of Land Acquisition for the development activities of the project, your company has submitted Land Acquisition Proposal for an area of 41.27 hectares of private land and 2.79 hectares of Govt. land. Revenue Department has already accorded sanction for acquisition of 16.32 hectares of private land on 18.02.2021 and balance approval will soon be accorded.

As part of obtaining EIA Clearance for the project, your company has submitted Draft EIA Report to KSPCB and conducted Public Hearing on 16.03.2021 after receiving SWAK Clearance and SBWL (Forests) Clearance. The Final EIA Report will soon be submitted to MOEF&CC once the KCZMA Clearance and NBWL (Forests) Clearances are received.

As part of the Rehabilitation and Resettlement Component for the project, your company has received funding sanction for an amount of Rs 106 crores from KIIFB which includes Land Acquisition and Building Construction cost.

Further, as per the requirement of the project, your company has completed Bathymetry Survey, SIA Studies, Water Quality Studies, Ambient Air Quality Studies, Siltation Studies, Hydrogeological Surveys, Geotechnical Investigations and Flood Plain Studies and Storm Water Mapping Works are in progress.

Your company has received Conditional Exemption from Ministry of Civil Aviation and Directorate General of Civil Aviation and completed the LiDAR/Drone Survey at Rameswaram - Calvathy Canal after obtaining necessary clearances from Indian Navy, Airports Authority and Defence Ministry.

6.0 Rolling Stock and System Contracts

A. Rolling Stock

Rolling Stock deliveries of the 25 trains under the current order for Phase I part of the project have been completed. All the trains have been delivered to KMRL Depot; testing and commissioning of the trains are completed and inducted into the revenue service. The trains procured under Phase-I will run in the sections of Phase 1A and 1B



B. Signalling & Telecom

Communication based Train control (CBTC) has been introduced across the phase section. All the 25 trains are fitted with On Board ATO system and made available for revenue operation. The Signalling & Telecommunication works for Phase 1A and 1B up to Thripunithura Terminal are in progress. The work for Automation Train Protection also completed in the Muttom Depot is in progress and is planned to be commissioned shortly. All the telecom equipment like CCTV, PIDS, PAS, FOTS and Tetra has been commissioned to meet the metro telecom needs of the passenger.

C. Power Supply & Traction and Electrical & Mechanical

Power Supply and Traction works of Phase I project is successfully completed. The revenue operation of Petta (Reach 2C) containing one traction substation/ Auxiliary substation is opened for passenger service on 07th September 2020.

As part of the Permanent measures for mitigation of anticipated flood in Muttom depot, a combined Auxiliary Substation/Traction Substation is constructed at MUTTOM depot at first floor level and commissioned in the Month of September 2020. Similarly, the auxiliary equipment in the Receiving sub-stations of Muttom as well as Thykoodam have been shifted to the existing 2nd floor of the building so as to prevent damage due to future floods.

D. Solar Plant

KMRL intends to attain energy neutrality through use of solar energy in an inclusive manner. KMRL is committed towards sustainable development to decrease environmental degradation, to promote resource efficiency and to support measures that contribute to the reduction of greenhouse gas emissions such as carbon dioxide.

In order to achieve neutrality to conventional energy, KMRL has already commissioned two phases of solar power projects viz, 2670 KWp Roof Top solar power project and 2719 KWp Ground mounted type, both together taking the total Power Capacity to 5389 KWp.

Both the above phases of projects are executed under RESCO model with the Power producer making the capital investment, whereas the power purchaser pays a fixed tariff for 25 years after commissioning. Achievement of the power plant capacity of 5389KWp constitutes to more than 30% of total energy consumed by KMRL for the depot and the 22 stations including that of the traction power.

The area targeted to be in the newly awarded contract is Muttom depot track location, depot entry ramp, open stabling lines etc along with structure for mounting the solar plant and the newly commissioned metro stations in the Reach 2B and Reach 2C & entry exit building roofs. Under the third phase of solar power project, 1.91 MWp has been successfully commissioned. The balance in the Phase III project of capacity of 3.535 MWp is scheduled to be commissioned in the month of September 2021, for which execution is in progress. It is estimated that commissioning of the above plant will improve the energy neutrality of Kochi metro to the level of about 65%.

E. Automated Fare Collection System

AFC system commissioned for 22 stations from Aluva to Petta has been working satisfactorily since the opening of the section. In addition to QR code (both Paper based QR and Mobile App based QR) and contactless Smart card for transit operation, passes like Trip pass in Kochi 1 card,



Day and Weekend passes in RFID paper tickets were launched for the benefit of regular commuters. To popularize and increase the usage of Kochi 1 card, issuance of the same from locations outside the metro premises was introduced. In addition to this, for the purpose of bulk issuance, Kochi 1 non-personalised card were introduced, which will reduce the issuance time at the counter. Kochi 1 Minor Cards (for age group 10 years to 18 years) were also introduced to promote the same among school/ college students. With these features, Kochi 1 cards can be now issued from educational institutes, corporate offices, public converging points like malls etc.

To promote the digital payments in KMRL AFCS, along with the existing Cash, Credit/Debit card and Kochi 1 mobile application payments, UPI/BHIM based payment system was also introduced. Now commuters can scan the dynamic QR code generated on PoS machine at KMRL counter and can pay through UPI based mobile application.

The Kochi1 mobile application has been revamped to include various options like journey planner, events and promotions and UPI payments etc.

To have network redundancy for the operation of Automatic Gates, GPRS connectivity has been established for QR validation in all the 306 validators from ALVA to PETT.

The work for implementation of AFC system for Phase 1A and 1B (Vadakkekotta, SN junction and Thripunithura Terminal) and for Water Metro Project will also be executed by the M/s Axis Bank consortium under the provision of the existing contract. The gates for 3 jetties have already been brought from Turkey and same are installed at Vyttila boat Jetty. The requisite changes in the AFC software has already been done and tested.

F. IT Initiatives

- **Migration of Email services to NIC Platform:** All official emails are migrated from Google (a private service provider) to NIC (government owned) platform. This has not only resulted in assuring server within the country and thus ensuring data security and availability but also cost savings when compared to the earlier arrangement.
- **Cyber Security Audit Completed:** Corporate website and all web portals have undergone a multi-stage security audit by CDAC - a Govt. agency. Relevant certificates have been obtained from CDAC.
- **Computer Based Training:** An open source program was customized by IT team and adopted for Computer Baser Training and assessment in KMRL.

7.0 Operation and Maintenance

Kochi Metro was opened to the public on 19th June 2017. The O&M wing of KMRL has been managing the operation and maintenance activities of Kochi Metro Rail. Various programs have been planned and implemented to maintain the metro operations in a sustainable manner since



the ROD (Revenue Operations Day). KMRL introduced several measures for improving passenger patronage by introducing Offers and incentives, trip cards, parking facilities, first and last mile connectivity using environmental friendly e-autos & e-buses.

As per the decision of the Government and for the safety of our commuters, we had stopped our revenue services for about 5 months, due to the Covid-19 pandemic.

We resumed our services on 7th Sep 2020, adhering to the strict Government guidelines. We have taken all possible measures to cut down expenses on electricity consumption and housekeeping consumables. We have also planned effective utilisation of the work force and were successful in reducing the work force cost considerably by effective assignment. Various activities are being implemented in the O&M department to achieve sustainability.

Kochi Metro has achieved another milestone when the number of Kochi1 cardholders was increased to one lakh on 13th March 2021.

Operations

The operation of Kochi Metro Rail Limited has been affected due to the Covid – 19 pandemic. Based on the Govt. of India directive KMRL stopped operations in FY 2020-21 with effect from 23rd March, 2020 until resumption of the services on 7th September, 2020. Thereafter operations were stopped on 8th May, 2021 which were resumed on 1st July, 2021.

7.1.1 Covid Safety Protocol

With the increasing trend of passenger ridership & considering the ongoing Covid 19 pandemic situation, Kochi Metro has taken all the safety measures by thermal screening, contactless ticketing, regular sanitization of trains & stations, ensuring social distancing.

KMRL also started frequent checks by the security personnel in stations & trains to ensure all Covid-19 protocols are strictly followed by commuters.

It was also observed a sudden increase in the ridership during morning and evening peak hours and KMRL keenly monitoring the passenger density to regulate the adequate no. of trains are in service to prevent overcrowding.

7.1.2 Safety Management

Safety in all operations is our motto. Mock drills and night drills have been carried out effectively in a scheduled manner. This helps in improving the efficiency of the staffs during technical failures and identifying any risk related to safety.

Further, to keep the operations staff abreast of safety procedures 16 mock drills and 1144 various night drills were conducted during the year 2020-21.

In order to inculcate the safety culture among the staff safety week was celebrated. Various events were conducted during the period to engage the staff in various safety related activities like administration of Safety Pledge, Fire, First Aid, Evacuation drills, Lectures by distinguished professionals, etc. Various competitions like safety quiz, safety poster and slogan writing were held and winners were felicitated.



7.2 Ridership

Ridership is one of the critical factors that determine the success of a transportation system. Ridership is in turn driven by several factors like fare structure, affordability, accessibility, capacity and connectivity.

The Covid-19 pandemic affected the ridership. KMRL stopped operations from Mar-2020 until Sep-2020, due to the Covid-19 pandemic situation.

The number of passengers travelled during the year was 3820268 generating a fare box revenue of Rs.12.90 crore. During the year under review, 41762 trips were run, clocking 1023707 kilometres with an average punctuality of 99.92%.

After resumption of revenue service post first lock down, maximum 13 trains with a headway of 7 Minutes during peak hours were operated.

7.3 Public complaint, feedback and suggestion handling

Complaints pave the way for the management of KMRL to be accountable to the public, as well as provide valuable prompts to review the organisational performance. A complaint is an expression of dissatisfaction made to or about the organisation, related to its services or staff.

Effective complaint handling is fundamental to the provision of quality service. Following are the measures taken to handle complaints in a professional manner:-

1. Arrangements for enabling people to make complaints through call centre, emails or complaint book kept at stations.
2. Complaints are responded to promptly and handled objectively, fairly and confidentially.
3. There are clear accountabilities for complaint handling and complaints are used to stimulate organizational improvements

It is also ensuring that complaints are acknowledged in a timely manner, addressed promptly and according to urgency, complainant is kept informed throughout the process. We always ensure that all complaints are dealt with in an equitable, objective and unbiased manner.

7.4 Patronage Enhancement & Last mile/First mile Connectivity

To increase the patronage of commuters, a number of measures were taken during the year. Some of the important ones are listed as under:

- a) **Kochi One App:** Kochi One app is now available to all commuters on both Google Play Store and App Store, will allow commuters to buy tickets and recharge their Kochi1 card online. The app also allows users to book tickets online, view the live metro timetable and fares also comes with a Journey Planner feature that suggests the best routes and modes of travel based on your current location.
- b) **Public Bike Sharing facility:** KMRL in association with Cochin Smart Mission Limited started a public bike sharing scheme in the city of Kochi. The company deployed 400 cycles across



40 hubs including the metro stations and planned to start 600 cycles and 60 hubs in the current year. Your company has also enabled foldable cycles to be brought inside the metro coaches while travelling without any additional charges.

- c) **“Metro Trust” Medical Aid Station at Petta Station:** In extension to the Medical room facility provided at Aluva and Palarivattom metro station in collaboration with Medical Trust Hospital, the facility was started at Petta metro station too. This facility is to provide first aid support to commuters in case of any medical emergency.

d) **E-Vehicles**

Your company has introduced Electric Autos and buses as feeder service to metro to encourage public for using green transport .The Feeder bus service “**Pavan Doot**” was introduced for connecting Aluva Metro Station and Cochin Airport. KMRL launched Pavan Doot trip pass for people working at Cochin International Airport. Employees with the trip pass can avail a 50% discount while using the Pavan Doot service.

- e) **E-Rickshaws:** KMRL has provided e-rickshaws at Maharajas College and Aluva metro stations. Metro Rail operations were stopped following the State Government order due to the second wave of Covid 19 pandemic. Due to increase in the number of Covid-19 cases during the second wave the Government of Kerala has imposed the ban on public transport including metro from 8th May 2021 and the trains services were resumed operations on 1st July 2021 following strict Covid-19 safety protocol. During this period the maintenance work of the tracks were carried out in order to make full use of the silent period.

After the resumption of the services on 1st July 2021 the ridership has been gradually progressing upwards.

7.5 Training: All new recruits are given initial training. This training familiarizes them with the organizational mission, vision, knowledge of rules and regulations, job acumen so as to prepare them for their job. The trainees are imparted with theoretical training followed by On Job Training/ Attachment for a specific duration. After completion of all the required training, the trainees are recommended for Competency procedures. During the initial stages all these trainings were arranged from other metros in India. Now KMRL is capable of handling all types of training related to metro activities. 22 new staff were recruited from open market. Entire training of these staffs were conducted in house at the training centre. This helped us to reduce the training cost significantly.

The Training Centre facilitates State-of-the-art transformative training opportunities for KMRL employees to acquire knowledge and capacity on professional and personal skill developing. (Total 2388 training days in 222 batches, which covered 8 different modules).

7.5.1 Training during lockdown period.

Training Centre has conducted all pending trainings during the lockdown period in small batches



including advanced train operator training for 44 SC/TOs. A total of 652 staffs were imparted different training programmes during the lockdown period.

7.6 Innovations and New Practices

7.6.1 Development of portal to update the AFC group ticket issued at station to central control.

Group ticket portal is created by in-house staff using PHP and MySQL which is online and within the KMRL network. This has helped updating group tickets issued at stations to the central system with less manual intervention preventing possibilities of error.

7.6.2 Staggered Maintenance Approach.

The supplier/OEM recommended maintenance activities and schedules have been studied in detail and rationalized in such a manner that the maintenance activities viz. Train Fitness check, Service checks and Overhauling are carried out in staggered manner for effective maintenance and optimal utilization of resources as well as increased cost effectiveness. It has reduced maintenance down time with availability of train for revenue service.

7.6.3 Paperless Maintenance Management.

Generation of integrated Job card for any work including Preventive and Corrective maintenance in Rolling Stock assets and Management of the maintenance are carried out through a paperless system. EPIC (Engineer Possession In-Charge) of the work will be provided a Tab for facilitating the paperless work management.

7.7 Biodegradable waste management

7.7.1 Details of composting process

Aerobic decomposition: Such decomposition process takes place in the presence of air, when the aerobic bacteria act on the complex organic matter and breaking it down into nutrients and producing carbon-dioxide. Some bacteria in the Pseudomonas species and Bacillus species help in aerobic degradation.

Aerobic process of composting does not produce methane because methane-producing microbes are not active in the presence of oxygen. Composting is one method to reduce methane emissions from organic waste currently stockpiled or sent to landfill. Composting practices that minimise anaerobic conditions and maximise aerobic conditions will be the most effective at reducing greenhouse gas emissions.

In the presence of oxygen and water, microbes, such as bacteria and fungi, use the carbon for energy and decompose the organic wastes. The benefits of this:

- Heat, which kills pathogens and seeds, is produced
- The remaining carbon is stable humus that is weed-free and safe to use for agriculture, landscaping, gardening or other purposes.

79 sets of bio-pots are provided in all 22 stations and Depot for processing around 75 to 100 kg of bio degradable waste produced in stations, Depot and Canteen per day. The quantity of compost formed will be 1/5 of the bio waste processed. The product formed is utilized for



landscaping and as a starter cum moisture control agent in this composting process.

7.7.2 Waste to garden project

As part of the green initiative, KMRL is planning to set up gardens along the Metro Rail corridor, utilizing the medians. Kochi Metro intends to convert these medians in to a biodegradable waste sink.

The project will be a first of its kind in the world where almost 95% of the raw materials used in the process will be derived out of waste and renewable materials. Raw materials like natural coir fiber and pith used in the process will stimulate that sector. The use of excavated earth is completely avoided thereby not only preventing mining of fertile soil from the fertile areas and reducing carbon foot print but also assisting urban waste management in Kerala which is facing serious trouble due to chocked dump sites. This will be a great example for the Swachh Bharath mission to showcase “compost to garden” solutions directly impacting urban waste management and carbon foot print reduction in all the cities in India. Many medians from Kaloor to Ernakulam South are beautified using this technology.

7.7.3 Plastic waste Management

KMRL has installed plastic bottle crushing machines at few stations. KMRL is planning to scale up this to all the stations so that more public can utilize this facility. Individuals need to insert an empty plastic bottle into the slot provided on the machine and the conveyer inside the machine carries the bottle to the shredder. Once the bottle is crushed the machine displaying a pop up on the screen for selection of the discount coupon partner. The individual can select any of the options and accordingly a discount coupon will be dispensed from the machine printer. These coupons can be availed at the concerned product store.

7.8 During lockdown due to second wave of covid-19 corrective maintenance of track has been taken between MACE to PETT.

(i) Rail Grinding works in R2b Section

Rail surface defects have impact on the safety, reduces the service life of the train as well as the track and also affects the comfort of the passenger.

Rail defects increases the dynamic interaction between rail and vehicle & can cause damage to track components as well as rolling stock.

RGM is capable of removing the surface defects with 8 grinding stone at a working speed of 8 to 10kmph to a tune of 0.02 to 0.04 mm per pass.

Before rail grinding, the track data was collected by the machine, analysed by the Grind data monitoring system (GDMS) software and it will suggest suitable grinding pattern. Depending upon the rail condition such as pitting, corrugation, wheel burns etc. number of passes will be decided. After grinding, the rail surface becomes uniform and ensures single point rail wheel contact



instead of multiple contact.

(ii) Resumption of revenue services.

On 01.07.2021 train services resumed after second wave lockdown strictly following covid-19 protocols.

On day-1, a total of 7586 commuters travelled & daily commuters were increasing day by day. On 12th July, 2021 (Monday), 16846 passengers travelled in Metro.

8.0 Non-Motorized Transport Project

Out of Rs. 239 crore, different projects with a cumulative value of Rs. 32.19 crore has been completed as of date. The tender procedures of 5 different projects with a cumulative value of Rs.54.23 crore have completed and work awarded. Planning for the balance work is in process.

Loan agreement and project agreements have been signed with AFD, France for 27 Million Euro for construction of footpath, cycle track, road safety etc. AFD has released Rs.24.47 crores to Government of Kerala and Government of Kerala has disbursed the amount to Kochi Metro Rail Limited during the year 2020-21.

9.0 Human Resource

The Human Resources Department of KMRL has attempted to strike a balance between the business needs of the Company and individual aspirations. Staying true to the Mission and Vision of KMRL, the Company follows the value – ‘Employee Empowerment’ and focuses on improving the work culture, employee engagement, productivity, efficiency and effectiveness.

In view of the ongoing construction activities and the subsequent revenue operations, the intake of manpower and their competency building is in progress. As on 31st March 2021, KMRL has a team of dedicated personnel comprising of 98 in the Projects wing, 397 in the Operation & Maintenance wing and 18 in the Water Transport wing.

With the cooperation of Kudumbasree (a women's self-help group), KMRL is managing and operating Kochi Metro stations as “Women operated centres of excellence”, by women from economically weaker sections (EWS) including Transgenders thereby ensuring women empowerment and gender equality. Women constitute over 60 percent of the workforce. KMRL has presence of women across the organization in different levels of the management hierarchy till shop floor. From loco pilots to those manning the ticket counters, from overall control of stations to housekeeping, from security personnel to engineers, the presence of women here has crossed boundaries and become an icon of empowerment. Kudumbashree has also deployed 11 transgenders in Kochi Metro. This is for the first time in the country that transgender people have been allowed into the mainstream workforce.

During the precarious situation that prevailed all over the Nation due to the outbreak of COVID-19 pandemic, KMRL had followed the Government directions and precautionary measures for preventing the spread of COVID-19. All norms prescribed such as social distancing, wearing of masks, usage of sanitising liquids when entering the office and leaving the office are made



compulsory. Sanitation of the office premises were carried out on a regular basis. Employees were permitted to enter the office and work sites only after thermal scanning. During the lock down period, as per the instructions contained in various directives from MHA, KMRL has paid salary to its employees including outsourced staff, contract employees etc.

9.1 Employment of Reserved Category

The guidelines issued by the GoI from time to time with regard to reservation of services for SCs/STs/PH/OBCs etc. are being meticulously followed. As on 31st March 2020, Company has employed 55 Scheduled Caste, 3 Scheduled Tribe, 245 Other Backward Class, 9 Ex-Servicemen and 5 differently abled persons.

The Management of KMRL always feels that a motivated, content and satisfied workforce is the key for the successful achievement of the organizational goals. Keeping this objective in view, the Company continues to work for human resource development and realization of its potential. The employer-employee relationship continues to be cordial throughout the year and KMRL could meet the targets well in time.

10.0 Corporate Communication Management and presence in Social Media

The Corporate Communications Department (CC) conducted events, ensured media coverage and coordinated with various departments to keep up the brand value of Kochi Metro Rail Limited in the past year. Following events were conducted in the year under review, which witnessed the ridership of Kochi Metro touching an all-time high:

10.1 Median Beautification across metro corridor

As part of green initiative to beautify the city with greenery, KMRL has allotted 324 median areas to various parties to beautify the same with plants suitable for medians. In-fact all medians have been allocated and nothing is pending in the approved stretch. This will transform the face of city by having a continuous stretch of green medians throughout the length of the city.

10.2 Cyclothon 2021 on 26.01.2021

To promote the idea of Non-Motorised Transport and to provide first mile & last mile connectivity to the prospective passengers, KMRL organized Cyclothon 2021. The theme of the activity was "Healthy Mobility for Healthy Life". The event was conducted along the influence area of the Metro corridor starting from a Metro Station and ending in Metro Station. Total 717 cyclists participated in the event along with other 30 cyclists like invitees, guests etc, making it one of the largest Cyclothon's conducted in Kerala.

10.3 Fit India Freedom Run - October 2nd 2020.

As part of the national initiative your company actively participated in the "Fit India Freedom Run", an initiative under the ministry of Youth Affairs and Sports, Government of India, in which KMRL employees took part in run/walk/cycle along a route of his/ her choice. This was done from 15th August 2020 to 2nd October 2020. The culminating event was concluded on 2nd October 2020



with a common run/cycling for all employees together in Muttom Yard.

10.4 Earth Hour Celebrations on 27.03.2021

KMRL in association with JCI (Kochi) has observed Earth Hour on 27.03.2021. Three separate events were conducted for the same:

WOMEN only Cyclothon was conducted to promote green transport and women empowerment. The cyclothon was started from Vytila Metro Station to Thykoodam and returned to Vytila Metro Station. Total 12 KMs covered in the cyclothon and about 70 WOMEN cyclists participated.

A painting competition was conducted in Vytila metro station, to give awareness to the importance of observing earth day. A live painting by an Artist was also being done in the same Venue.

A public meeting was conducted on March 27, 2021 evening to observe earth day. This was done in a beautiful ambience with candles and lights, in KMRL Jos Junction venue. Lights were switched off and candles lit to observe Earth Hour 2021.

10.5 Music fest at Jos Junction on 30th Jan 2021.

KMRL's Open Theatre at Jos Junction went alive after reopening first Covid lockdown, with vibrant performances curated as a part of Metro Beatz. The event included a musical gala by the Vayali group (Bamboo Music) and Mr Shaun Thomas, as well as a Bharatanatyam performance by Prof. Arunima.

11.0 Vigil Mechanism

Your Board in its 23rd meeting held on 18th January 2016, has put in place a vigil mechanism/whistle blower policy in line with Section 177(9) of the Companies Act 2013. No further changes have been effected in it subsequently and the same holds good for the financial year 2020-21 as well. During the year under review, one complaint was received under Vigil Mechanism, which was resolved as per aforesaid provisions as well as vigilance manual and CDA Rules of the Company.

12.0 Right to Information

Your Company has implemented the Right to Information Act, 2005 (hereinafter referred to as "RTI Act"), which enhances the citizens by providing access to information with a view to enlighten them on the accountability and transparency practised in the Company. Appropriate officials have been designated as Public Information Officer (PIO), Assistant Public Information Officers (APIOs), and First Appellate Authority to ensure that various enabling provisions of the RTI Act are implemented in letter and spirit. During the FY 2020-21 a total number of 94 RTI Applications, as well as 7 First Appeals, were received by the Company. All the above referred RTI Applications, as well as First Appeals, were disposed of by the concerned officials in strict compliance with the provisions of the RTI Act. One Second Appeal was filed against the Company before the State Information Commission (SIC).



13.0 Conservation of Energy and Technology Absorption

13.1 Conservation of Energy

Energy efficient LED lighting is utilised in all the metro stations, offices, depot areas, viaduct, parking areas, property development areas and wherever the lighting is required, thereby saving energy in the lighting. Energy efficient LED lights are used in lighting the interior and exterior of the trains.

Variable Voltage Variable Frequency (VVVF) drive is used in the train's propulsion system, which uses optimized energy during the powering of the train. Regenerative braking technology is adopted in which the energy, otherwise supposed to be wasted during the breaking, is converted into electricity and used by the trains. The energy saving mode of the train control ATO has been commissioned, which is expected to save energy during the train operations.

Use of high efficiency VRF (Variable Refrigerant Flow) based air-conditioning systems used in station, Depot, admin building and corporate office which saves considerable amount of energy. Modification in Temperature Setting of HVAC – there is a 6% energy saving for every degree of rise in temperature in AC as per Bureau of Energy Efficiency. Temperature in equipment rooms have been increased by 6 degrees to 23 degrees and in few manned rooms were set at 25 degrees.

By Enabling Energy saving mode in escalators, the total weekly energy saving across 21 stations is considerable high. By Switching off escalators during non-peak hours, especially in less crowded stations at non-peak hours - 10 am to 3 pm and 7 pm to 7 am to reduce power consumption. By HVAC wastage reduction like closure of cut-outs, to reduce AC wastage. In technical rooms, ac leakage through door gaps are being closed using beadings.

VVVF (Variable Voltage Variable Frequency) drive have been used for the lifts & escalators, which provides sleep mode for the lifts and idling or slow speed mode escalators when passengers are not detected is provided in all stations and admin building.

KMRL stations, Depot and the corporate office have adopted the green building norms in the design stage itself, thereby saving energy considerably and the installations have been given the Platinum rating by the National Green Building Council.

13.2 Use of alternate source of energy

KMRL has adopted Solar Energy Policy and striving to achieve full energy neutrality. KMRL has already installed and commissioned solar power project of capacity 7.3 MWp in the building roofs or in the unused land area under the possession of KMRL. These projects were implemented through RESCO (Renewable Energy Service Company) model with CAPEX from the power producer / contractor. Present average generation of solar energy stands at about 25,000 units per day. Further an additional capacity of 3.5 MWp has been contracted and the works are on-going.



13.3 Capital investment on energy conservation equipment

Efforts for modernisation and improvement in the technology has been a goal for the organisation and investment in those lines and done wherever it is required. The solar power projects are implemented on a RESCO model, in which the capital investment from KMRL is NIL.

13.4 Technology Absorption

(i) The efforts made towards technology absorption:

- (a) Telecom item like PIDS (Passenger Information Display System) on platforms and concourse are kept automatically switched off during non-revenue hours to achieve power saving.
- (b) Digital timer and occupancy sensor-based lighting control system is used in stations and Admin building to cut the wastage of power during unused time slots or empty areas.

(ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

KMRL has adopted Solar Energy Policy and striving to achieve full energy neutrality. KMRL has installed and commissioned solar power project of capacity 7.3 MWp in the building roofs or in the unused land area under the possession of KMRL. These projects were implemented through RESCO (Renewable Energy Service Company) model with all the CAPEX by power producer / contractor. Present average generation of solar energy stands at about 25,000 units per day. Further an additional capacity of 3.5 MWp has been contracted and the works are on-going.

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year)

Efforts for modernisation and improvement in the technology has been a goal for the organisation and investment in those lines and done wherever it is required. The solar power projects are implemented on a RESCO model, in which the capital investment from KMRL is NIL.

(A) The details of technology imported:

At the contracting stage itself necessary provisions have been used for technology absorption and accordingly the rolling stock for the KMRL have been manufactured only in India with a local content of about 70%, which has substantially reduced the cost of the trains. Efforts for indigenisation of spare parts and components are ongoing. Presently, efforts are ON to increase the local content in the lifts and escalators for the new stations, which otherwise is partly / fully imported.

(B) The year of import: 2015-2018



- (C) Whether the technology been fully absorbed: There are certain components which are still dependent on import.
- (D) If not fully absorbed, areas where absorption has not taken place, and the reasons thereof: Non-availability of manufacturers
- (iv) The expenditure incurred on Research and Development: Not applicable

14.0 Particulars of loans, guarantees and investments

During the year under Report, your Company has not -

- a. given any loan to any person or other body corporate;
- b. given any guarantee or provided security in connection with any loan to any other body corporate or person; and
- c. acquired by way of subscription, purchase or otherwise, the securities of any other body corporate, as prescribed under section 186 of the Companies Act, 2013.

15.0 Related Party Transactions

During the year under review, your Company has entered into Leave and License agreement on 26th June, 2020 with CSML which is a related party, after complying the requisite provisions of section 188 and allied Rules of Companies Act, 2013.

In order to boost Non Fare Box revenue, KMRL has invited applications from government / PSU / quasi –government, state government organizations for commercial spaces on rental basis at JLN Metro Station and M/s Cochin Smart Mission Ltd has offered to take on license approximately 10,000 sq ft of space for establishing its Integrated Command Control and Communication Centre (IC4).

16.0 Material changes and commitments

There have been no material changes and commitments affecting the financial position of your Company, which have occurred between the end of the Financial Year of the Company to which the financial statements relate and the date of the Report.

17.0 Details in respect of frauds reported by Auditors other than those which are reportable to the Central Government.

The Statutory Auditors and Secretarial Auditors of the Company have not reported any frauds to the Audit Committee or to the Board of Directors under Section 143(12) of the Companies Act, 2013, including rules made there under.

18.0 Fixed Deposits

Your Company has not accepted any fixed deposits from the public under Chapter V of the Companies Act, 2013.



19.0 Foreign Exchange Earnings and Outgo

During the year, there was no foreign exchange earnings. No amount was incurred towards foreign travel during the year. However, an amount equivalent to Rs.4.62 crore was incurred towards payment to contractors in foreign currency.

20.0 Risk Management Policy

Risk Management Policy

Your Company is committed to identify potential risks before they occur so that the risk management activities may be planned and invoked as and when needed across the life of the project and to mitigate its adverse impacts on achieving the larger objectives.

Keeping this in view, your Company has identified the following specific objectives:

1. To ensure that all the current and future material risk exposures of the Company are identified, assessed, quantified, appropriately mitigated, minimized and managed on time;
2. To ensure that high priority risks are aggressively managed and eliminated;
3. To ensure that all risks are cost-effectively managed throughout the project;
4. To promote information sharing at all levels of the management to make informed decisions on issues critical to the success of the project;
5. To ensure compliance with the appropriate regulations, wherever applicable.

Your Company has adopted the following measures to achieve and improve the specific objectives:

- The Risk Management Policy is prepared by IIM Kozhikode for the Company.
- Constitution of an internal team consisting of the Company Secretary, the General Manager (HR, Admin and Training) and the Legal Officer to ensure compliance with the various statutes applicable to the Company.
- Conducting quarterly internal audit by independent auditors; their observations are reviewed by the Audit Committee and corrective actions taken wherever found appropriate.
- Physical verification of assets at regular intervals by a team constituted for the purpose and by the internal auditors.
- Use of data encryption technology for communication and storage of data which ensures safety and data security.
- Insure the assets of the Company

21.0 Corporate Social Responsibility and Sustainability Initiatives

Being a responsible and responsive corporate citizen, your Company is committed to its stakeholders viz., the shareholders, the employees, the management, the suppliers, the customers and the community at large. As an environment friendly metro organisation, your Company has been undertaking initiatives from its inception to improve the standard of living and to enhance the quality of life of the people in Kochi, acknowledging the Company's responsibility towards the society.

Your Company has complied with the provisions of the Companies Act, 2013 in letter and spirit



and has constituted a Corporate Social Responsibility Committee comprising of as on 31.03.2021.

- | | |
|-----------------------------|------------|
| 1. Shri Alkesh Kumar Sharma | - Chairman |
| 2. Shri S. Suhas | - Member |
| 3. Shri Thiruman Archunan | - Member |
| 4. Shri D.K. Sinha | - Member |
| 5. Shri Kumar K.R. | - Member |

Although there was no statutory requirement to expend towards Corporate Social Responsibility, your Company voluntarily undertook the initiatives during the year under report, which includes:

- a. Median beautification.
- b. Bio waste management in stations.
- c. Dry waste to vendor and taking equivalent recycled material for office use.
- d. Rain water harvesting

KMRL has done a water audit and feasibility study with SCMS water institute for exploring the possibility of rain water harvesting at stations and Depot.

Based on these studies conducted, a MOU has been executed between KMRL and SCMS and a pilot project of rain water harvesting has been implemented in Companypady metro station. It is planned to further extend rain water harvesting plants to more stations.

22.0 Alternate Revenue Initiatives: Office & Retail Space Allocation

The impact of COVID-19 pandemic affected businesses including the alternate revenue activities resulting in some of the clients vacating premises. However, during this challenging period your company increased the reach to the market and acquired new customers for various retail kiosks and office space.

23.0 Board of Directors

As on 31.03.2021, the Board of your Company comprises of 13 Directors, of whom 5 Directors are nominees of the Government of India, 5 Directors are nominees of the Government of Kerala and 3 are Functional Directors. The Secretary, Ministry of Housing and Urban Affairs, Government of India is the Chairman, while the Managing Director is a nominee of Government of Kerala. A detailed note on the Board of Directors is provided under the 'Corporate Governance Report'.

23.1 Number of Meetings of the Board

During the financial year 2020-21, the Board of Directors of your Company met four times, on 27th May 2020, 28th July 2020, 23rd November 2020 and 25th February 2021.

23.2 Committees of the Board

The Board has constituted eight sub-committees commensurate with the size and nature of the operations of KMRL. These are the Audit Committee, the Corporate Social Responsibility Committee, the Human Resource Development and Nomination and Remuneration Committee,



the Operation and Maintenance Committee, the Project Management Committee, the Investment Committee, the Procurement Committee and the Property Development Committee. Each of these sub-committees has clearly spelt out Terms of Reference duly approved by the Board. These sub-committees meet according to the requirements of your Company from time to time. The details of the sub-committees of the Board are provided under the section ‘Corporate Governance Report’.

23.3 Directors and Key Managerial Personnel

During the year under report, the following Directors were appointed in the place of the named Directors who retired/superannuated:

SI No	Name of the Director ceased	Date of cessation	Name of the Director appointed	Date of appointment
1.	Shri Tom Jose	31.05.2020	Dr. Vishwas Mehta	23.06.2020
2.	Shri Dimpy Garg	09.08.2019	Shri Bhupender Singh Bodh	18.12.2020

The office of the following Directors remained unaltered during the financial year:

- Shri Durga Shanker Mishra
- Shri D.K. Saini
- Smt Sujatha Jayaraj
- Shri Jaideep
- Shri Rajesh Kumar Singh
- Shri Alkesh Kumar Sharma
- Shri K. R. Jyothilal
- Shri S. Suhas
- Shri Thiruman Archunan
- Shri Kumar K.R.
- Shri D.K. Sinha

Directorial changes that occurred up to 31st March, 2021:

- On 23rd June 2020, Dr. Vishwas Mehta, Chief Secretary, Government of Kerala took charge as Director (Government of Kerala nominee) on the Board in place of Shri Tom Jose.
- On 18th December 2020, Shri Bhupender Singh Bodh, SAG / IRSEE, ED/RE, Railway Board took charge as Director (Government of India nominee) on the Board in place of Shri Dimpy Garg.

Directorial changes that occurred after 31st March, 2021 but before the date of this report:

- On 07th April 2021, Shri. K R Jyothilal, Principal Secretary, Transport Department,



Government of Kerala, has been given the additional charge as the MD of KMRL, in place of Shri Alkesh Kumar Sharma on account of his appointment as Additional Secretary in Cabinet Secretariat, Government of India.

- On 1st June, 2021, Shri Thiruman Archunan relieved from the office of Director (Project) on account of his appointment as Director (Project) in Chennai Metro Rail Limited.
- Government of Kerala vide G.O.(Rt) No.267/2021/TRANS dated 02/08/2021, appointed Shri. Jafar Malik, IAS, District Collector Ernakulam, as a director on the board of KMRL, in place of S.Suhas IAS,

Board placed on record its appreciation of the services of Shri Tom Jose, Shri Alkesh Kumar Sharma, Shri Thiruman Archunan and Shri S. Suhas during their tenure as Directors.

Your Company has the following Key Managerial Personnel as on date:

- | | |
|-----------------------------|-----------------------------|
| • Shri K. R. Jyothilal | – Managing Director |
| • Shri Kumar K.R. | – Director, Finance cum CFO |
| • Shri D.K. Sinha | – Director, Systems |
| • Shri Shyam Sunder Agrawal | – Company Secretary |

23.4 Performance appraisal of Directors

Company conducts performance appraisals of all three of its Functional Directors on a yearly basis. In the year under review, all the three Functional Directors performed well in their respective fields. In the case of nominee Directors, the performance appraisal is undertaken by the respective governments, they are nominated by.

24.0 Details of Subsidiary, Joint Venture and Associate Companies

Your Company does not have any subsidiary, joint venture and associate company. No Company has become or ceased to be subsidiary, joint venture and associate company during the year, 2020-21.

25.0 Presentation of financial statements

The financial statements of your Company for the year ended 31st March 2021 have been disclosed as per Schedule III to the Companies Act, 2013. Your Company is under the process of preparing and presenting the Economic Balance Sheet.

26.0 Significant and Material orders

No significant and material orders were passed by the regulators or any courts or tribunals impacting the going-concern status of the Company and affecting its operations.



27.0 Extract of Annual Return

In terms of provisions of section 134(3)(a) of the Companies Act, 2013, the extract of the Annual Return as provided under sub-section (3) of section 92 of the Companies Act, 2013 in form MGT-9 is placed on company's website www.kochimetro.org .

28.0 Internal Financial Control

The Board has adopted robust policies and procedures to ensure the orderly and efficient conduct of your Company's business by safeguarding its assets, preventing and detecting errors and frauds, ensuring the accuracy and completeness of the accounting records and the timely preparation and submission of reliable financial statements.

29.0 Corporate Governance

Your Company adheres to Corporate Governance standards and pursues transparency, integrity and accountability in all its activities. A separate section entitled 'Corporate Governance Report' has been annexed to this report.

30.0 Secretarial Standards of ICSI

Pursuant to the approval from the Ministry of Corporate Affairs, the Institute of Company Secretaries of India (ICSI) has revised the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2), which have been effective from 1st October, 2017. The Company is complying with the same.

31.0 Auditors

31.1 Statutory Auditor

Pursuant to Section 139 of the Companies Act, 2013 M/s K. Venkatachalam Aiyer & Co., Chartered Accountants were appointed as the Statutory Auditors of the Company by the Comptroller & Auditor General of India (C&AG) who shall continue in office till the conclusion of the Annual General Meeting.

The Report of the Statutory Auditors, being a part of the Annual Report, has been annexed herewith.

31.2 Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013, M/s Vivek Sarath & Naufal, Firm of Practising Company Secretaries, was appointed to conduct the secretarial audit of your Company for the year 2020-21. The report from the secretarial auditor and the comments to every observation/qualification made by the Company Secretary in practice in his secretarial audit report is annexed to this Report.

31.3 Internal Auditor

M/s CK Prusty & Associates Chartered Accountants, Kochi, were appointed as the Internal



Auditors of your Company to conduct internal audit and oversee the duties of the internal auditors of the Company and their report is reviewed by the Audit Committee from time to time.

32.0 Directors' Responsibility Statement

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) under the historical cost convention on accrual basis except for certain financial instruments which are measured at fair values and the provisions of the Companies Act, 2013 ('the Act').

The Company has adopted all the applicable Ind AS and the adoption was carried out in accordance with applicable transition guidance. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

In compliance with section 134(5) of the Companies Act, 2013, the Directors state that:

- In the preparation of the annual accounts for the financial year ended 31st March, 2021, the applicable accounting standards have been followed along with proper explanations for material departures;
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit and loss of your Company for that period;
- The Directors have 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 your Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on a going-concern basis;
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

33.0 Change in nature of Business

During the year under review, there has been no change in the nature of business of the Company.

34.0 Explanation or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by Auditors.

The Secretarial Auditor raised an observation that composition of Human Resource Development and Nomination & Remuneration Committee is not in line with section 178(1) for a brief period from 01.04.2020 to 23.11.2020.

The same has been rectified and as at the end of the reporting period, the composition of Human Resource Development and Nomination and Remuneration Committee is in line with Section 178(1) of the Act.



35.0 Other Disclosures – Prevention of Sexual Harassment in the Workplace

The Company has a policy on prevention of sexual harassment at the workplace. The Company has constituted an Internal Complaints Committee in line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 to look into the cases pertaining to sexual harassment of women and to facilitate a safe working environment free from sexual harassment.

There were nil cases of sexual harassment reported during the year under review.

Composition of the Internal Complaints Committee:

- | | |
|---|---------------------|
| • Ms. Seenii Alex Kuruvilla, AGM(F&A) | - Presiding Officer |
| • Dr Lizamma Koshy, Retd HoD (Chem)
Maharajas College, Ernakulam | - External Member |
| • Ms. Lilly Kutty Raju , ES to MD | - Member |
| • Ms Mini Chhabra GM(HR, Admn & Trg) | - Member & Convener |

36.0 Acknowledgement

Your Directors wish to place on record their sincere appreciation of the assistance rendered by the Central/State Government and local authorities, Office of the C&AG, Statutory Auditors, Secretarial Auditors, Internal Auditors, AFD, KfW, Canara Bank, Union Bank of India, The Kerala State Cooperative Bank, HUDCO and other Commercial Banks, Delhi Metro Rail Corporation, both the print and the visual media, contractors, suppliers, vendors, advisors, consultants, customers and various stakeholders connected with the affairs of the Company and thank each one of them. The Board also places on record its sincere appreciation of the commitment and the whole-hearted co-operation extended by the officers and other staff members of your Company.

For and on Behalf of the Board of Directors,

(Sd/-)
Chairman

Place: Cochin

Date: 05/08/2021



Form No. MR - 3

SECRETARIAL AUDIT REPORT

For the Financial Year ended 31st March, 2021

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

To,

The Members

Kochi Metro Rail Limited

CIN: U60100KL2011SGC029003

JLN Metro Station, 4th Floor, Kaloor, Kochi - 682017

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kochi Metro Rail Limited** (hereinafter called the company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on the verification of company's books, papers, minute 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 audit period covering the financial year ended on **31st March, 2021** ('Audit Period') complied with the statutory provisions listed hereunder and also that the company has followed the Board processes and has the required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Kochi Metro Rail Limited** for the financial year ended on 31st March, 2021 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (The clause is not applicable as the company is an Unlisted Public Company).**



- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
(The clause is not applicable as the company is a Unlisted Public Company)

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings;
(The clause is not applicable during the Audit period)

- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
(The company being an Unlisted Public Company, Clause (v) and its sub clauses (a) to (h) are not applicable)
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999;

 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

 - (f) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and

 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

We have also examined compliances with respect to:

- (i) The Secretarial Standards, SS-1 and SS-2 issued by the Institute of Company Secretaries of India and as notified by the Ministry of Corporate Affairs, and report that the Company has generally complied with the said standards.



- (ii) The Listing Agreements entered into by the company with BSE Limited, National Stock Exchange of India Limited and London Stock Exchange.
(The Clause is not applicable as the company is an Unlisted Public Company)

During the period under review the company has complied with the provisions of the Act, Rules, Regulations, Guidelines and Standards as mentioned above, subject to the following observation:

- a) As per Section 178(1) of the Act and Rules framed thereunder, the Nomination and Remuneration Committee should comprise of three or more Non-Executive Directors, out of which, not less than one-half shall be Independent Directors. Notification No. G.S.R 839(E) dated 05/07/2017 issued by the Ministry of Corporate Affairs, Government of India, has exempted unlisted public companies, which is a joint venture, from appointing Independent Directors on its Board. Hence Human Resource Development and Nomination and Remuneration Committee meetings are conducted without Independent Directors. The composition of the Human Resource Development and Nomination and Remuneration Committee was not in line with Section 178(1) of the Act for a brief period from 01.04.2020 to 23.11.2020. However, the same has been rectified and as at the end of the reporting period, the composition of Human Resource Development and Nomination and Remuneration Committee is in line with Section 178(1) of the Act.

We, further report that based on the guidelines issued by the Institute of Company Secretaries of India, on the applicability of industry specific laws as applicable to the company, and as per the information received from the Management and records maintained, the company has in our opinion, generally complied with the provisions of the following industry specific laws to the extent applicable to it:

- (i) Income Tax Act, 1961;
- (ii) Goods and Service Tax Act, 2017;
- (iii) Provisions of following Labour legislations governing the Company's employees namely;
- a) The Minimum Wages Act, 1948
 - b) Employees State Insurance Act, 1948
 - c) Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - d) The Payment of Wages Act, 1936
 - e) Employees Compensation Act, 1923
- (iv) Contract Labour (Regulation and Abolition) Act, 1970;

- (v) Inter State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- (vi) Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996;
- (vii) Right to Information Act, 2005;
- (viii) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- (ix) The Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013;
- (x) Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 and
- (xi) Indian Electricity Rules, 1956.

The relevant departments of the Company are following up with respective Contractor for complying with all the requirements including those under the environment protection laws and the rules made thereunder.

The company in respect of contract labour engaged through contractors have been complying with applicable provisions of law. For the new contracts, obtaining license is reportedly under process. Wherever lacunae is noticed, the matter is being followed up for complying.

We further report that:

The Board of Directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. 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.

Decisions at Board Meetings are carried out and recorded in the Minutes of Meetings of Board of Directors.





ANNUAL REPORT 2020-21

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 following action having a significant relevance on the company has taken place:

- (a) Decision to form a new Special Purpose Vehicle for Operations and Maintenance of Water Metro project with an equity participation of 26%.

Place : Cochin

For VIVEK SARATH & NAUFAL

Date : 27.07.2021

Company Secretaries

UDIN : A047669C000694183

Sd/-

SARATH S

Partner | M. No. 47669 | C P No. 17466



Annexure - A

To,

The Members

Kochi Metro Rail Limited

CIN: U60100KL2011SGC029003

JLN Metro Station, 4th Floor, Kaloor, Kochi - 682017

The report of even date is to be read along with this Annexure.

1. Maintenance of Secretarial record 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 that were followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of any of the financial records and books of accounts of the company.
4. Where ever 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 management. We have presented our opinion on the basis of information/records produced by the company during the course of the audit and the reporting is limited to that extent.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For VIVEK SARATH & NAUFAL

Place : Cochin

Company Secretaries

Date : 27.07.2021

Sd/-

SARATH S

Partner | M. No. 47669 | C P No. 17466



Corporate Governance Report

Corporate Governance is the combination of rules, processes or laws by which corporates are operated, regulated or controlled. It includes the internal and external factors that affect the interests of company's stakeholders including shareholders, suppliers, customers, government regulators and management. In other word, corporate governance is the structure of rules, practices and processes used to direct and manage a Company.

This report describes the corporate governance practices that the Company has adopted and how the Company has applied the principals and practices of good corporate governance.

Board of Directors

As per the Articles of Association of the Company, strength of the Board shall not be less than 3 Directors and not more than the number as stipulated under Section 149 of the Companies Act, 2013, keeping in view the exemptions applicable to Government Companies. These directors may be either Nominee Directors, or Whole Time functional Directors or Part-time Directors.

Composition of Board of Directors

As on date of this report, the Board of Directors of KMRL comprises of 11 Directors, of whom 5 Directors are nominees of the Government of India, 4 Directors are nominees of the Government of Kerala, and 2 are Functional Directors. The Chairman is the Secretary, Ministry of Housing and Urban Affairs, Government of India, and the Managing Director is a nominee of Government of Kerala.

The Board of Directors of the Company comprises of professionals with proven administrative and execution capabilities, committed to the objectives of the Company and who also collectively direct the Company's affairs.

Attendance record of Directors:

SL. No.	Name of the Director	Meetings held in 2020-21 during the tenure of their directorship	Meetings attended	Attended AGM
1.	Shri Durga Shanker Mishra	4	4	Yes
2.	Shri Bhupendra Singh Bodh	1	1	No
3.	Shri Jaideep	4	4	Yes
4.	Smt Sujatha Jayaraj	4	3	Yes
5.	Shri D.K. Saini	4	4	Yes
6.	Shri Rajesh Kumar Singh	4	4	No
7.	Shri Tom Jose	1	1	No
8.	Shri Vishwas Mehta	3	3	No
9.	Shri K.R. Jyothilal	4	4	No



10.	Shri S. Suhas	4	4	No
11.	Shri Alkesh Kumar Sharma	4	4	Yes
12.	Shri Kumar K.R	4	4	Yes
13.	Shri D.K. Sinha	4	4	Yes
14.	Shri Thiruman Archunan	4	4	Yes

Information supplied to the Board

The Board is presented before each meeting with relevant information and proposals, which require the Board's consideration in various matters related to the working of the Company, especially those that require deliberations at the highest level. Presentations are also made to the Board by the functional directors on the progress of the project, legal compliance and other important matters from time to time.

Board procedures

Board Meetings are conducted for critical evaluation and review of the performance of the Company and for ensuring effective implementation of management decisions. During the financial year 2020-21, the Board of Directors of the Company met four times; on 27th May 2020, 28th July 2020, 23rd November 2020 and 25th February 2021.

The Company has streamlined a procedure for holding the Board and the Board Sub-Committee Meetings, as explained below:

A Institutionalised decision making process

With a view to institutionalise all corporate affairs and setting up systems and procedures for advance planning for matters requiring discussion and decision making by the Board, the Company has well defined procedures for conducting meetings of the Board of Directors and Committees thereof, whereby it is ensured that the information is disseminated in an informed and efficient manner.

B Scheduling and selection of Agenda items for Board/Board Sub-Committee Meetings

- The meetings are convened by giving appropriate notice, after obtaining the approval of the Chairman of the Board. To address specific urgent needs, meetings are also called at shorter notice. The Board also passes resolutions by circulation, but only for such matters, which are of utmost urgency and which are permissible in terms of the provisions of the Companies Act, 2013; in the relevant year two resolutions were approved by circulation.
- The agenda papers are prepared by the Heads of Departments concerned and, after obtaining the concurrence of respective Functional Director, are submitted to the Managing Director for approval. Duly approved detailed agenda notes, management reports and other explanatory statements, backed by comprehensive background information, are circulated in advance amongst the members for facilitating meaningful,



informed and focused decisions at the meetings;

- Where it is not desirable to attach any document or if the agenda is of sensitive nature, the same is placed on the table at the meeting with the approval of the Managing Director and the Chairman. In special and exceptional circumstances, additional or supplementary item(s), which are not on the agenda, are taken up for discussion with the permission of the Chair;
- The Board is also informed of major events/items and approvals taken whenever necessary. The Managing Director keeps the Board apprised of the overall performance of the Company at the Board Meetings;
- Action Taken Report, review of the status of actions taken on the directives of the Board in earlier meetings, physical and financial progress, minutes of Committee Meetings also forms part of the Agenda;
- The members of the Board have complete access to all the information of the Company;
- The Board meetings are generally conducted in line with the applicable Secretarial Standards.

c) Briefing by the Managing Director

At the beginning of each meeting of the Board, the Managing Director briefs the Board members about the key developments, including the status of the project and other important achievements/developments relating to the Company in various areas.

d) Recording minutes of proceedings at the Board meeting

Minutes of the proceedings of each Board are recorded and entered in the Minutes Book. The minutes of the meetings are circulated in accordance with the provisions of the Companies Act, 2013 and the applicable Secretarial Standards. The minutes of the Board Meetings are submitted for confirmation at its next meeting, after these are signed by the Chairman. The minutes of the meetings of the Sub-committees of the Board are also placed before the Board for information.

e) Compliance

The Heads of Departments, while preparing agenda notes ensure adherence to all the applicable statutory requirements, including the provisions of the Companies Act, 2013, Articles of Association and the CVC guidelines.

The employees of the Company pursue the tenets of the Code of Conduct approved and adopted by the Company, while discharging the duties and responsibilities entrusted to them. They always maintain high moral standards and values in contributing towards corporate functioning and the appropriate and timely guidance from the management helps them ensure better governance practices.



Information placed before the Board inter alia includes:

- Detailed Budget Estimates and status of revenue operation.
- Annual Financial Statements and Board's Report.
- Decisions/Minutes of meetings of Sub Committees of the Board.
- New proposals/projects including updated status of Phase I, Phase IA, Phase IB, Phase II, Phase III, Integrated Water Transport Project, IURWTS, etc.
- All proposals which involve change in technology/technology parameters other than those contemplated in DPR.
- Any significant development in Human Resources, significant Property Development matters.
- Availing of term loans and working capital loans, other financial assistance.
- Appointment of Internal Auditors, Statutory Auditors and Secretarial Auditors.
- Information relating to major legal disputes.
- Other materially important information.
- Other matters as directed/advised by the Board from time to time.

Committees of the Board

The Board has constituted eight sub-committees, which are commensurate with the size and nature of the operation of the Company. These are:

- i. Audit Committee
- ii. Corporate Social Responsibility Committee
- iii. Human Resource Development and Nomination and Remuneration Committee
- iv. Operation and Maintenance Committee
- v. Project Management Committee
- vi. Investment Committee
- vii. Procurement Committee
- viii. Property Development Committee

Each of these committees have clearly spelt out Terms of Reference, duly approved by the Board. These Committees meet according to the requirements of the Company from time to time. The details regarding the Board sub-committees are given below:

1. Audit Committee

Composition as on 31st March, 2021:

1. Shri R. K Singh	- Chairman
2. Shri K.R. Jyothilal	- Member
3. Smt Sujatha Jayaraj	- Member
4. Shri Jaideep	- Member

During 2020-21, the Audit Committee met twice viz., 28th July 2020 and 25th February 2021. In addition to the members of the Audit Committee, these meetings were attended by the Director,



Finance and those executives who were considered necessary for providing inputs to the Committee. The Terms of Reference of the Audit Committee, as approved by the Board are in accordance with the Companies Act, 2013.

The Company Secretary acted as the Secretary to the Audit Committee. Attendance record of Members:

Sl. No.	Name of the Member	Meetings held in 2020-21 during the tenure of their Membership	Meetings attended
1.	Shri Rajesh Kumar Singh	2	2
2.	Shri K.R. Jyothilal	2	2
3.	Smt Sujatha Jayaraj	2	1
4.	Shri Jaideep	2	1

2. Corporate Social Responsibility (CSR) Committee

Composition as on 31st March, 2021:

- | | | |
|-----------------------------|---|----------|
| 1. Shri Alkesh Kumar Sharma | - | Chairman |
| 2. Shri S. Suhas | - | Member |
| 3. Shri Thiruman Archunan | - | Member |
| 4. Shri D.K. Sinha | - | Member |
| 5. Shri Kumar K.R | - | Member |

Taking into consideration the changes in the board composition, the Board in its 41st meeting reconstituted the Board Sub Committees also; the composition of reconstituted committee is explained below:

Composition of CSR Committee after reconstitution as on 05/08/2021:

- | | | |
|-------------------------|---|----------|
| 1. Shri K.R Jyothilal | - | Chairman |
| 2. Shri Jafar Malik IAS | - | Member |
| 3. Shri D.K. Sinha | - | Member |
| 4. Shri Kumar K.R. | - | Member |

No meetings of the CSR Committee were held during the year.

3. Project Management Committee

Composition as on 31st March, 2021:

- | | | |
|-----------------------------|---|----------|
| 1. Shri Alkesh Kumar Sharma | - | Chairman |
| 2. Shri Jaideep | - | Member |
| 3. Shri Thiruman Archunan | - | Member |
| 4. Shri Kumar K.R. | - | Member |

Taking into consideration the changes in the board composition, the Board in its 41st meeting reconstituted the Board Sub Committees also; the composition of reconstituted committee is



explained below:

Composition as on 05/08/2021:

- | | | |
|------------------------|---|----------|
| 1. Shri K.R. Jyothilal | - | Chairman |
| 2. Shri Jaideep | - | Member |
| 3. Shri Kumar K.R. | - | Member |

No meetings of the Project Management Committee were held during the year.

4. Investment Committee

Composition as on 31st March, 2021:

- | | | |
|-----------------------------|---|----------|
| 1. Shri R.K. Singh | - | Chairman |
| 2. Shri Alkesh Kumar Sharma | - | Member |
| 3. Shri K.R. Jyothilal | - | Member |
| 4. Shri Kumar K.R. | - | Member |

Taking into consideration the changes in the board composition, the Board in its 41st meeting reconstituted the Board Sub Committees also; the composition of reconstituted committee is explained below.

Composition as on 05/08/2021:

- | | | |
|------------------------|---|----------|
| 1. Shri R.K. Singh | - | Chairman |
| 2. Shri K.R. Jyothilal | - | Member |
| 3. Shri Kumar K.R. | - | Member |

No meetings of the Investment Committee were held during the year.

5. Procurement Committee

Composition as on 31st March, 2021:

- | | | |
|-----------------------------|---|----------|
| 1. Shri Alkesh Kumar Sharma | - | Chairman |
| 2. Shri S. Suhas | - | Member |
| 3. Shri Thiruman Archunan | - | Member |
| 4. Shri Kumar K.R. | - | Member |
| 5. Shri D.K. Sinha | - | Member |

Taking into consideration the changes in the board composition, the Board in its 41st meeting reconstituted the Board Sub Committees also; the composition of reconstituted committee is explained below:



Composition as on 05/08/2021:

- | | |
|-------------------------|------------|
| 1. Shri K.R Jyothilal | - Chairman |
| 2. Shri Jafar Malik IAS | - Member |
| 3. Shri Kumar K.R. | - Member |
| 4. Shri D.K. Sinha | - Member |

The Committee met three times during the financial year on 21st May 2020, 21st July 2020 and 16th September 2020

Attendance record of Members:

SL. No.	Name of the Member	Meetings held in 2020-21 during the tenure of their Membership	Meetings attended
1.	Shri Alkesh Kumar Sharma	3	3
2.	Shri S. Suhas	3	2
3.	Shri Thiruman Archunan	3	3
4.	Shri Kumar K.R.	3	3
5.	Shri D.K. Sinha	3	3

6. Operation and Maintenance Committee

Composition as on 31st March, 2021:

- | | |
|-----------------------------|------------|
| 1. Shri Alkesh Kumar Sharma | - Chairman |
| 2. Smt Sujatha Jayaraj | - Member |
| 3. Shri Thiruman Archunan | - Member |
| 4. Shri Kumar K.R. | - Member |
| 5. Shri D.K. Sinha | - Member |

Taking into consideration the changes in the board composition, the Board in its 41st meeting reconstituted the Board Sub Committees also; the composition of reconstituted committee is explained below

Composition as on 05/08/2021:

- | | |
|------------------------|------------|
| 1. Shri K.R Jyothilal | - Chairman |
| 2. Smt Sujatha Jayaraj | - Member |
| 3. Shri Kumar K.R. | - Member |
| 4. Shri D.K. Sinha | - Member |

No meetings of the Operation and Maintenance Committee were held during the year.



7. Property Development Committee

Composition as on 31st March, 2021:

- | | | |
|-----------------------------|---|----------|
| 1. Shri Alkesh Kumar Sharma | - | Chairman |
| 2. Shri S. Suhas | - | Member |
| 3. Shri Thiruman Archunan | - | Member |
| 4. Shri D.K. Sinha | - | Member |
| 5. Shri Kumar K.R. | - | Member |

Taking into consideration the changes in the board composition, the Board in its 41st meeting reconstituted the Board Sub Committees also; the composition of reconstituted committee is explained below

Composition as on 05/08/2021:

- | | | |
|-----------------------|---|----------|
| 1. Shri K.R Jyothilal | - | Chairman |
| 2. Shri Jafar Malik | - | Member |
| 3. Shri D.K. Sinha | - | Member |
| 4. Shri Kumar K.R. | - | Member |

No meetings of the Property Development Committee were held during the year.

8. Human Resources Development and Nomination and Remuneration Committee

Composition as on 31st March, 2021:

- | | | |
|-----------------------------|---|----------|
| 1. Shri Alkesh Kumar Sharma | - | Chairman |
| 2. Shri K. R. Jyothilal | - | Member |
| 3. Smt Sujatha Jayaraj | - | Member |
| 4. Shri S Suhas | - | Member |
| 5. Shri Kumar K.R. | - | Member |

Taking into consideration the changes in the board composition, the Board in its 41st meeting reconstituted the Board Sub Committees also; the composition of reconstituted committee is explained below.

Composition as on 05/08/2021:

- | | | |
|-------------------------|---|----------|
| 1. Shri K. R. Jyothilal | - | Chairman |
| 2. Smt Sujatha Jayaraj | - | Member |
| 3. Shri Jafar Malik | - | Member |
| 4. Shri Kumar K.R. | - | Member |
| 5. Shri Jaideep | - | Member |

The Committee met once during the financial year on 21st July, 2020.

Attendance record of Members:

SL. No	Name of the Member	Meetings held in 2020-21 during the tenure of their Membership	Meetings attended
1.	Shri Alkesh Kumar Sharma	1	1
2.	Shri K. R. Jyothilal	1	1



3.	Smt Sujatha Jayaraj	1	1
4.	Shri Thiruman Archunan	1	1
5.	Shri Kumar K.R.	1	1

Disclosures

- a. There have been no materially significant related party transactions, i.e., transactions of the Company of a material nature with its promoters, the directors or the management, subsidiaries or relatives etc., that may have a potential conflict of interest with the interests of the Company at large;
- b. There were no instances of penalties imposed or strictures passed against the Company by any statutory authority;
- c. There were no items of expenditure debited in the books of accounts, which were not for the purpose of the business of the Company;
- d. The Company has separate persons to the posts of Chairman and Managing Director.

General Meetings, held in the last three years:

AGM/ EGM	7 th AGM	8 th AGM	9 th AGM	3 rd EGM
Date and Time	01.12.2018 12:00 PM	30.09.2019 11:30 AM	28.09.2020 03.00 PM	01.02.2020 12:30 PM
Venue	Registered Office	Registered Office	Registered Office	Registered Office
Special Resolution (if any)	5. Appointment of Shri Kumar .R., Director Finance (WTD). 6. Appointment of Shri D.K. Sinha, Director Systems (WTD).	-	-	1. Enhancement in the borrowing limit of the Company from Rs. 5,000 crore to Rs. 10,000 crore. 2. Alteration in Clause III of MOA. 3. Alteration in Clause IV of MOA. 4. Adoption of new set of AOA. 5. To approve the issue of domestic bonds up to a limit of Rs. 1250 crore.

Company's Website

The Company's website is www.kochimetro.org. All major information pertaining to the Company, including the project, Board of Directors, latest news updates, contracts, tenders, job recruitment processes etc., are published on the website. Moreover, the Company posts all its tenders on the website to disseminate timely information about all procurements of goods and services. The website also provides information on all important events, activities and progress of the Metro Rail Project and other significant developments, and is continuously updated.

Sd/-
Chairman



FORM AOC – 2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis

(a)	Name(s) of the related party and nature of relationship	NA
(b)	Nature of contracts or arrangements or transactions	NA
(c)	Duration of the contracts or arrangements or transactions	NA
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any	NA
(e)	Justification for entering into such contracts or arrangements or transactions	NA
(f)	Date of approval by the Board	NA
(g)	Amount paid as advances, if any	NA
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	NA

2. Details of material contracts or arrangements or transactions at arm's length basis:

(a)	Name(s) of the related party and nature of relationship	Cochin Smart Mission Limited, nature of relationship is as per clause (vi) of Section 2(76) of Companies Act, 2013.
(b)	Nature of contracts or arrangements or transactions	License agreement for leasing out property (office space)
(c)	Duration of the contracts or arrangements or transactions	10 years 2 months
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any.	Material terms of the contract is as per License Agreement dated 26.06.2020. Value of contract is Rs 6,69,40,169 including GST @ 18%
(e)	Date of approval by the Board	27 th May 2020
(f)	Amount paid as advances, if any	Amount of rent received in advance

For and on behalf of the Board of Directors

Kochi Metro Rail Limited

sd/-

Chairman

Place: Cochin
Date: 5.08.2021





भारतीय लेखापरीक्षा एवं लेखा विभाग
कार्यालय महानिदेशक वाणिज्यिक लेखापरीक्षा, चेन्नै

*Indian Audit and Accounts Department
Office of the Director General of Commercial Audit, Chennai*

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF KOCHI METRO RAIL LIMITED FOR THE YEAR ENDED 31 MARCH 2021

The preparation of financial statements of Kochi Metro Rail Limited for the year ended 31 March 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) are the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independence audit in accordance with the standards on auditing prescribed under section 143(10) of the Act, This is stated to have been done by them vide their Audit Report dated 05.08.2021.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Kochi Metro Rail Limited for the year ended 31 March 2021 under section 143(6) (a) of the Act. This Supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to the statutory auditors' report under section 143(6)(b) of the Act

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

Yours faithfully,

(C.NEDUNCHEZHIAN)

Director General of Commercial Audit, Chennai

Place : Chennai
Date : 22.09.2021

INDEPENDENT AUDITORS' REPORT

To
The Members of
KOCHI METRO RAIL LIMITED

Report on the Audit of the Financial Statements for the year ended 31st March 2021

Opinion

We have audited the financial statements of **KOCHI METRO RAIL LIMITED** ('the Company'), which comprise the Balance Sheet as at March 31, 2021, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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 Companies Act,2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report.

We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Emphasis of Matter

1. We draw attention to Note No 1.2.1 and Note No 30.37 of the financial statements regarding the uncertainties arising out of the global health pandemic from Covid-19, and the assessment made by the management on the operations and financial results of the company for the year ended March 31, 2021. Due to the outbreak of the Covid-19 pandemic, Metro Rail operations of the Company along the Phase I stretch were suspended from 22nd March 2020 till 6th September 2020, resulting in realisation of lower fare box and non-fare box revenue.



2. We draw attention to note No 30.2.1 of the financial statements in respect of the foreign exchange rate variation, for The Pass Through Assistance (PTA) provided by Government of India, based on the credit facility agreement between *Agence Francaise De Development (AFD)*, as lender and Government of India (GoI) as borrower, for 180 Million Euro (equivalent to Rs.1327 10.77 lakhs as on the date of receipt of the assistance) and 2.84 Million Euros (equivalent to Rs.24 46.67 lakhs as on the date of receipt of the assistance). The PTA funds were released by GoI to the company through budgetary provisions and GoI's standard procedures for development assistance to States in India, in Indian Rupees, and the liability towards the credit facility of the company is limited to INR 1351 57.44 lakhs.

In accordance with paragraph 23 of Ind AS 21, Foreign currency assets and liabilities are to be valued, on the balance sheet date, by translating using the closing rates. The Company did not recognize foreign exchange variation losses, related to the PTA received from GoI, for the reason that the liability of the company is towards GoI for an amount of Rs.1351 57.44 lakhs and the repayment obligation of the company is limited to the amount of PTA received in Indian Rupees amounting to Rs. 1351 57.44 lakhs, and the loss, if any, on account of Foreign exchange fluctuation will be borne by GoK. The outstanding balance of PTA, as on 31.03.2021 is Rs. 1218 86.36 lakhs.

3. We draw attention to note 30.3 of the financial statements in respect of the capitalisation of the assets from Capital Work in progress. Due to the ongoing second wave of Covid-19 pandemic and in anticipation of a delay in getting the fixed asset register certified by the internal auditors of DMRC, as per clause 6.1.20 of the Memorandum of Understanding, between DMRC and KMRL dated 23rd May 2013, the company has relied on the documents handed over by DMRC, for the capitalisation of assets for an amount of Rs. 226,58.30 lakhs

Our opinion on the financial statements is not modified in respect of the above matters.

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual report but does not include the Financial Statements and our Auditors' Report thereon. The above referred information is expected to be made available to us after the date of this audit report.

Our opinion on the Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended. 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually, or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' 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, to the extent applicable;
2. Based on verification of books of accounts of the company and according to information and explanations given to us, we give in "**Annexure B**" a report on the directions issued by The Comptroller and Auditor General of India in terms of sub-section (5) of Section 143 of the Companies Act, 2013.
3. 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 including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts.
- d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
- e) As per Notification No G.S.R 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, provisions of section 164(2) of the Act regarding the disqualifications of Directors are not applicable to the company, since it is a Government Company.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to the Financial Statements and the operating effectiveness of such controls, refer to our separate report in "**Annexure C**".
- g) As per notification no. G.S.R 463 (E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of section 197 of the Act regarding remuneration to Director are not applicable to the Company, since it is a Government Company.
- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in the financial statements. (*Refer Note No.30.29 of the Financial Statements*).
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For K. Venkatachalam Aiyer & Co.

Chartered Accountants

FRN: 004610S

UDIN: 21232723AAACN6851

Sd/-

**CA. Vishnu Mohan
Partner | Membership No 232723**

Place : Cochin

Date : 05 August 2021



**Annexure A to the Independent Auditors' Report of even date to the members of
Kochi Metro Rail Limited on the financial statements for the year ended
March 31, 2021**

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of accounts and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- 1) In respect of the Company's fixed assets:
 - a) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets
 - b) The company has a programme of physical verification of its fixed assets. In our opinion, the periodicity of such physical verification needs improvement having regard to the size of the Company and nature of its business.
 - c) According to the information and explanations given by the management and based on the examination of the records of the Company, the title deeds/ lease deed of immovable properties included in Property, Plant and Equipment are held in the name of the Company except in respect of 2.731 hectares of land with a value of Rs.174,76.74 lakhs for which the registration of title Deeds in the name of company, is in progress. As informed by the Management, the documentation is in progress and the said matter is being handled by the Revenue department of Government of Kerala.
- 2) According to the information and explanations given to us, Inventories, being stock of tools, have been physically verified during the year. In our opinion, the frequency of verification is reasonable, having regard to the size of the company. Further, in our opinion and according to the information and explanations given to us, no material discrepancies were noticed on such physical verification
- 3) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- 4) 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 Companies Act, 2013, in respect of grant of loans, making investments and providing guarantees and securities.
- 5) The Company has not accepted any deposit within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the requirement of reporting under the provisions of clause 3(v) of the order is not applicable to the Company.
- 6) The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013 for the services rendered by the company. Thus, reporting under clause 3(vi) of the order is not applicable to the company.



7) According to the information and explanations given to us, in respect of statutory dues:

- a) The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Goods and Services Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues applicable to it.
- b) There are no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Goods and Services Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues in arrears as at March 31,2021 for a period of more than six months from the date they became payable.

According to the information and explanation provided to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess which have not been deposited as on 31st March 2021 on account of dispute except for the following

Sl.no	Name of the statute	Nature of dues	Amount (incl. Penalty) in Rs	Period to which the amount relates	Forum where the dispute is pending
1	Finance Act, 1994	Service Tax	80 96 225	2013-14, 2014-15 & 2015-16	Commissioner, Central Tax and Central Excise (Appeals)

8) In our opinion and according to the information and explanations provided by the management, the Company has not defaulted in repayment of loans or borrowings to Financial Institutions, Banks or Government, except for the following:

Sl.No	Particulars of the Amount Due	Borrowings	
		Amount (Rs.in lakhs)	Period (No of days)
1	PTA amount due and payable to GOI –3rd Installment *	33 17.77	59
Total		33 17.77	

* The due date for repayment was on 15th September 2020. The date of receipt of fund from GoK was 06th November 2020. The fund was paid to Gol, after obtaining ways and means clearance from GoK, on 12th November, 2020

- 9) In our opinion and according to the information and explanations given to us, monies raised by way of term loans have, *prima facie*, been applied by the Company during the year for the purpose for which they were raised. The Company has not raised any money by way of initial public offer or further public offer (including debt instruments).
- 10) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations provided by the management, we report that no fraud on the company by the officers and employees of the company has been noticed or reported during the year.



- 11) As per notification no. G.S.R 463 (E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, the provisions of section 197 of the Act as regards the Managerial Remuneration are not applicable to the Company, since it is a Government Company.
- 12) The Company is not a Nidhi Company and hence the provisions regarding reporting under clause 3 (xii) of the Order are not applicable to the company.
- 13) In our opinion and according to the information and explanations given to us, the company's transactions with its related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.
- 14) According to the information and explanations provided to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) According to the information and explanations provided by the management, the Company has not entered into any non-cash transactions with its directors or persons connected with them as referred to in section 192 of the Companies Act 2013.
- 16) According to the information and explanations provided to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For K.Venkatachalam Aiyer & Co.

Chartered Accountants

FRN: 004610S

UDIN: 21232723AAAACN6851

Sd/-

**CA. Vishnu Mohan
Partner | Membership No 232723**

Place : Cochin

Date : 05 August, 2021



Annexure B to the Independent Auditor's Report of even date to the members of Kochi Metro Rail Limited on the financial statements for the year ended March 31, 2021

Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirement' of our report dated Aug 05, 2021, to the members of Kochi Metro Rail Limited on the accounts for the year ended 31st March, 2021

Sl. No:	General Directions under Section 143 (5) of Companies Act, 2013	Comments of Statutory Auditor
1	Whether the company has system in place to process all accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with financial implications, if any, may be stated.	Yes, the Company has a system in place to process all the accounting transactions through IT system, namely SAP. Based on the verification carried out by us during the course of our audit and based on the information and explanations given to us, we have not come across any instance of processing of accounting transaction outside IT system having significant implication on the integrity of accounts and the consequent financial implication.
2	Whether there is restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc made by a lender to the company's inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?	There is no such case of restructuring of an existing loan or cases of waiver / write off of debts / loans/ interest etc. made by a lender to the company due to its inability to repay the loan during the year.
3	Whether funds (grants/ subsidy etc.) received / receivable for specific schemes from Central / State Government or its agencies were properly accounted for /utilized as per its terms and conditions? List the cases of deviation.	On verification of the records furnished before us and according to the information and explanations given to us, funds received / receivable for specific schemes from central / state agencies are generally accounted for /utilized as per its terms and conditions except for the instances mentioned in Annexure 1 .

For K. VENKATACHALAM AIYER & Co

Chartered Accountants

ICAI Firm Registration No.: 004610S

UDIN: 21232723AAACN6851

Sd/-

CA. Vishnu Mohan

Partner

Membership No. 232723

Place : Cochin

Date : 05 August, 2021



Annexure 1 Referred to in Point 3 of the report dated Aug 05, 2021 of Kochi Metro Rail Limited, issued on the directions issued by The Comptroller and Auditor General of India in terms of sub-section (5) of Section 143 of the Companies Act, 2013

(Amount in Rs. Lakhs)

SI No	Particulars of the specific schemes for which the funds were received	Amount received from Government of Kerala (GoK) till March 31, 2021	Amount utilized for the scheme for which the funds were obtained till March 31, 2021	Amount utilized for other purposes till Mar 31, 2021
1	Preparatory works for widening PWD road from Kunnara Park to Petta	22 35.00	19 43.21	2 91.79
2	Preparatory works for construction of Rail Over Bridge – Pachalam	52 59.00	23 66.57	28 92.43
3	Preparatory works for improvement of the Edappally - High Court Road from Edappally to JLN Stadium/ Kaloor	34 00.00	15 95.91	18 04.09
4	Various preparatory works listed in G.O.(Ms) No.110/2013/Trans dated 07.12.2013	2 36 00.27	2 10 66.23	25 34.04
5	Land Acquisition for preparatory works of new metro line from Jawaharlal Nehru Stadium to Kakkanad via Infopark	20 00.00	75.94	19 24.06
6	Repayment of first to fourth installment of AFD loan due and payable to GoI	139 96.00	13 271.07	7 24.93
Sub Total		504 90.27	403 18.93	101 71.34
	Less: Excess amount incurred by KMRL over and above the fund received for specific Schemes;			
7	Land Acquisition for preparatory works for Phase 1A (Petta to SN junction/ Thripunithura)	61 20.00	69 12.28	(7 92.28)
Net Amount utilized for other purposes till Mar 31, 2021				93 79.06

Note –

1. Status of the above works as on Mar 31, 2021 is given below;
 - a. The works under Sl. Nos.1,3,4&5 are in progress.
 - b. The work under Sl. No.2 is completed.
 - c. The amount stated in Sl. No 6 is the fund received in excess, adjusted against fund requested for the year 2021-22.
2. As per the information and explanation given by the company, the company has also maintained fixed deposits and sweep in deposits (other than earmarked), for an amount aggregating to Rs.5025.06 lakhs as on 31st March 2021, for the unutilized amounts received from GoK till 31.03.2021

Place : Cochin

Date : 05 August, 2021



Annexure C to the Independent Auditors' Report of even date to the members of Kochi Metro Rail Limited on the financial statements for the year ended March 31, 2021

(Referred to in Paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Independent Auditors' 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 **KOCHI METRO RAIL LIMITED** ('the Company') as of 31 March 2021 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The management of the company 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 controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India. 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 the 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 with reference to these financial statements based on our audit. We conducted our audit in accordance with 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, and the Guidance Note 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 with reference to these financial statements were 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 control system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditors' 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 with reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements 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 with reference to these financial statements 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 authorizations of the Management and directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 with reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, 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 with reference to these financial statements, to future periods are subject to the risk that the internal financial controls 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, adequate internal financial controls over financial reporting with reference to these financial statements and such internal financial controls system over financial reporting with reference to these financial statements were operating effectively as at 31st March 2021, based on the criteria for internal controls over financial reporting established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For K. Venkatachalam Aiyer & Co.

Chartered Accountants

FRN: 004610S

UDIN: 21232723AAAACN6851

Sd/-

CA. Vishnu Mohan

Partner | Membership No 232723

Place : Cochin

Date : 05 August, 2021



**KOCHI METRO RAIL LIMITED
BALANCE SHEET AS AT 31st MARCH , 2021**

Particulars	Note No.	As at 31.03.2021	Amount (Rs.in Lakhs) As at 31.03.2020
ASSETS			
(I) Non- Current Assets			
(a) Property, Plant and Equipment	2.A	5606 99.01	5396 05.94
(b) Capital Work-In-Progress	2.B	224 82.65	241 37.58
(c) Other Intangible Assets	3.A	31 50.65	32 36.38
(d) Intangible Assets Under Development	3.B	-	-
(e) Financial Assets			
(i) Trade Receivables		-	-
(ii) Other Financial Assets	4	693 56.93	343 80.60
(f) Other Non Current Assets	5	277 90.02	287 39.24
Total Non - Current Assets (I)		6834 79.26	6300 99.74
(II) Current Assets			
(a) Financial Assets			
(i) Trade Receivables	6	9 65.09	13 52.71
(ii) Cash and Cash Equivalents	7	125 48.20	14 30.61
(iii) Other Bank Balances	8	33 39.50	33 39.50
(iv) Other Financial Assets	9	122 35.10	206 38.27
(b) Other Current Assets	10	10 64.23	8 72.51
Total Current Assets (II)		301 52.12	276 33.60
Total Assets (I) +(II)		7136 31.38	6577 33.34
EQUITY AND LIABILITIES			
(I) EQUITY			
(a) Equity Share capital	11	1507 46.00	1507 46.00
(b) Other Equity	12	1034 40.87	815 89.47
Total Equity (I)		2541 86.87	2323 35.47
LIABILITIES			
(II) Non- Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	3900 70.92	3228 86.97
(ii) Other financial liabilities	14	62 26.28	83 16.98
(b) Provisions	15	16 19.31	12 41.19
(c) Deferred Tax Liabilities	16	-	-
(d) Other Non-Current Liabilities	17	7 65.55	9 49.39
Total Non - Current Liabilities (II)		3986 82.06	3333 94.53
(III) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	20 77.42	85 30.08
(ii) Other Financial Liabilities	19	566 89.52	760 81.71
(b) Other Current Liabilities	20	18 80.20	72 64.66
(c) Provisions	21	1 15.31	1 26.89
Total Current Liabilities (III)		607 62.45	920 03.34
Total Equity and Liabilities (I) + (II) + (III)		7136 31.38	6577 33.34
Significant accounting policies	1		
See accompanying notes to the financial statements	2-30		

In terms of our report of even date attached.

For K Venkatachalam Aiyer & Co
Chartered Accountants
FRN 004610S

UDIN: 21232723AAAACN6851

Sd/
Vishnu Mohan
Partner
Membership No. 232723

Place : Cochin
Date : 05.08.2021

For and on behalf of the Board of Directors

Sd/
K R Jyothilal
Managing Director
(DIN: 01650017)

Sd/
Shyam Sunder Agrawal
Company Secretary

Sd/
Kumar K R
Director (Finance) & CFO
(DIN: 08106837)

Place : Cochin
Date : 05.08.2021



KOCHI METRO RAIL LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH , 2021

Amount (Rs. In Lakhs)

Particulars	Note No.	For the year ended 31.03.2021	For the year ended 31.03.2020
I Revenue from Operations	22	39 96.98	94 02.98
II Other Income	23	127 49.08	40 92.07
III Total Income (I + II)		167 46.06	134 95.05
IV Expenses:			
Operating Expenses	24	40 68.62	45 11.09
Employee Benefits Expense	25	42 80.35	41 54.82
Finance Costs	26	187 87.03	162 18.84
Depreciation and Amortization Expense	27	201 40.83	169 50.68
Other Expenses	28	28 86.86	27 19.96
Total Expenses (IV)		501 63.69	445 55.39
V Profit / (Loss) Before Tax (III - IV)		(334 17.63)	(310 60.34)
VI Tax expense:			
(1) Prior tax adjustment		-	-
(2) Deferred tax		-	-
VII Profit / (Loss) for the period (V - VI)		(334 17.63)	(310 60.34)
VIII Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
Pre-measurements of post employment benefit obligations		(23.03)	(21.64)
Income tax relating to items that will not be reclassified to profit or loss		-	-
IX Total Comprehensive Income for the year (VII+ VIII) (Comprising Profit / (Loss) and Other Comprehensive Income for the year)		(23.03)	(21.64)
X Earnings per equity share:			
(1) Basic and Dilutive	29		
Significant accounting policies	1	(22.18)	(20.62)
See accompanying notes to the financial statements	2-30		

In terms of our report of even date attached.

For K Venkatachalam Aiyer & Co
Chartered Accountants
FRN 004610S
UDIN: 21232723AAAACN6851

Sd/
Vishnu Mohan
Partner
Membership No. 232723

Sd/
Shyam Sunder Agrawal
Company Secretary

For and on behalf of the Board of Directors

Sd/
K R Jyothilal
Managing Director
(DIN: 01650017)

Sd/
Kumar K R
Director (Finance) & CFO
(DIN: 08106837)

Place : Cochin
Date : 05.08.2021

Place : Cochin
Date : 05.08.2021



KOCHI METRO RAIL LIMITED

Statement of Changes in Equity for the year ended 31st March 2021



ANNUAL REPORT 2020-21

Particulars	Equity Share Capital	Amount (Rs.in Lakhs)				
		Interest Free Sub Debt - GOI	Interest Free Sub Debt - GOK	Deferred Income - Monetary Grants	Reimbursement of State Taxes -GOK	Other Equity
Balance as at April 1 , 2019 Changes in accounting policy or prior period errors	1507 46.00	213 24.86	886 70.82	171 04.72	138 38.52	(490 08.71) (1 24.06)
Balance as at April 1, 2019 (Restated)	1507 46.00	213 24.86	886 70.82	171 04.72	138 38.52	(491 32.77) (27.99)
Add : Comprehensive income / (Loss) restated for the year	-	-	-	-	-	(310 60.34) (21.64)
Add: Additions / Adjustments during the year	-	-	177 49.09 (16 38.41)	58 89.37 (8 36.90)	91.91	- (310 81.98)
Less: Transfer to Income during the year	-	(3 61.77)	-	-	-	- (237 30.37)
Balance as at March 31 , 2020 (Restated)	1507 46.00	209 63.09	1047 81.50	221 57.19	139 30.43	(801 93.11) (49.63)
Balance as at April 1 , 2020 (Restated) Changes in accounting policy or prior period errors	1507 46.00	209 63.09	1047 81.50	221 57.19	139 30.43	(801 93.11) (49.63)
1507 46.00	209 63.09	1047 81.50	221 57.19	139 30.43	(801 93.11) (49.63)	815 89.47
Add : Comprehensive income / (Loss) for the year	-	-	-	-	-	-
Add: Additions / Adjustments during the year	-	-	-	-	(334 17.63) (23.03)	(334 40.66)
Less: Transfer to Income during the year	-	(3 98.95)	592 54.59 (26 42.14)	(9 21.44)	-	592 54.59 (39 62.53)
Balance as at March 31 , 2021	1507 46.00	205 64.14	1613 93.95	212 35.75	139 30.43	(1136 10.74) (72.66)
						1034 40.87

For and on behalf of the Board of Directors

Sd/

K R Jyothilal

Managing Director
(DIN: 01650017)

Sd/

Shyam Sunder Agrawal
Company Secretary

Place : Cochin
Date : 05.08.2021

Kumar K R
Director (Finance) & CFO
(DIN: 08106837)



KOCHI METRO RAIL LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2021

Amount (Rs. In Lakhs)

Particulars	For the year ended 31st March, 2021	For the year ended 31st March, 2020
A. Cash Flow from Operating activities		
Net Profit/(Loss) for the period	(334 40.66)	(310 81.98)
Adjustment for		
(Profit) / Loss on sale of asset (net)	4.56	8.89
Depreciation and amortization expense	201 40.83	169 50.68
Changes in Accounting policy or prior period errors	-	1 24.06
Expected Credit Loss on Trade Receivables	13.44	1 59.53
Interest income	(4 40.75)	(42.57)
Finance cost	155 28.59	137 22.10
Foreign Exchange Fluctuation	8.20	-
Net Gain arising on financial assets measured at FVTPL	(9 20.93)	(8 53.03)
Operating Profit/(Loss) before working capital changes	8 93.28	(10 12.32)
Adjustments for (increase) / decrease in operating assets		
(Increase)/ Decrease in Financial Assets	(71 56.74)	(79 47.91)
(Increase)/ Decrease in other non- current Assets	(9 55.71)	(104 08.92)
(Increase)/ Decrease in other Assets	(1 91.72)	(112 10.08)
(Increase)/ Decrease in Provisions	3 66.55	4 61.94
(Increase)/ Decrease in other Payables	7 86.64	122 84.86
Net Cash flow from / (used in) Operating activities (A)	(62 57.70)	(178 32.43)
B. Cash Flow from Investing activities		
Payment to acquire property , plant and equipment and Intangible Assets	(72 61.86)	(20 57.31)
Payment for Capital WIP including capital advances	(433 81.65)	(608 54.95)
Interest income received	3 79.51	50.53
Net Cash flow from / (used in) Investing activities (B)	(502 64.00)	(628 61.73)
C. Cash flow from Financing activities		
Proceeds being Long term loans from Banks and Financial Institutions	614 37.22	429 45.17
Proceeds being Pass through assistance from Government of India	24 46.67	-
Proceeds being Sub Debt from Government of Kerala	625 87.34	477 39.51
Proceeds being Working Capital loan from Bank	(64 52.66)	85 30.08
Payment of Lease Liabilities	(1.35)	-
Finance Cost Paid	(250 64.99)	(144 93.05)
Loan repaid during the year	(273 12.95)	(30 00.00)
Net Cash flow from / (used in) Financing activities (C)	676 39.28	817 21.71
Net Increase / (decrease) in cash and cash equivalents (A) + (B) + (C)	111 17.59	10 27.55
Cash and cash equivalents at the beginning of the year	14 30.61	4 03.06
Cash and cash equivalents at the end of the year	125 48.20	14 30.61
Comprising of		
Cash on Hand	14.74	.40
Balance with Banks:		
- Current and Sweep-in Accounts	83 43.46	14 29.56
- Term Deposits (with maturity less than twelve months)	41 90.00	.65
Total	125 48.20	14 30.61

In terms of our report of even date attached.

For K Venkatachalam Aiyer & Co

Chartered Accountants

FRN 004610S

UDIN: 21232723AAAACN6851

Sd/
Vishnu Mohan
Partner
Membership No. 232723

Sd/
Shyam Sunder Agrawal
Company Secretary

For and on behalf of the Board of Directors

Sd/
K R Jyothilal
Managing Director
(DIN: 01650017)

Sd/
Kumar K R
Director (Finance) & CFO
(DIN: 08106837)

Place : Cochin
Date : 05.08.2021

Place : Cochin
Date : 05.08.2021



**NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED
31ST MARCH 2021**

Corporate Information

Kochi Metro Rail Limited (*hereinafter referred to as “the Company” or “KMRL”*), incorporated under the provisions of Companies Act, 1956 on 2nd August 2011 with CIN: U60100KL2011SGC029003, is a Government Company within the meaning of Section 2(45) of the Companies Act, 2013.

The Company is a Joint venture between the Government of India (GoI) and Government of Kerala (GoK), with equal equity participation. The Company is primarily involved in the conception and operation of a Metro Rail Project in the city of Kochi. The company is also entrusted with the tasks of subsequent expansion of the Metro network, its operation, maintenance and allied activities to ensure sustainable operations and implementing a multi modal transport system in the city of Kochi. The Company commenced commercial operations on 19.06.2017. The Revenue Streams of the Company include fare collection from the passengers, licensing/leasing of properties and advertisement spaces, and providing consultancy services to other organization.

1. Significant accounting policies

1.1 Statement of compliance

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as “Ind AS”) as prescribed under Section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time and other Accounting Principles generally accepted in India

1.1.a Basis of Preparation

These financial statements have been prepared on the historical cost convention on accrual basis, except for the following assets and liabilities, which have been measured at fair value amount:

- a. financial assets and liabilities and contingent consideration measured at fair value;
- b. defined benefit plans - plan assets measured at fair value;

The Financial Statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use. The company has generally followed the policy and best practices as prevalent in the industry.

1.2 Use of estimates and management judgements

The preparation of the financial statements in conformity with the recognition and measurement principles of Indian Accounting Standards (Ind AS) requires the management to make some estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities (including contingent liabilities) and disclosures as at the date of the financial statements and the reported income and expenses during the year. Some of the estimations require higher degrees of judgement to be applied than others. Management continuously evaluates all of its estimates and judgements based on available information and its experience and believes that the estimates used



in the preparation of the financial statements are prudent and reasonable. Future results may differ from these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known or materialized.

Key sources of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets, provisions and contingent liabilities.

a) Useful lives of property, plant and equipment

The Company reviews the estimated useful life and residual values of property, plant and equipment at the end of each reporting period. Assumptions are also made as to whether an item meets the description of asset so as to warrant capitalization and which component of the asset may be capitalized. The reassessment of useful life may result in change in depreciation expense in future periods. The depreciation / amortization for future periods is revised if there are significant changes from previous estimates.

b) Recognition of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. Significant judgments are involved in determining the elements of deferred tax items. The policy for the same has been explained under Note 1.23.

c) Leases

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgement. The Company uses significant judgements in assessing the lease term (including anticipated renewals) and the applicable discount rate.

The classification of the leasing arrangement as a finance lease or an operating lease is based on an assessment of several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to purchase and estimated certainty of exercise of such option, proportion of lease term to the asset's economic life, proportion of present value of minimum lease payments to fair value of leased asset and extent of specialized nature of the leased asset.

The policy for the same has been explained under Note 1.28.

d) Recoverability of advances / receivables

The Company makes provisions for expected credit loss based on an assessment of the recoverability of trade and other receivables. The identification requires use of judgement and estimates. At each balance sheet date, based on historical default rates observed over expected life, the management assesses the expected credit loss on outstanding receivables and advances.

e) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of past events 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. Provisions (excluding employee benefits as per actuarial valuation) are not discounted to its present value and are determined, based on best estimate required to settle the obligation at the Balance sheet date. These are reviewed at each Balance sheet date and adjusted to reflect the current best estimates.



Contingent liabilities are not recognized in the financial statements. Contingent Liabilities are disclosed on the basis of judgment of management / independent experts. A contingent asset is not recognized but disclosed as a note to the financial statements.

f) Post-employment benefit plans

Employee benefit obligations are measured on the basis of actuarial assumptions using the project unit credit method which include mortality and withdrawal rates as well as assumptions concerning future developments in discount rates, the rate of salary increases and the inflation rate. The Company considers that the assumptions used to measure its obligations are appropriate and documented. However, any change in these assumptions may have a material impact on the resulting calculations.

g) Impairment test of non-financial assets

The recoverable amount of Property, Plant and Equipment(PPE) and Intangible asset is determined based on judgment of assumptions of technical experts. Any change in these assumptions may have a material impact on the measurement of the recoverable amount and could result in impairment.

h) Trade Receivables and Loans & Advances

Provision for doubtful trade receivables / loans & advances is recognized when there is uncertainty of realisation irrespective of the period of its dues and written off when unrealisability is established.

1.2.1 Estimation of uncertainties relating to the global health pandemic from COVID-19.

Spread of COVID 19 pandemic has affected the economic activities across the Globe including India. Metro operations were suspended from 22nd March 2020 till 6th September 2020, as per Central Government and State Government directives due to COVID-19 pandemic.

The Company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amounts of receivables and unbilled revenues. In view of the uncertainties arising out of this pandemic, the company has reviewed and made judgement on its impact on the carrying values, as on the date of approval of these financial statement and has relied on the best practises adopted by other metros. A definitive assessment of the impact of Covid – 19 is dependent upon the circumstances as they evolve in future periods.

1.3 Functional and presentation currency

These financial statements are presented in Indian Rupees (₹), which is the company's functional currency.

1.4 Rounding of amounts

All amounts disclosed in the financial statements and notes have been rounded off to the nearest thousands, except when otherwise indicated.

1.5 Revenue Recognition

- a) Income from fare collection is recognized on the basis of sale of tickets, sale of trip pass, money value of actual usage in case of smart cards and other direct fare collection. Amount disclosed as revenue are net of returns, trade allowances, rebates and discounts.
- b) Income from licensing of property /rental income from property is recognized in accordance with terms and conditions of the contract with the licensee/lessee and is accounted for on accrual basis over the licensing terms.



- c) Revenue from sale of scrap is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates, goods and service tax and amounts collected on behalf of third parties. The company recognizes revenue when the amount of revenue can be reliably measured and it is probable that future economic benefits will flow to the entity.
- d) Interest income is recognized on accrual basis using effective interest rate method.
- e) Income from consultancy services is recognized on the basis of actual progress /technical assessments of the work executed, except in cases where the contracts provide otherwise.
- f) Other incomes are recognized on accrual basis.

1.6 Property, Plant and Equipment

Property, Plant and Equipment (except freehold land) are stated at their acquisition cost / historical cost less accumulated depreciation and impairment, if any. The company is adopting the cost model for determining gross carrying amount.

The cost of fixed asset comprises its purchase price, including any import duties and other taxes net of recoverable taxes and any directly attributable expenditure on making the asset ready for its intended use.

Deposit works / contracts are capitalized on completion on the basis of statement of account received from executing agencies and in its absence, on the basis of technical assessment of the work executed. The cost also includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date on which the asset is ready for its intended use and net of any trade discounts and rebates and other incidental expenses and an initial estimate of the costs of dismantling, removing the item and restoring the site on which it is located, if any. In case of asset put to use, where final settlement of bills is yet to be effected, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement.

Spares having useful life of more than one year are capitalized under the respective heads.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components). The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

Capitalization of the assets for new section to be opened for public is done after ensuring completeness in all respects as per administrative formalities and as per requirements stipulated by "The Commissioner of Metro Railway Safety" for the opening of such section.

Advances paid towards the acquisition of property, plant and equipment outstanding at each Balance Sheet date is classified as "Capital Advance" under "Other non-Current Assets" and the cost of assets not put to use before such date are disclosed under "Capital Work-In-Progress". Subsequent expenditures relating to property, plant and equipment are capitalized only when it is probable that future economic benefits associated with these will flow to the Company and the cost of the item can be measured reliably.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the Statement of Profit and Loss.

1.7 Intangible assets

Intangible assets are stated at cost less accumulated amortization and impairment. Intangible assets are amortized over their respective individual estimated useful lives on a straight-line basis, from the



date that they are available for use.

Branding cost is capitalized as intangible asset and amortized on a straight-line basis over a period of five years.

Amount paid to railways towards consideration for the right to use (permissions), being Way Leave Charges to Railways, is capitalized as intangible asset and amortized on a straight-line basis over a period of seventy years.

Cost of software which is not an integral part of the related hardware acquired for internal use is capitalized as intangible asset and amortized on a straight line basis over a period of five years.

1.8 Capital work in Progress (CWIP) and intangible assets under development.

Assets under construction as at balance sheet date are shown as Capital Work in Progress (CWIP). Expenditure directly related to construction activity has been capitalized. All direct expenditure attributable to the various components of the project are accounted as CWIP. Common expenses and interest on external borrowings which are directly related to the construction activities, but attributable to more than one component of the works are grouped under CWIP as expenses during construction, to be allocated to various assets on completion. Claims including price variation are accounted for on acceptances.

Work in progress for the projects executed as deposit works/contracts are recognized based on the expenditure statement received from the executing agency and in its absence on the basis of technical assessment of the work executed. Interest earned on surplus project funds is reduced from CWIP.

Income pertaining to construction period, such as interest earned on short term deposit (other than from temporary deployment of funds received by way of equity and interest free subordinate debt), interest on mobilization advance to the contractor, sale of tender documents etc. is adjusted against the expenditure towards CWIP.

Administrative and general overheads (net of income) directly attributable to project are allocated in the ratio of the cost of the assets capitalized to the total cost of CWIP.

1.9 Land

The value of parcels of land handed over by the landowners and taken over by the Company through the District Collector has been capitalized based on the statement furnished by the land acquisition unit functioning under the aegis of the District Collector, without waiting for the registration of title deeds in the name of the Company. Payments made provisionally / liability provided towards cost or compensation related to the land in possession are treated as cost of the land. The value of land handed over for construction, which belongs to various Government bodies and departments, has not been capitalized since the amount payable and other terms are yet to be finalized and hence not ascertained.

Enhanced compensation, if any, under "The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation & Resettlement Act, 2013" shall be booked and treated as cost of land as and when the payment is made since the amount cannot be estimated. The costs of acquisition of structures in the land and land filling expenses are charged to the cost of land.

Land received from the State Government at free of cost, ownership of which vests with the company, is recognized on the basis of Government Order and at market value of the land ,which is calculated on the basis of Section 26 of "The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation & Resettlement Act, 2013" and is treated as non-monetary grant as per Ind AS 20, at the time of handing over the possession of the land.



1.10 Impairment of Assets

The carrying values of assets at each Balance Sheet date are reviewed for impairment, if any. If any indication of such impairment exists, the recoverable amount of such assets is estimated and impairment is recognized. The impairment loss recognized is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

1.11 Inventories

Inventories, including loose tools, are valued at the lower of cost and net realisable value.

1.12 Provision for doubtful debts and advance

Provision for doubtful debts/advances is made when there is uncertainty of realisation irrespective of the period of its dues and written off when unrealisability is established.

1.13 Insurance claims

The Insurance claims are recognised based on acceptance of claims by the Insurance company.

1.14 Depreciation and Amortization

- (i) Depreciation on property, plant and equipment is provided based on Straight line method as per useful lives of assets as prescribed in Schedule II of the Companies Act, 2013 except in the case of certain assets / components of assets where the useful life is determined based on the technical evaluation.
- (ii) Right of Use assets are depreciated from the commencement date on a straight line basis, over the shorter of the end of the useful life of the Right Of Use asset or the end of the lease term
- (iii) An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use. Any gain/loss arising on de-recognition of the asset is included in the Statement of Profit and Loss when the asset is de-recognized.
- (iv) The estimated useful lives of the assets where the useful life is estimated on the basis of the technical assessment done by DMRC while handing over the Phase I assets are as follows;

Description of the Asset	Useful Life of asset (in years)
Building Theming (Sub assets)	10
Rolling Stock	30
Components of Rolling Stock	18
Escalators & elevator	
Elevator	30
Elevator Other Components	20
Escalator	30
Escalator Other Components	15
Components of UPS Battery	10
A type ladder-4-meter height	2
SCADA Servers (main and standby)	3
Low Value Assets(less than Rs.5,000 per individual item)	1



Description of the Asset	Useful Life of asset (in years)
Way leave charges to Railway *	70
Branding	5

- (v) Residual value of 5% has been retained for all Fixed Assets, which is in line with the provisions of Schedule II of the Companies Act, 2013.
- (vi) Property, plant and equipment and Intangible assets (Low Value Assets) costing Rs. 5,000/- or less are depreciated / amortized fully in the year of purchase.
- (vii) The maximum life of the components has been restricted to the life of the main asset.
- (viii) Viaduct, Bridges and Permanent Way / Track work is depreciated on Straight-line method in line with the useful life prescribed for “Bridges, culverts, bunders etc.” in Schedule II of the Companies Act, 2013 from the date of commercial operation/available for use of respective sections.
- (ix) Expenditure on the items, ownership of which is not with the company, is charged off to revenue in the year of incurrence of such expenditure.
- (x) Intangible assets are amortized on a systematic basis over the best estimate of its useful life, from the date they are available for use.
- (xi) Way leave charges paid to Railways are recognized as intangible assets and amortized on straight-line method over the period of 70 years(*) .
- (xii) The useful life of mobile phone, which is grouped under office equipment, is estimated at three years.

The useful lives, residual value and method of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year and adjusted prospectively, if appropriate.

1.15 Government Grants

Grants from the Government are recognized at their fair value where there is a reasonable assurance that the grant will be received and the company will comply with all attached conditions. Government grants relating to income are deferred and recognized in the Statement of Profit and Loss over the period necessary to match them with the costs that they are intended to compensate and presented within other income.

When the company receives grants of non-monetary assets, the asset and the grant are recorded at fair value amounts and released to the Statement of profit or loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

When loans or similar assistance are provided by Governments or related institutions, with an interest rate below the current applicable market rate or interest free, the benefit of below market rate / free of interest is measured as the difference between the initial carrying value of the loan determined in accordance with Ind AS 109 read with Ind AS 113 and the transaction value being the proceeds received. The benefit is presented in the Balance Sheet by setting up the monetary grant as Deferred Income under “Other Equity” and recognized in the Statement of Profit and Loss on a systematic basis over the period during which the loan is outstanding in accordance with Ind AS 20. The loan is subsequently measured as per the accounting policy applicable to financial liabilities.

1.16 Current versus non-current classification

The assets and liabilities in the balance sheet are presented based on current/non-current classification in the manner shown below;

An asset shall be classified as current when it satisfies any of the following criteria:

- Expected to be realised or intended to be sold or consumed in normal operating cycle, or



- Held primarily for the purpose of trading, or
 - Expected to be realised within twelve months after the reporting period, or
 - Cash or cash equivalents, unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- All other assets shall be classified as non-current.

A liability shall be classified as current when it satisfies any of the following criteria:

- Expected to be settled in normal operating cycle, or
- Held primarily for the purpose of trading, or
- Due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities shall be treated as non-current.

1.17 Non-current assets held for sale

Company classifies a non-current asset as held for sale if its carrying amount will be recovered principally through a sale transaction. This condition is regarded as met only when the asset is available for immediate sale in its present condition and its sale is highly probable.

Non-current assets including discontinued operations, classified as held for sale are measured at the lower of the carrying amounts and fair value less costs to sell and presented separately in the financial statements. Once classified as held for sale, the assets are not subject to depreciation or amortisation. Any profit or loss arising from the sale or re-measurement of discontinued operations is presented as part of a single line item in statement of profit and loss.

1.18 Operating cycle

Based on the nature of the operating activities of the company and the normal time between the acquisition of assets and their realization in cash or cash equivalents, the company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

1.19 Financial Instruments

a) Initial recognition, measurement and de-recognition

Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the instruments.

All financial assets and liabilities are measured initially at fair value adjusted by transaction costs, except for those financial assets and liabilities which are classified at Fair Value through Profit & Loss (FVTPL) at inception.

Financial assets are de-recognized when the contractual rights to the cash flows from the financial assets expire or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognized when it is extinguished, discharged, cancelled or expired.

b) Classification and subsequent measurement of Financial Assets

For the purpose of subsequent measurement, Financial Assets are classified into following categories upon initial measurement/recognition;

- To be measured at amortized cost and;



- To be measured subsequently at fair value (either through other comprehensive income or through Statement of Profit and Loss)

c) Classification and subsequent measurement of Financial Liabilities

Financial liabilities are measured subsequently at amortized cost using effective interest rate, except for financial liabilities measured at Fair Value through Statement of Profit and Loss.

1.20 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized only when,

- the company has a present obligation (legal or constructive) as a result of a past event.
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.
- a reliable estimate can be made of the amount of the obligation.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the obligation at the balance sheet date and are not discounted to present value.

Contingent liabilities are disclosed in case of,

- a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- a present obligation arising from past events, when no reliable estimate is possible.

Contingent liabilities are measured on the basis of judgment of the management / independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent assets are not recognized in the financial statements. However, when realisation of income is virtually certain, related asset is recognised.

1.21 Commitments

Commitments are future liabilities for contractual expenditure. Commitments are classified and disclosed as follows:

- Estimated value of contracts remaining to be executed on capital account and not provided for.
- Other non-cancellable commitments, if any, to the extent they are considered material and relevant in the opinion of management.

1.22 Prior period adjustment

Prior period adjustments due to errors, having material impact on the financial affairs of the Company, are corrected retrospectively by restating the comparative amounts for prior periods presented in which the error occurred or if the error occurred before the earliest period presented, by restating the opening statement of financial position in the Statement of Changes in Equity.

1.23 Taxation

Income tax

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively



Current tax

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961, and based on the expected outcome of assessments/appeals.

Deferred tax

Deferred tax is recognized using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantially enacted by the reporting date. Deferred Tax Asset is recognized only to the extent it is probable that tax benefits will be realised in future.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

1.24 Foreign exchange transaction/translations

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Indian Rupees ("INR"), which is the functional currency and presentation currency of the Company.

Foreign exchange transactions are recorded at the functional currency adopting the exchange rate prevailing on the dates of respective transactions.

At the year end, monetary items denominated in foreign currencies and not covered by foreign exchange contracts are translated at "year-end exchange rates", while those covered by forward exchange contracts are determined by their respective contracts. Any exchange difference, arising on translation/settlement of all foreign currency monetary items including long term foreign currency monetary items are recognized as income or expense in the Statement of Profit and Loss for the period in which they arise, except to the scope exclusion provided under IND AS 21 based on the voluntary exemption given in IND AS 101.

1.25 Employee benefits

Provident Fund and pension fund: The eligible employees of the Company are entitled to receive benefits under provident fund schemes in which both employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions are paid to the Regional Provident Fund Account.

All eligible employees of the company under provident fund schemes are also covered under the provident fund's pension scheme. Under the above provident fund's pension scheme, no contribution is collected from the employees and is paid from the employer's contribution

Gratuity: Provision towards Gratuity, as per actuarial valuation is made during the current year for eligible employees.

Earned and half-pay Leave: The Company provides earned leave benefits and half-pay leave to the employees. The related liability is recognized on the basis of actuarial valuation.



Leave Travel Concession (LTC): The Company provides financial assistance to the employees in meeting expenses of actual travel involved to their hometown as well as to any place in India as per the approved policy. The related liability is recognized on the basis of actuarial valuation.

Employment Benefits to Employees on Deputation

Employee benefits due to employees on deputation from other government departments/PSUs are paid to their respective parent organization/ employer based on their direction as Foreign Service Contribution(FSC). Necessary provision for such benefits payable at the close of the financial year is estimated and provided for.

Under Ind AS 19 – The liability or asset recognized in the balance sheet in respect of its defined benefit plan is the present value of the defined benefit obligation at the end of the reporting period. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

The present value of the said obligation is determined by discounting the estimated future cash outflows.

The interest income/ (expense) are calculated by applying the discount rate to the net defined benefit liability or asset. The net interest income / (expense) on the net defined benefit liability or asset is recognized in the Statement of Profit and Loss.

Re-measurement gains and losses arising from changes in actuarial assumptions and experience adjustments are recognized in the period in which they occur directly in other comprehensive income.

1.26 Finance cost

Finance costs comprise interest cost on borrowings, gains or losses arising on re-measurement of financial assets at Fair Value through Statement of Profit and Loss, and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Costs in connection with the borrowing of funds directly related to the acquisition of qualifying assets are allocated to the qualifying assets, pertaining to the period from commencement of activities relating to acquisition/ construction / development of the qualifying asset up to the date of capitalization of such asset. Interest income earned on the temporary investment of such borrowings, pending their expenditure on qualifying assets, is deducted from the borrowing cost eligible for capitalization. Thereafter, the borrowing cost is charged off to the Statement of profit and loss.

A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use.

1.27 Allocation of interest during construction

Borrowing Cost, being Interest on borrowings that are directly attributable to the construction/production of a qualifying asset, is capitalized as part of the cost of that asset, in accordance with Ind AS 23. Interest during construction in respect of qualifying assets commissioned during the year, is allocated in the ratio of the value of the commissioned assets to the value of qualifying Capital Work in Progress as at the end of the month of commissioning.

1.28 Leases

Leases are classified as finance leases whenever as per the terms of the lease, the lessor transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.



Finance leases are capitalized at the commencement of the lease at the inception date at fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the general policy on the recognition of the borrowing costs. Contingent rentals are recognized as expenses in the period in which they are incurred.

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

1.29 Segment reporting

The Company has only one reportable business segment, which is developing, running and maintaining of metro rail system and operates in a single operating segment based on the nature of the services, the risk and returns, the organization structure and the internal financial reporting systems. Accordingly, the amounts appearing in the financial statements are related to the Company's single business segment.

1.30 Cash and Cash equivalents (for the purpose of cash flow statement)

Cash for the purpose of Cash Flow Statement comprises cash at hand, Government treasury and demand deposits with banks. Cash equivalents are short term balances with an original maturity of three months or more, but less than twelve months from the date of acquisition, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

1.31 Cash Flow Statement

Cash Flow Statement is prepared in accordance with the indirect method prescribed in Indian Accounting Standard (Ind AS) – 7 on 'Statement of Cash Flows'.

1.32 Earnings per share

Basic earnings per share are computed by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.



Note 2.A : Property, Plant and Equipment

Particulars	Gross Block			Depreciation/ Amortisation/ Depletion			Net Block
	As at 1st April 2020	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st March 2021	As at 1st April 2020	For the year	
Land (Freehold) (Refer Note 2.1)	878 92.73	75 65.50	-	954 58.23	.00	-	954 58.23
Building	1218 70.10	84 22.55	-	1302 92.65	42 35.36	21 74.54	1238 82.75
Temporary structures	6.89	-	-	6.89	3.31	2.26	5.57
Viaduct, Bridges, Tunnel & Culverts	2010 16.65	148 94.08	-	2159 10.73	123 79.71	67 63.50	1967 67.52
Plant and Machinery	72 12.37	11 96.71	-	84 09.08	10 03.47	5 51.68	15 55.15
Rolling Stock	758 24.52	-	-	758 24.52	50 77.94	27 61.49	78 39.43
Escalators & elevators	107 86.76	7 15.03	-	115 01.79	9 78.24	4 75.70	14 53.94
Signalling & Telecom Equipments	163 77.37	31 02.37	-	194 79.74	23 69.74	13 81.79	37 51.53
Roads	12 52.52	21.39	-	12 73.91	3 38.08	1 23.46	4 61.54
Fences, wells, tube wells	1 82.97	1.47	-	1 84.44	46.41	34.95	81.36
Computers	57 82.46	6 37.22	20.63	63 99.05	33 64.04	8 89.20	42 33.65
Electrical Appliance	326 36.60	29 10.61	.40	355 46.81	63 23.00	32 96.60	.20
Cables & Ducts	96 34.22	6 78.28	-	103 12.50	11 13.51	5 33.09	-
Switching Centres	25 66.30	3 16.84	-	28 83.14	3 55.25	2 04.03	-
Furniture and Fixtures	12 81.98	50.90	1.14	13 31.74	2 23.64	1 25.99	.71
Office Equipment	38 51.04	3 67.20	22.81	41 95.43	8 12.55	4 73.09	15.71
Low Value Assets	5 99.40	2.11	-	6 01.51	5 99.40	2.11	6 01.51
Vehicles	95.02	-	-	95.02	40.31	10.29	-
Right of Use	-	25.08	-	25.08	.00	1.73	-
Total	5788 69.90	409 07.34	44.98	6197 32.26	392 63.96	198 05.50	36.21
Previous year (Restated)	4204 51.99	1672 17.57	87 99.66	5788 69.90	312 68.87	166 37.06	86 41.97

Note 2.B : Capital work-in-progress

Particulars	As at 1st April 2020	Additions/ adjustments during the year	Total	Capitalised during the year	As at 31st March 2021
Kochi metro rail project- phase 1 (Refer Note No. 30.4)	149 18.47	130 78.89	279 97.36	279 97.36	-
Phase 1A & 1B	50 00.11	144 41.40	194 41.51	-	194 41.51
Phase II (Refer Note No. 30.4)	5 46.21	14.15	5 60.36	-	5 60.36
Others	36 72.79	12 22.85	48 95.64	24 14.86	24 80.78
Total	241 37.58	287 57.29	528 94.87	304 12.22	224 82.65
Previous year (Restated)	1244 05.68	584 16.30	1828 21.98	1586 84.40	241 37.58

Note 3.A : Other Intangible assets

Particulars	Gross Block			Depreciation / Amortisation/ Depletion			Net Block	
	As at 1st April 2020	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st March 2021	As at 1st April 2020	For the year	Deductions / Adjustments	As at 31st March 2021
Computer software	14 68.91	2 49.60	-	17 18.51	8 00.21	2 90.46	-	10 90.67
Branding- Kochi Metro	61.60	-	-	61.60	56.39	5.21	-	61.60
Way leave charges to Railway	27 76.22	-	-	27 76.22	2 13.75	39.66	-	2 53.41
Total	43 06.73	2 49.60	-	45 56.33	10 70.35	3 35.33	-	14 05.68
Previous year (Restated)	42 52.92	2 24.46	170.65	43 06.73	9 27.38	3 13.62	170.65	31 50.65
								32 36.38
								33 28.92

Note 3.B : Intangible assets under development

Particulars	As at 1st April 2020	Additions/ adjustments during the year	Total	Capitalised during the year		As at 31st March 2021
				Capitalised during the year	As at 31st March 2021	
SAP	-	-	-	-	-	-
DDFS	-	-	-	-	-	-
HRMS Module Taxation	-	-	-	-	-	-
Total	-	-	-	-	-	-
Previous year (Restated)	.58	2 24.46	2 25.04	2 25.04	-	-

Notes:

- 2.1. The Company has taken over possession of 36.0227 hectares of private Land till 31st March 2021 (previous year 34.7076 hectares).
- 2.2. The Land value capitalized is the purchase price agreed between the landowners and the District Level Purchase Committee. The registration charges and the cost of stamp duty is not taken into consideration, as Government of Kerala granted exemption from payment of these charges vide Government order no.G.O.(P) No. 164/2014/TD/2353 & 2354 dated 25th September 2014 and the company did not incur any expenditure against these items.
- 2.3. Procedures for registration of private land in the name of the Company in the Government records is under process in respect of land with extent of 2.731 hectares with a value of Rs.174,76.74 lakhs. 21.211 hectares of land with a value of Rs. 297,72.72 lakhs is taken over by passing an award.
- 2.4. The Government of Kerala vide G.O.(Ms) No. 140/2019/RD dated 22nd May 2019 has assigned on registry 17.430 acres of land under the possession of Public Works Department (PWD) to KMRL at free of cost. The land is shown in the books at current market value of Rs.139,30.43 lakhs as per Section 26 of The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation & Resettlement Act, 2013.
- 2.5. Metro works are completed/ under progress on 5.40 hectares of land belonging to various Government bodies/departments/NH. Pending finalisation of the price, transfer formalities and other terms and conditions, these parcels of lands are not included in the fixed assets.
- 2.6. The Company paid an amount of Rs.27.76 crores during the financial year 2014-15 towards way leave charges being permission for crossing railway land to Southern Railways for the construction of viaduct for Kochi Metro Rail Project over railway land. The permission has been taken for an initial period of 35 years against one time lump sum payment equivalent to 99% of the prevailing market value of the land in 2014-15 .The tenure of the permission can be extended for a further period of 35 years on payment of a nominal fees as applicable. The amount of Rs.27.76 crores paid to Railways is shown under intangible asset and amortized for a period of 70 years, pending execution of a formal agreement.
- 2.7. Title deeds in respect of land parcel to an extent of 3.33 Acres are erroneously registered in the name of the company and is not included in the fixed assets of the Company. The land has been taken over by the Land acquisition unit for undertaking the preparatory works of the Kochi metro rail project and the cost is being met from the preparatory funds of GoK.
- 2.8. In case of mobile phone, grouped under office equipment, the useful life is estimated at three years.
- 2.9. During the year, the Company capitalised tangible and other intangible assets valuing Rs.411,56.94 lakhs.



<i>Amount (Rs.in lakhs)</i>		
Note 4 : Other Non Current Assets- Financial Assets	As at 31.03.2021	As at 31.03.2020
Receivable from Government of Kerala against the Loan taken from Banks and Financial Institutions (Refer Note No.30.12)	691 91.84	342 33.52
Security Deposit (Unsecured and Considered Good)	1 65.09	1 47.08
Total	693 56.93	343 80.60

<i>Amount (Rs.in lakhs)</i>		
Note 5 : Other Non Current Assets	As at 31.03.2021	As at 31.03.2020
Capital advances - For Project (Unsecured and Considered good) ;		
- Project Advance to Delhi Metro Rail Corporation	5 23.81	-
- District Collector for Land Acquisition	58 21.81	100 85.21
- Capital Advances	93 41.82	74 42.18
Capital advances - For Preparatory works (Unsecured and Considered good) ;		
- District Collector for Land Aquisition (Refer Note No. 30.9)	115 94.06	104 54.88
Prepaid Expenses	75.42	1 36.62
Tax Refund Receivable	4 33.10	6 20.35
Total	277 90.02	287 39.24

<i>Amount (Rs.in lakhs)</i>		
Note 6 : Trade Receivables [Current] Financial Assets	As at 31.03.2021	As at 31.03.2020
Unsecured- Considered Good (Refer Note No. 30.31.2.e)		
Trade Customers	11 38.06	15 12.24
Less: Trade receivable - credit impaired	(1 72.97)	(1 59.53)
Total	9 65.09	13 52.71

<i>Amount (Rs.in lakhs)</i>		
Note 7 : Cash and Cash equivalents [Current]	As at 31.03.2021	As at 31.03.2020
Cash on hand	14.74	.40
Balance with Banks (In current and sweep in accounts)	83 43.46	14 29.56
Term Deposits with banks (with maturity period less than twelve months)	41 90.00	.65
Total	125 48.20	14 30.61



<i>Amount (Rs.in lakhs)</i>		
Note 8 : Other Bank balances	As at 31.03.2021	As at 31.03.2020
Earmarked Balances with Banks *	33 39.50	33 39.50
Total	33 39.50	33 39.50

* Fixed Deposits with banks pledged with Kerala Commercial Taxes /Debt Service Reserve Account

<i>Amount (Rs.in lakhs)</i>		
Note 9 : Other Financial Assets [Current]	As at 31.03.2021	As at 31.03.2020
Current & Due		
Receivable from Government of Kerala against the Loan taken from Banks	-	104 34.28
Current & Not Due		
Receivable from Government of Kerala		
- Against the Loan taken from Banks and Financial Institutions (Refer Note No. 30.12)	104 74.19	59 32.32
- For Preparatory and Other Works	95.71	12 51.75
- For State Tax Reimbursement (Refer Note No. 30.6)	-	11 41.00
- For Operating Cash Loss (Refer Note No.30.8)	-	3 80.00
UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED		
- Interest Accrued	73.45	12.20
- Income accrued but not due	14.38	28.11
- Security Deposits	13 04.32	13 65.16
- Other Employee Advance	8.83	9.45
- Others (includes financial assistance from GoK - Refer Note No. 30.19)	2 64.22	84.00
Total	122 35.10	206 38.27

<i>Amount (Rs.in lakhs)</i>		
Note 10 : Other Current Assets	As at 31.03.2021	As at 31.03.2020
Prepaid Expenses	253.82	294.21
Other Advances	8.37	9.00
Stock of Tools	452.01	257.40
GST Input Credit	350.03	311.90
Total	10 64.23	8 72.51



Note 11 : Equity Share Capital		As at 31st March 2021		As at 31st March 2020	
Particulars		Number	Amount (Rs. in Lakhs)	Number	Amount (Rs. in Lakhs)
<u>Authorised</u>					
Equity Shares of Rs.100 each		20 00 00 000	2000 00 00	20 00 00 000	2000 00 00
<u>Issued, Subscribed and Fully paid up</u>					
Equity shares of Rs.100 each fully paid up		15 07 46 000	1507 46.00	15 07 46 000	1507 46.00

Reconciliation of number of shares and amounts outstanding

Particulars		As at 31st March 2021		As at 31st March 2020	
Particulars		Number of Shares	Amount (Rs. in Lakhs)	Number of Shares	Amount (Rs. in Lakhs)
Equity Shares outstanding at the beginning of the year		15 07 46 000	1507 46.00	15 07 46 000	1507 46.00
Add : Shares issued during the year		-	-	-	-
Equity Shares outstanding at the end of the year		15 07 46 000	1507 46.00	15 07 46 000	1507 46.00

11.1 Details of shareholders holding more than 5% shares in the company

Name of Shareholder		As at 31st March 2021		As at 31st March 2020	
Name of Shareholder		Number of Shares	% of holding	Number of Shares	% of holding
President of India		7 53 73 000	50	7 53 73 000	50
Governor of Kerala		7 53 73 000	50	7 53 73 000	50

11.2 The Company has one class of equity shares having a par value of Rs.100/- per share. Each shareholder is entitled to receive dividends as declared from time to time and entitled for one vote per share in the meeting of the Company. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to the number of shares held by them after distribution of all preferential amounts, if any. The Honourable President of India and The Honourable Governor of Kerala have nominated five and four nominee directors respectively.



<i>Amount (Rs.in lakhs)</i>		
Note 12 : Other Equity	As at 31.03.2021	As at 31.03.2020
Deferred Income Monetary Grants		
Interest Free Sub Debt (Refer Note No. 30.5 and 30.8)		
Government Of India	205 64.14	209 63.09
Government Of Kerala	1613 93.95	1047 81.50
Government of Kerala - Reimbursement of State Taxes (Refer Note No. 30.6)	212 35.75	221 57.19
	2031 93.84	1479 01.78
Non Monetary Grants		
Government of Kerala - Freehold land (Refer Note No. 30.7)	139 30.43	139 30.43
Surplus in the Statement of Profit and Loss		
Balance as at the beginning of the year	(801 93.11)	(490 08.71)
Add: Changes in accounting policy or prior period errors	-	(1 24.06)
Add :Total comprehensive income for the current year	(334 17.63)	(310 60.34)
Balance as at the end of the year	(1136 10.74)	(801 93.11)
Other Comprehensive income		
Balance as at the beginning of the year	(49.63)	(27.99)
Add :Total comprehensive income for the current year	(23.03)	(21.64)
Balance as at the end of the year	(72.66)	(49.63)
Total	1034 40.87	815 89.47

<i>Amount (Rs.in lakhs)</i>		
Note 13 : Borrowings [Non current]	As at 31.03.2021	As at 31.03.2020
Term Loans (Secured)		
From Banks (Refer Note No. 30.11)	1831 45.18	1668 28.86
Term Loans (Unsecured)		
From Financial Institutions (Refer Note No. 30.11)	506 08.00	130 00.00
Pass Through Assistance - Government of India (Refer Note No. 30.13)	1152 50.82	1194 39.69
Interest Free Sub Ordinary Debt (Unsecured) (Refer Note No. 30.5 and 30.8)		
Government of India	42 85.86	38 86.91
Government of Kerala	367 81.06	197 31.51
Total	3900 70.92	3228 86.97



Amount (Rs.in lakhs)

Note 14 : Other Financial liabilities [Non current]	As at 31.03.2021	As at 31.03.2020
Retention	1 16.78	1 18.98
Security Deposits	10 53.13	21 54.58
Lease Liability (Refer Note No. 30.26.1)	19.11	-
Interest payable on The Kerala State Cooperative Bank loan	50 37.26	60 43.42
Total	62 26.28	83 16.98

Amount (Rs.in lakhs)

Note 15 : Provisions [Non current]	As at 31.03.2021	As at 31.03.2020
Provision for employee benefits (Refer Note No. 30.14 and 30.15)		
Provision for gratuity	6 15.65	4 49.31
Provision for earned leave	7 12.19	5 83.78
Provision for half pay leave	2 16.32	1 86.29
Provision for leave travel concession	75.15	21.81
Total	16 19.31	12 41.19

Amount (Rs.in lakhs)

Note 16 : Deferred Tax Liabilities [Non current]	As at 31.03.2021	As at 31.03.2020
Deferred Tax Liabilities (Refer Note No. 30.20)		
On difference between book balance and tax balance of Property, Plant and Equipment and Intangible Assets	-	-
Deferred Tax Asset (Refer Note No. 30.20)		
Unabsorbed Depreciation and Loss	-	-
Total	-	-

Amount (Rs.in lakhs)

Note 17 : Other Non Current Liabilities	As at 31.03.2021	As at 31.03.2020
Advance received from Customers	5 38.29	5 96.63
Deferred Fair valuation -Gain (Security Deposit)	2 27.26	3 52.76
Total	7 65.55	9 49.39

Amount (Rs.in lakhs)

Note 18 : Borrowings [Current] - Financial Liabilities	As at 31.03.2021	As at 31.03.2020
Working Capital Loan - Canara Bank (Secured) (Refer Note No. 30.11)	20 77.42	85 30.08
Total	20 77.42	85 30.08



<i>Amount (Rs.in lakhs)</i>		
Note 19 : Other Financial Liabilities [Current]	As at 31.03.2021	As at 31.03.2020
Current & Due:		
Term Loan from Banks* (including interest accrued) (Refer Note No. 30.11)	-	104 34.28
* The Company had received moratorium for repayment of loan installment		
Current & Not Due:		
Term Loan from Banks and Financial Institutions (Refer Note No. 30.11)	91 26.00	47 00.00
Pass Through Assistance - Government of India (Refer Note No. 30.13)	66 35.54	66 35.54
Interest accrued but not due on borrowing	18 05.83	20 80.88
Unsecured		
- Trade / Security Deposit Received	15 32.97	8 54.53
- Land Acquisition and Structural Valuation	89 07.39	96 91.64
- Others;		
- Project related liabilities	66 57.70	189 19.13
- Government of Kerala (Refer Note No. 30.18)	191 17.99	133 76.60
- PTA amount due and payable to GOI	-	66 35.54
- Lease Liability (Refer Note No. 30.26.1)	4.15	-
- Delhi Metro Rail Corporation	-	9 27.90
- Others	29 01.95	18 25.67
Total	566 89.52	760 81.71

<i>Amount (Rs.in lakhs)</i>		
Note 20 : Other Current Liabilities	As at 31.03.2021	As at 31.03.2020
Statutory Payments	5 56.24	8 03.10
Advance received from Customers	12 33.82	12 99.67
Deferred Fair valuation Gain (Security Deposit)	90.14	1 61.89
Insurance claim received in advance	-	50 00.00
Total	18 80.20	72 64.66

<i>Amount (Rs.in lakhs)</i>		
Note 21 : Provisions [Current]	As at 31.03.2021	As at 31.03.2020
Provision for Employee benefits (Refer Note No. 30.14 and 30.15)		
Provision for Gratuity	31.03	19.80
Provision for earned leave	49.91	62.69
Provision for half pay leave	15.30	18.96
Provision for leave travel concession	19.07	25.44
Total	1 15.31	1 26.89



<i>Amount (Rs.in lakhs)</i>		
	For the year ended 31.03.2021	For the year ended 31.03.2020
Note 22 : Revenue from operations		
Revenue from Train Operations	12 89.87	56 77.13
Non fare box revenue	27 07.11	37 25.85
Total	39 96.98	94 02.98

<i>Amount (Rs.in lakhs)</i>		
	For the year ended 31.03.2021	For the year ended 31.03.2020
Note 23 : Other Income		
Government Grants (Benefit against the interest free subordinate Debts from GOI and GOK)	30 41.09	20 00.18
Government Grants (Benefit against the reimbursement of state taxes from GOK)	9 21.44	8 36.90
Consultancy Income	8 69.59	5 38.52
Interest on bank deposits	4 40.75	42.57
Insurance claim recovery against flood loss (Refer Note No.30.35)	71 34.74	-
Other non-operative income (Refer NoteNo. 23.1)	1 24.63	1 61.21
Income from Unwinding of security Deposits	2 16.84	5 12.69
Total	127 49.08	40 92.07
23.1 Other Non operating income :		
Application/tender processing fees	10.54	14.62
Other Interest	18.91	38.88
Others	95.18	1 07.71
Total	1 24.63	1 61.21

<i>Amount (Rs.in lakhs)</i>		
	For the year ended 31.03.2021	For the year ended 31.03.2020
Note 24 : Operating Expenses		
Customer Facilitation Expenses	10 23.71	13 93.20
Electricity & water Charges	11 83.65	15 64.80
Security Expenses	10 27.59	10 27.33
Commission	60.88	2 67.95
External Project Consultancy	6 10.02	1 51.36
Other Operating Expenses	1 62.77	1 06.45
Total	40 68.62	45 11.09

<i>Amount (Rs.in lakhs)</i>		
	For the year ended 31.03.2021	For the year ended 31.03.2020
Note 25 : Employee Benefits Expense		
Salaries and wages	36 14.08	35 69.75
Contribution to Provident Fund and other funds	3 04.78	2 79.38
Gratuity Expenses (Refer Note No. 30.14 and 30.15)	1 09.22	95.16
Staff welfare expenses	2 52.27	2 10.53
Total	42 80.35	41 54.82



	<i>Amount (Rs.in lakhs)</i>	
	For the year ended 31.03.2021	For the year ended 31.03.2020
Note 26 : Finance Costs		
a) Interest on Pass through Assistance - Government of India		
Gross Interest (A)	13 89.15	17 67.16
Less: Expense during construction (B)		(38.39)
Total transfer to Statement of Profit and Loss (A-B)	13 89.15	17 28.77
b) Interest on Loans from Banks		
Gross Interest (A)	149 97.58	127 34.72
Less: Expense during construction (B)	(9 96.25)	(8 67.15)
Total transfer to the Statement of Profit and Loss (A-B)	140 01.33	118 67.57
c) Interest on Subordinate debt (Refer Note No. 30.5 and 30.8)		
Unwinding of Interest expense on subordinate debt (A)	30 41.09	20 00.18
Total transfer to the Statement of Profit and Loss (A)	30 41.09	20 00.18
d) Interest on Fair Valuation of Retention Money and Security Deposit		
Unwinding of Interest Expense on Retention Money Deposit (A)	2 22.68	5 02.71
Less: Expense during Construction (B)	(1.22)	(.87)
Less: Payable to GOK (C)	(4.11)	(5.29)
Total transfer to the Statement of Profit and Loss (A-B-C)	2 17.35	4 96.55
e) Interest on Lease Liability		
Interest Expense on Lease Liability (A)	.77	-
Total transfer to the Statement of Profit and Loss (A)	.77	-
f) Guarantee Commission		
Guarantee Commission payable to GOK (A)	1 37.34	1 25.77
Total transfer to the Statement of Profit and Loss (A)	1 37.34	1 25.77
Grand Total- Transfer to the Statement of Profit and Loss	187 87.03	162 18.84

	<i>Amount (Rs.in lakhs)</i>	
	For the year ended 31.03.2021	For the year ended 31.03.2020
Note 27 : Depreciation and Amortisation Expense		
Depreciation on tangible assets (Refer Note No.1.14 and 2A)	198 03.77	166 37.06
Depreciation on Right of Use	1.73	-
Amortisation of intangible asset (Refer Note No. 1.14 and 3A)	3 35.33	3 13.62
Total	201 40.83	169 50.68



<i>Amount (Rs.in lakhs)</i>		
Note 28 : Other Expenses	For the year ended 31.03.2021	For the year ended 31.03.2020
Insurance	10 73.44	8 88.26
Repairs and maintenance	6 18.08	4 68.33
Post flood restoration expenses	6 02.69	1 90.99
Legal and Professional	1 41.92	3 59.40
Office and other Miscellaneous expenses	1 15.72	1 81.02
Road Works/Station Oriented Works	1 07.09	39.12
Advertisement and Promotional Expenses	87.42	2 07.83
Travelling and conveyance expenses	85.28	1 04.51
Rent,Rates and taxes	18.16	91.53
Bank charges	15.70	20.70
Expected credit loss on Trade Receivables	13.44	1 59.53
Payment to Auditors (Refer Note No. 28.1)	7.92	8.74
Total	28 86.86	27 19.96

<i>Amount (Rs.in lakhs)</i>		
28.1 Payment to Auditors	For the year ended 31.03.2021	For the year ended 31.03.2020
Audit fees	6.26	6.49
Other Services	1.66	2.05
Reimbursement of Expenses	-	.20
Total	7.92	8.74

Note 29 : Earnings per Equity Share	For the year ended 31.03.2021	For the year ended 31.03.2020
Net Profit/ (Loss) after tax (In Rs. Lakh)	(334 40.66)	(310 81.98)
Number of Equity Shares	1507460 00.00	1507460 00.00
Basic and Diluted Earnings Per Share (EPS) (In Rs.) (Refer Note No. 30.24)	(22.18)	(20.62)



NOTE NO. 30 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

30.1 Expenditure in Foreign Currency

Particulars	For the year ended 31.03.2021	Amount (Rs. In Lakhs) For the year ended 31.03.2020
Tours and Travels	NIL	4.82
Expenditure by KMRL		
- Contracts	4,61.85	NIL
- Others	46.13	NIL
Expenditure by DMRC on contracts (see note below)	26,98.61	43,88.39

The capital expenditure was incurred by DMRC in foreign currency out of the payments made to them in Indian rupee by the company, as per their statement of accounts.

30.2 Foreign exchange rate variation

30.2.1 The Pass Through Assistance (PTA) provided to the company by Government of India, is based on the credit facility agreement for 180 Million Euro towards Phase I between *Agence Francaise De Development (AFD)*, as lender and Government of India(GoI), as the borrower. The Phase I PTA funds were released by GoI to the company through budgetary provisions in INR. The entire loan proceeds of Rs.13,27,10.77 lakhs (equivalent to 180 Million Euro) was transferred to the company in INR as PTA in several tranches. The liability of the company is towards GoI. The repayment obligation of the company is limited to the INR equivalent of the amount of PTA received. Accordingly, the Company has not recognized foreign exchange rate variation losses/gains as at the Balance Sheet date related to the PTA received from GoI.

Government of India entered into a credit facility agreement for 27 Million Euro towards Non-Motorised Transport (NMT) initiatives of KMRL. The funds are transferred to GoK in accordance with the GoI's standard procedures for development assistance to the States of India in INR. An amount of Rs. 24,46.67 Lakh (equivalent to 2.84 million Euros) received by GoK was transferred to KMRL as PTA from GoI. The repayment obligation of the company is limited to the INR equivalent of the amount of PTA. Accordingly, the Company has not recognized foreign exchange rate variation losses/gains as at the Balance Sheet date related to the PTA received from GoI.

Moreover, vide clause 12.1 of the Memorandum of Understanding dated 4th November 2013 entered into between the Government of India, the Government of Kerala and the company, exchange rate variations shall be met /arranged by GoK. Further, vide Rule 273 of General Financial Rules 2017, GoI will recognize the foreign exchange rate variations, once the loan is fully repaid and not during the loan tenure and such accounting of exchange rate variation shall be adjusted/written off to "8680 Miscellaneous Government Accounts". The difference on account of such exchange rate variation shall be settled by GoK in accordance with the MoU. Accordingly, the difference between the amount repaid by GoI and the amount repaid by the company to GoI in INR, shall be borne by GoK, when settlement of exchange variation is carried out by GoI. Accordingly, in the balance sheet, the liability under PTA is recognised in INR.

30.2.2 The effect of Foreign Exchange fluctuation (other than PTA related transactions) during the year is as under:



The total amount of exchange difference (net foreign exchange) recognised in statement of profit and loss for the year is Rs.8.20 lakhs (P.Y.2019-20, Rs. NIL).

30.3 Capitalization of assets from CWIP

During the year, the company has capitalized operational assets from Thykoodam to Petta, taken over from DMRC, valuing Rs. 226,58.30 lakhs. It is based on the value as appearing in the Fixed Asset register and relevant documents handed over by DMRC. Due to the ongoing second wave of COVID-19 pandemic and in-anticipation of a delay in getting the fixed asset register certified by the internal auditors of DMRC as per clause 6.1.20 of the Memorandum of Understanding between DMRC and KMRL dated 23rd May 2013, KMRL has relied on the documents handed over by DMRC. Difference, if any, on the basis of the certificates to be issued by the Internal Auditors, on the valuation of the fixed assets, shall be recognized in the year 2021-22.

The operational assets were available for use from the date of receipt of authorization letter from "The Ministry of Civil Aviation, Commission of Railway Safety" and accordingly, the assets from Thykoodam to Petta, taken over from DMRC, are capitalized on 28th May 2020.

The method adopted in arriving at the value of fixed assets is enumerated below:

a) Review of contracts and contractor's bill

The company reviewed the contracts executed by DMRC on behalf of KMRL and the contract documents as made available for evaluating the scope of works and the extent of fixed assets created as part of the contract execution.

b) Borrowing costs

The borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time required to complete and prepare the asset for its intended use.

Interest during construction in respect of qualifying assets commissioned during the year, is allocated in the ratio in which the value of commissioned assets bear to the qualifying CWIP as at the end of the month of commissioning.

30.4 Capital work in Progress (CWIP).

Expenditure directly related to construction activity has been capitalized. All direct expenditure attributable to the various components of the project are recognized under CWIP.

The borrowing costs that are directly attributable to the acquisition and construction of a qualifying asset are grouped under CWIP, pending capitalization. The particulars of the borrowing costs are given below;

Amount (Rs. In Lakhs)

Particulars	Total borrowing cost as at end of the year	Borrowing costs capitalized during the year	Borrowing costs charged off to Statement of Profit and Loss	Borrowing cost grouped under CWIP
Current year	163,86.73	NIL	153,90.48	9,96.25
Previous year	145,01.87	8,74.07	135,96.33	31.47

The Ministry of Finance, Department of Expenditure, vide their letter F.No.30(03)/PFC.II/2019 dated 15th April 2020 recommended implementation of Kochi Metro Rail Project – Phase II.



Expenditure towards preparation of the detailed project report, traffic study and other related expenditure undertaken by the company for extensions are grouped under CWIP- Phase II.

The proposal for Phase III project i.e. from Aluva to Angamaly (with Airport Link) is being considered as part of the Kochi metro extension works.

30.5 Government loan accounting (Sub ordinate debt) and related finance cost.

30.5.1 While approving the Kochi Metro Rail project vide order No. K-14011/37/2005-MRTS-IV dated 12th July 2012 of Ministry of Urban Development, Government of India, it was indicated that an amount of Rs. 672,00 lakhs towards cost of land acquired shall be provided as Interest free Subordinate Debt from Government of Kerala. Subsequently, the Government of Kerala released Rs. 306,25 lakhs till 31st March 2017 as subordinate debt for land acquisition. For the remaining amount, Government of Kerala had directed that the company shall avail a loan on behalf of the Government.

As directed by GoK, vide G.O. (Ms) No.20/2015/Trans dated 25.03.2015, the company availed a term loan from "The Kerala State Cooperative Bank" formerly known as "Ernakulam District Co-operative Bank Ltd (EDCB)", amounting to Rs. 470,00 lakhs towards land acquisition on behalf of GoK. Out of Rs.470,00 lakhs, Rs.366,00 lakhs is towards land acquisition for Phase I and Rs.104,00 lakhs towards Vytilla-Petta Road from Kunnara park to Petta. The repayment of the loan and interest servicing has been undertaken by the Government of Kerala on back-to-back basis. The said loan was shown as borrowing in the financial statements.

In essence, the loan taken from EDCB partakes the character of Subordinate debt receivable from GoK as per the project approval order. Accordingly, the amount of Rs. 366,00 lakhs is recognized as Subordinate debt receivable from GoK with effect from 01.04.2016.

30.5.2 While approving the Kochi Metro Rail project vide order No. K-14011/37/2005-MRTS-IV dated 12th July 2012 of Ministry of Urban Development, Government of India, it was indicated that an amount of Rs. 248,50 lakhs each, shall be borne Gol and GoK towards central taxes. Accordingly, the funds released by Gol and GoK is recognised as Subordinate debt in accordance with the approved funding pattern.

30.5.3 In accordance with clause 11.1 of the Memorandum of Understanding dated 4th November 2013 entered into between the Government of India, the Government of Kerala and the company, it is agreed between parties that any cost escalation within or beyond the project time period shall be met entirely by the State Government through additional interest free subordinate debt. Accordingly, as directed by GoK, vide G.O.(RT) No.215/2020/Trans 22.06.2020, the company entered into a term loan agreement with M/s. Housing and Urban Development Corporation Limited (HUDCO) for an amount of Rs.390,00 lakhs, towards gap funding for Phase I of Kochi metro rail project. As per the terms of the agreement, the loan will be secured by the guarantee of Government of Kerala.

The amount drawn from M/s HUDCO during the year amounting to Rs. 331,23 lakhs (upto previous year NIL) is recognised as Subordinate debt from GoK in accordance with the conditions of MOU.

30.5.4 Government of Kerala, vide G.O (Ms) No.73/2014/Trans dated 17/10/2014 accorded administrative sanction for the Extension of Phase I of the metro line from Petta to S N junction for Rs.359,00 lakhs. The project cost is revised to Rs.710,92.00 lakhs vide GO. (MS)No.36/2019/Trans dated 15.7.2019, including land cost of Rs. 97,39.00 lakhs.



Out of Rs. 97,39.00 lakhs, Rs 58,11.00 lakhs released by GoK directly to Special Thahasildar LA towards land acquisition vide G O (MS) No.63/2018/TRANS dated 23.10.2018, is recognized as Subordinate debt from GoK.

For the balance fund required for land acquisition, as directed by GoK vide G.O.(RT) No.112/2020/Trans dated 17.03.2020, the company availed loan from M/s HUDCO. An amount equivalent to the loan drawn from M/s HUDCO amounting to Rs. 39,27 lakhs, is recognized as Subordinate debt from GoK, being GoK's share of Subordinate debt, as part of the approved project funding pattern.

30.5.5 During the year 2020-21, an amount of Rs.51,91 lakhs received from GoK (vide GO(RT) No.353/2020/Trans dated 28.10.2020) towards GoK's share of second cost escalation for the Phase I of the Kochi Metro Rail project, is recognised as Subordinate debt from GoK, in accordance with the conditions of the MOU.

30.5.6 GoK, vide G.O.(Rt)No.24/2021/Trans dated 16.01.2021, accorded revised administrative sanction for the Non-motorized transport initiatives of the company for an amount of Rs. 239,00 lakhs i.e Rs. 202,54 lakhs as Pass Through Assistance from Gol and Rs. 36,46 lakhs as subordinate debt from GoK. Accordingly, during 2020-21, an amount of Rs.16,00 lakhs released by GoK, vide GO(RT) No.77/2021/Trans dated 13.02.2021, being GoK's share towards Non-Motorised Transport (NMT) initiatives of the company is recognised as subordinate debt from GoK.

30.5.7 In accordance with clause 12.26 of the Memorandum of Understanding dated 4th November 2013 entered into between the Government of India, the Government of Kerala and the company, it is the obligation of GoK to repay the senior term debt (as and when it becomes due) on account of cash losses, in case the company is not able to repay the same. Accordingly, during 2020-21, an amount of Rs.133,48.00 lakhs received from GoK, vide GO (RT) No 263/2020/Trans dated 18.8.2020 and GO(RT) No.87/2021/Trans dated 20.2.2021 towards interest servicing to Canara Bank and Union Bank is recognised as subordinate debt from GoK. The company recognized up to March 31, 2021, a cumulative amount of Rs. 245,48 lakhs (upto previous year Rs 112,00 lakhs) as the Subordinate debt from GoK.

GoK vide GO(RT) No 131/2020/Trans dated 20.04.2020, GO(RT) No.353/2020/Trans dated 28.10.2020 and GO(RT) No.87/2021/Trans dated 20.2.2021 released cumulatively an amount of Rs.137,02 lakhs towards debt servicing of AFD which is recognised as subordinate debt from GoK. Accordingly, the company recognized up to March 31, 2021, a cumulative amount of Rs. 174,62 lakhs (upto previous year Rs 37,60 lakhs) as the Subordinate debt from Government of Kerala.

The Subordinated Debt as stated above, are measured at fair value and the Government grant, being benefit, is measured as the difference between the initial carrying values determined in accordance with Ind AS 109- Financial Instruments and fair value and recognized as grant as per IND AS 20-Accounting for Government grants.

30.6 Reimbursement of State taxes

While approving the Kochi Metro Rail project vide order No. K-14011/37/2005-MRTS-IV dated 12th July 2012 of Ministry of Urban Development, Government of India, it was indicated that an amount of Rs. 237,33.00 lakhs towards state taxes shall be borne by Government of Kerala.

Accordingly, vide G.O.(Ms)No. 170/2019/Fin dated 3rd May 2019, administrative sanction was accorded towards reimbursement of state tax paid by KMRL/DMRC towards execution of the Kochi



Metro project. Till 31st March 2021, State Government reimbursed the entire amount of Rs. 237,33.52 lakhs towards KVAT and SGST.

30.7 Transfer of land at Kakkanad

Government of Kerala vide G.O.(Ms) No. 140/2019/RD dated 22nd May 2019 accorded approval to assign on registry, land under the possession of Public Works Department (PWD) to KMRL at free of cost, for undertaking property development on the said land. The land admeasuring 17.430 acres was assigned on registry to the company in March 2020. The value of land parcel is treated as non-monetary grant in accordance with the Ind AS 20. The Grant is set up as deferred income and shall be recognized in the Statement of Profit and Loss over the useful life of the underlying asset.

30.8 Funding the Cash Loss

In accordance with clause 12.19 of the Memorandum of Understanding dated 4th November 2013 entered into between Government of India, the Government of Kerala and the company, it is the obligation of GoK to finance cash losses during the operational phase from its own resources in case the same cannot be provided by KMRL.

Accordingly, an amount of Rs.3,80 lakhs and Rs. 27,71 lakhs released by GoK to finance the net cash loss incurred during the year 2018-19 and 2019-20, vide G.O.(RT) No.192/2020/Trans dated 08.06.2020 and GO(RT)73/2021/Trans dated 11.02.2021, respectively, is recognized as Subordinate debt from Government of Kerala. The company recognized cumulatively an amount of Rs. 144,38.00 lakhs received till 31st March 2021, towards reimbursement of Cash Loss, as Subordinated Debt.

The Subordinated Debt are measured at fair value and the Government grant, being benefit, is measured, as the difference between the initial carrying values determined in accordance with Ind AS 109- Financial Instruments and fair value and recognized as grant as per IND AS 20-Accounting for Government grants

30.9 Amount Advanced to District Collector towards Land Acquisition for preparatory and other project works

Amount (Rs. In Lakhs)

Particulars	As on March 31, 2021	As on March 31, 2020
Vytilla-Petta Road Widening	5.19	9.90
Preparatory works of the new metro line - Jawaharlal Nehru Stadium to Kakkanad via Info park	91,57.09	96,72.00
Preparatory works of the new metro line - Widening of Seaport Airport Road	4,01.00	401.00
Construction of Chembakkara Bridge	-	3,71.98
Integrated Water Metro Transport System	20,30.78	-
Total	115,94.06	104,54.88

30.10 Integrated Water Transport system

Government of Kerala (GoK) vide G.O(Ms) No. 73/2015/Trans dated 19/11/2015 accorded approval for the conception of an Integrated Water Transport system in Kochi, at an estimated cost of Rs. 682,01 lakhs. The project is financed through a loan by the German funding agency “Kreditanstalt fur Wiederaufbau” (KfW), under the Indo-German Bilateral Cooperation as part of the “Climate Friendly Urban Mobility” initiative, and by GoK, to the extent of Rs. 102,30 lakhs. All



financial and operational risks of the project shall vest with the GoK as the de-jure owner of the project and KMRL shall be the executing and operating agency on behalf of GoK.

During the year 2020-21, GoK released an amount of Rs. 82,00 lakhs (Previous year -Nil) and KfW released an amount of Rs. 30,10.00 lakhs (Previous year - Rs. 57,03.88 lakhs). The cumulative fund released up to 31.3.2021 is Rs. 199,47 lakhs (of which GoK's contribution is Rs 102,00 lakhs and KfW is Rs. 97,47 lakhs).

The total expenditure till 31.03.2021 is Rs. 102,75.20 lakhs (till previous year Rs. 49,72.79 lakhs). An amount of Rs. 79,50.20 Lakhs was paid as advance to contractors upto 31.3.2021(previous year Rs. 51,70.67 lakhs).

Subsequently, GoK vide G.O.(Ms)No. 26/2020/Trans dated 23/10/2020, accorded approval for formation of an SPV (Special Purpose Vehicle), for the purpose of Operation and Maintenance of Kochi Water Metro Project with 74% equity by GoK and 26% sweat equity by KMRL, with an authorized Share capital of Rs. 4,90.00 lakhs. Accordingly, M/s. Kochi Water Metro Limited (KWML) was incorporated on 14th July, 2021.The company also entered into a Memorandum of Understanding (MOU) with GoK, delineating the obligations of the company and GoK.

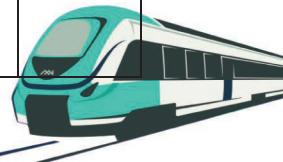
During the year, the company incurred an amount of Rs. 10.84 lakhs towards expenditure relating to KWML on behalf of GoK and the same is recognized as receivable from GoK.



30.11 Borrowings from Banks / Financial Institutions

Borrowings from Banks / Financial Institutions

Sl No.	Name of the Bank / Financial Institutions	Repayment period	Repayment start date	Repayment end date	Interest paid during 20-21	Rate of Interest Percentage per annum	Amount (Rs. In Lakhs)	
							as on 31.03.2021	Amount as on 31.03.2020
a	Canara Bank - Phase I	52 quarterly installments	Quarter 2, 2023-24	Quarter 3, 2036-37	68,94.20	9.65% up to 22.2.2021 9.20% from 23.2.2021	1198,80.04	1169,82.75
b	Canara Bank - Phase I (additional borrowing)	52 quarterly installments	Quarter 2, 2023-24	Quarter 3, 2036-37	9,62.38	9.65% up to 23.8.2020 8.85% from 24.8.2020	182,77.01	166,34.00
c	Canara Bank Loan - Phase 1 Extension	56 quarterly installments	Quarter 1, 2025-26	Quarter 4, 2038-39	7,33.98	8.85%	132,57.89	50,12.11
d	Union Bank of India - Phase 1 Extension	56 quarterly installments	Quarter 1, 2025-26	Quarter 4, 2038-39	2,79.91	8.85%	79,82.97	-
e	The Kerala State Cooperative Bank (land acquisition)	10 annual installments	March,2018	March, 2027	107,80.33	9.75%	219,60.00	337,69.19
f	The Kerala State Cooperative Bank (land acquisition - Vytila - Pettai road)						62,40.00	95,65.09
g	Canara Bank - Working Capital Demand loan	NA	NA	NA	5,63.27	9.80% up to 24.3.2021 9.30% from 25.03.2021	20,77.42	85,30.08
h	Canara Bank - Working Capital Demand Loan (COVID-19 support)	18 monthly installments	Mar-21	Aug-2022	46.26	8.85%	8,47.27	-
i	Canara Bank - COVID-19 Funded Interest Term loan (CFITL)	3 quarterly installments	Sept -2020	Mar-2021	1.38	9.80%	-	-
j	HUDCO -Preparatory works / Land Acquisition	52 quarterly installments	Feb-2022	Nov - 2034	17,03.93	9.75% p.a. for land acquisition and 9.25% p.a. for works (fixed for one year)	219,84.00	130,00.00
k	HUDCO - Phase I	58 quarterly installments	Feb-2021	May-2035	14,79.15		324,50.00	-
Total							2449,56.60	2034,93.22



Presentation of the above loans in the Financial Statements
Amount (Rs. In Lakhs)

Particulars	Reference Note No	Amount as on 31.03.2021	Amount as on 31.03.2020
Non-Current Portion of Term Loan (Secured) from Banks	13	1831 45.18	1668 28.86
Non-Current Portion of Term Loan (Unsecured) from Financial Institutions	13	506 08.00	130 00.00
Working Capital Loan (Secured)	18	20 77.42	85 30.08
Current Maturities of Term Loans from Banks and Financial Institutions			
Due	19	.00	104 34.28
Not due		91 26.00	47 00.00
TOTAL		2449,56.60	2034,93.22

Detailed note of the above loans is given below:
a) Canara Bank- Phase I

The Company entered into a term loan agreement with Canara Bank, for an amount of Rs.1170,00 lakhs. As requested by KMRL, the moratorium for interest servicing was approved for a period of six months from March 2020 onwards. The company availed the interest moratorium and accordingly, the interest so accrued on the term loan (net of repayment) was capitalized as COVID-19 assistance. The rate of interest applicable is one-year MCLR (marginal cost of funds based on lending rates) plus margin, with annual rests, and secured by paripassu charge on all assets of the company.

b) Canara Bank- Phase I (additional borrowing)

The Company entered into term loan agreement with Canara Bank on 18.7.2019 for an amount of Rs.179,00 lakhs, for meeting the cost of escalation of Phase I of Kochi Metro Rail Project. Govt of Kerala, vide GO (RT) No. 323/2019/Trans dated 18.7.2019, issued guarantee for repayment of the principal and interest. As requested by KMRL, the moratorium for interest servicing was approved for a period of six months from March 2020 onwards. The company availed the interest moratorium and accordingly, the interest so accrued on the term loan(net of repayment) is capitalized. The rate of interest applicable is one-year MCLR (marginal cost of funds based on lending rates) plus margin, with annual rests and secured by paripassu charge on all assets of the company and guaranteed by state government for payment of interest and principal.

c & d) Consortium Loan between Canara Bank and Union bank of India - Phase I extension

The Company initially entered into a term loan agreement for an amount of Rs. 730,00 lakhs with Union Bank of India, for the Phase I extension of Kochi metro rail project, with State Government guarantee for payment of interest and principal. The applicable interest rate was 8.85%p.a.

Subsequently, Canara Bank also sanctioned a term loan of Rs. 730,67 lakhs for funding the Phase IA & IB project. Accordingly, it was decided to form a consortium between Canara Bank and Union Bank of India. Canara Bank shall be the Lead Banker to fund the Phase IA & IB project, with the term loan aggregating to Rs.730,67 lakhs to be shared in the ratio of Rs.430,00 lakhs by Canara Bank and Rs.300,67 lakhs by Union Bank of India .The consortium loan agreement was executed on 25.05.2020 and the applicable interest rate is one year MCLR plus margin, with annual rests . The loan is secured by paripassu charge on all assets of the company and guaranteed by state government for payment of interest and principal. GoK issued Guarantee for repayment of interest and principal of the loan vide GO (RT) No.211/2020/Trans dated



18.6.2020. Further the sum of Rs. 1,59.31 Lakhs, being amount towards the guarantee commission, is also recognized as receivable from GoK .

e) The Kerala State Cooperative Bank (formerly known as Ernakulam District Cooperative Bank (EDCB)(land acquisition)

While approving the Kochi Metro Rail project vide order No. K-14011/37/2005-MRTS-IV dated 12th July 2012 of Ministry of Urban Development, Government of India, it was indicated that Rs.672,00 lakhs towards cost of land acquisition shall be provided as Interest free Sub Debt by Government of Kerala. Out of Rs. 672,00 lakhs, the Government of Kerala released an amount of Rs. 306,25 lakhs till 31st March 2017. For the balance amount, Government of Kerala decided that KMRL shall avail loan on behalf of Government of Kerala for an amount of Rs.366,00 lakhs as Sub debt contribution to be provided by Government of Kerala. Government of Kerala vide G.O.(Ms)No.20/2015/Trans dated 25.03.2015, accorded approval for availing a term loan of Rs. 366,00 lakhs from Kerala State Cooperative Bank towards land acquisition. Accordingly, the company has entered into term loan agreement with EDCB as approved in its 19th Board meeting dated 20th January 2015. As per the GO, the tenure of the loan shall be 12 years with two years moratorium and repayment shall be in ten years on annuity basis secured by paripassu charge on all assets of the company. The rate of interest shall be 0.05% below the base rate of the State bank of India, compounded on quarterly rests. The interest rate shall be reset every three years and the same was reduced from 9.95% p.a. to 9.75% p.a. with effect from 1st April 2020. The repayment of the loan with interest is undertaken by the Government of Kerala on back-to-back basis and is recognised as receivable from GoK, as and when due. The company has drawn the entire loan amount of Rs. 366,00 lakhs during the year 2014-15 as per the directions of the Government of Kerala.

f) The Kerala State Cooperative Bank (formerly known as Ernakulam District Cooperative Bank (EDCB)(land acquisition-Vytilla Petta road)

Government of Kerala vide G.O.(Ms)No.24/2015/Trans dated 30.04.2015 accorded approval for availing term loan of Rs. 104,00 lakhs from Kerala State Cooperative Bank to meet the cost of land acquisition for widening of Vytilla-Petta road. Accordingly, the company entered into term loan agreement with Kerala State Cooperative Bank as approved in its 19th Board meeting dated 20th January 2015. Total tenure of the loan shall be 12 years with two years moratorium, and repayment in ten years on annuity basis, secured by paripassu charge on all assets of the company. The rate of interest shall be 0.05% below the base rate of State bank of India, compounded on quarterly rest. The interest rate shall be reset every three years and accordingly, the rate of interest was reduced from 9.95% p.a. to 9.75% p.a. with effect from 1st April 2020. The obligation for the repayment of the loan together with interest is undertaken by the Government of Kerala on back-to-back basis and is recognised as receivable from GoK, as and when due. The company has drawn the entire loan amount of Rs. 104,00 lakhs during the year 2015-16 as per the directions of the Government of Kerala.

During the year, the company paid the third and fourth instalment amounting to Rs. 104,32.99 lakhs and Rs.97,47.34 lakhs in the month of April 2020 and March 2021 respectively against the term loans.

g) Canara Bank - Working Capital Demand Loan

The Company entered into a Fund based working capital facility and Non-Fund Based Bank Guarantee limit with Canara Bank on 30.9.2019, for an amount of Rs.90,00 lakhs and Rs.5,00 lakhs respectively and renewed on yearly basis. The rate of interest applicable for working capital facility is one-year MCLR (marginal cost of funds based on lending rates) plus margin, with annual rests and secured by paripassu charge on all assets of the company.



h) Canara Bank - Working Capital Demand Loan (COVID-19 support)

The Company entered into a working capital demand loan facility agreement on 28th August 2020 for Rs.9,00 lakhs with Canara Bank as part of COVID-19 Canara Credit support. The rate of interest is one-year MCLR (marginal cost of funds based on lending rates) plus margin, and secured by paripassu charge on all assets of the company.

i) Canara Bank - COVID-19 Funded Interest Term loan (CFITL)

During the year, Canara Bank approved the scheme for carving out of interest accrued on working capital borrowing of Rs. 90,00 lakhs for the period from March 2020 to August 2020 into COVID funded Interest Term Loan (CFITL). The facility was settled in September 2020. Further, an amount of Rs.1.38 Lakhs paid as interest during the tenor of the loan.

j) HUDCO - Preparatory works/Land Acquisition

The Company entered into a term loan agreement with HUDCO, for an amount of Rs. 589,82.00 lakhs on 19.3.2020 for land acquisition and preparatory works of Phase I, Phase IA, Phase IB and Phase II of Kochi Metro Rail Project. Against this, an amount of Rs. 219,84.00 was disbursed by HUDCO to the company till March 31, 2021. The moratorium period for repayment of the principal amount is up to February 2022. The loan is secured by Government guarantee for payment of interest and repayment of principal, vide, GO (RT) no. 112/2020/Trans dated 17.3.2020.

Since the loan has been availed by the company for the purpose of land acquisition and for preparatory works, the interest and repayment of principal is recognised as receivable from GoK. Further the sum of Rs.123.90 Lakh, being amount towards the loan processing charges, is also recognized as receivable from GoK.

k) HUDCO - Phase I

The Company entered into a term loan agreement with HUDCO, for an amount of Rs 390,00.00 lakhs on 26.06.2020 towards gap funding of Phase I project. Against this, an amount of Rs 331,23.00 was disbursed by HUDCO to the company and an amount of Rs. 6,73.00 lakhs was repaid till March 31, 2021.

Vide GO(RT)215/2020/Trans dated 22.06.2020, Government has agreed to provide adequate budget provision with regard to repayment of loan and interest. Accordingly, the interest and repayment of principal is recognised as receivable from GoK. Further the sum of Rs.123.90 Lakh, being amount towards the loan processing charges, is also recognized as receivable from GoK.

30.12 Receivable from Government of Kerala against the Loan taken from Banks and Financial Institutions

Particulars	Detailed note reference No	Amount (Rs. In Lakhs)		
		Current	Non-Current	Total
Against Loan taken from Kerala State Co-operative Bank	30.11.e and 30.11.f	47,00.00	234,94.82	281,94.82
Against Interest Receivable towards the Loan from Kerala State Co-operative Bank		10,07.45	50,37.25	60,44.70
Against the Loan Taken from HUDCO	30.11.j and 30.11.k	46,07.43	406,59.77	452,67.20
Against Guarantee Commission	30.11.c & d	1,59.31	-	1,59.31
Total		104,74.19	691,91.84	796,66.03



30.13 Pass Through Assistance from Government of India

Amount (Rs. In Lakhs)

Sl No.	Name of the Banks/Financial Institutions	Repayment period	Repayment start date	Repayment end date	Interest paid during 20-21	Rate of Interest	Amount as on 31.03.2021*	Amount as on 31.03.2020
a	Pass Through Assistance for Phase I	40 half yearly installments	September, 2019	March ,2039	13,23.23	6 monthly EURIBOR plus the margin of 155 basis point	1194,39.69	1260,75.23
b	Pass Through Assistance for NMT	20 half yearly installments	May,2025	November, 2034	19.66	1.52% or 6 months EURIBOR + 1.35% (margin)	24,46.67	0.00
Total								1218,86.36 1260,75.23

***Includes current maturities of PTA shown in Note 19**

The Pass Through Assistance (PTA) provided by Government of India for the Phase I Kochi Metro Rail Project for Euro 180 million, is based on the credit facility agreement between Agence Française De Développement (AFD), a French public funding agency, as lender and Government of India(GoI) as the borrower. The loan is secured by sovereign guarantee by the GoI. The entire loan proceeds of Euro 180 million, equivalent to Rs. 1327,10.77 lakhs, has been released by AFD to GoI. The funds were disbursed to KMRL in several tranches as per budgetary provisions of Government of India in INR. During the year 2020-21, an amount of Rs.132,71.08 lakhs has been paid to GoI (Rs.66,35.54 lakhs each towards installments due for the years 2019-20 and 2020-21).

The Pass Through Assistance (PTA) provided by Government of India through Government of Kerala, for the Non-motorized transport initiatives of KMRL, amounting to Euro 27 million, is based on the credit facility agreement between Agence Française De Développement (AFD), a French public funding agency, as lender and Government of India(GoI), as the borrower. The loan is secured by sovereign guarantee by the GoI. During the year 2020-21, an amount of Rs 24,46.67 lakhs was released to GoK through the Department of Economic Affairs which was subsequently released to KMRL. Further, an amount of Rs.19.66 lakhs, being interest on the PTA is recognized as due to GoK as on March 31, 2021



30.14 Disclosure in respect of IND AS-19, “Employee Benefits”

Provident Fund and pension fund: The eligible employees of the Company are entitled to receive benefits under Provident Fund (PF) schemes in which both employees and the Company make monthly contributions at a specified percentage of the covered Employees’ salary. The contributions are paid to the Regional Provident Fund Account.

The company’s pension scheme is linked with Provident Fund scheme. All eligible employees of the company under provident fund schemes are also covered under Employee Pension Scheme (EPS), except for those employees of the company who became provident fund (PF) member after 1st September 2014 and whose salary is more than Rs. 15,000/- per month. Such employees are not liable to be covered under the EPS scheme. The said benefit is being extended only, if the employee, while joining KMRL was an existing member of PF scheme. Under the above pension scheme, contribution is not collected from the employees and is paid entirely from the employer’s contribution.

Gratuity: Gratuity is payable as per Payment of Gratuity Act, 1972 to every employee who has rendered continuous service of five years or more. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation, performed by an independent actuary, at each Balance Sheet date using the projected unit credit method as required by IND AS 19. Provisions as per actuarial valuations are made in the books of accounts for the gratuity. As per the actuarial valuation report though planned assets are shown, the company has not recognized asset in the books, since the company has not created fund trust.

Earned Leave and half pay leave: The Company provides for earned leave benefits and half pay leave to the employees as per the HR policy. The liability on this account is recognized on the basis of actuarial valuation.

Leave Travel Concession (LTC): The Company provides financial assistance to the employee for meeting expenses of actual travel involved to their hometown as well as any place in India as per the approved policy. The liability on this account is recognized on the basis of actuarial valuation.

Insurance: The Company has also taken Medical Insurance Policy for all its eligible employees during the current year



30.15 The summarized position of various defined benefits recognized in the Statement of Profit and Loss and Balance Sheet as per actuarial valuation is as under:

Disclosure for defined benefit plans i.e Gratuity, Earned leave and half pay leave , Leave travel concession (unfunded plan), based on actuarial reports as on 31st March 2021.

Particulars	Amount(Rs.in Lakhs)						
	Gratuity entitlement (Unfunded)	Earned Leave Encashment (Unfunded)	Half pay Leave Encashment (Unfunded)	Half pay Leave Encashment (Unfunded)	Leave travel concession (Unfunded)	Leave travel concession (Unfunded)	Leave travel concession (Unfunded)
As at 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020
Benefit obligations at the beginning of year	469.11	304.86	646.46	407.29	205.25	129.54	47.25
Current service cost	135.73	121.38	117.90	173.15	36.66	51.20	19.06
Interest Cost	32.84	21.20	45.25	27.32	14.37	9.07	3.30
Benefits paid / provision withdrawn	(18.57)	(3.99)	(35.70)	(33.98)	(6.54)	0.00	(3.93)
Past service cost	0.00	0.00	0.00	0.00	0.00	0.00	28.59
Actuarial (gain) / loss from change in Financial Assumptions	8.33	40.24	8.13	44.60	2.47	14.20	0.72
Actuarial (gain) / loss on obligations - Due to Experience Adjustments	19.03	(14.58)	(19.95)	28.08	(20.59)	1.24	(0.77)
Benefit obligations at the end of year	646.47	469.11	762.09	646.46	231.62	205.25	94.22
							47.25



Amount (Rs.in Lakhs)

The amounts for the year ended March 31, 2021 recognised in the Statement of Profit and Loss under Employee benefit Expense, are as follows:

Particulars	Gratuity entitlement (Unfunded)		Earned Leave Encashment Unfunded)		Half pay Leave Encashment (Unfunded)		Leave travel concession (Unfunded)	
	As at 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020	As at 31/03/2021	As at 31/03/2020
Current service cost	135.73	121.38	117.90	173.15	36.66	51.20	19.06	24.85
Interest cost	32.84	21.20	45.25	27.32	14.37	9.07	3.30	4.67
Past service cost	-	-	-	-	-	-	28.59	-
Reimbursement Service cost	-	-	-	-	-	-	-	-
Interest income	(0.73)	(0.73)	(0.50)	(0.43)	(0.27)	(0.23)	-	-
Remeasurement	0.00	0.00	(11.31)	73.11	(17.86)	15.67	(0.05)	(38.20)
Total	167.84	141.85	151.34	273.15	32.90	75.72	50.90	(8.68)
Less: Actuarial (Gain)/ Loss transferred to CWIP/Project Fund/Others	58.62	46.70	68.70	93.56	16.98	13.64	9.16	(1.56)
Expenses recognized in statement of profit and loss	109.22	95.15	82.64	179.59	15.93	62.08	41.74	(7.12)



Amount (Rs.in Lakhs)

The amounts for the year ended March 31, 2021 recognised in the Statement of Other Comprehensive income , are as follows:				
Particulars	Gratuity entitlement (Unfunded)		As at 31/03/2021	As at 31/03/2020
	As at 31/03/2021	As at 31/03/2020		
Re measurements of the net defined benefit liability/ (asset)				
Actuarial (gains)/ losses from changes in Financial Assumptions		9.05	40.96	
Actuarial (gains)/ losses- Due to Experience Adjustments		19.03	-14.58	
Total Re measurements in OCI	28.08	26.38		
Less: Actuarial (Gain)/ Loss transferred to CWIP	5.05	4.74		
Expenses recognized in statement of OCI	23.03	21.64		

The principal assumptions used to determine Gratuity, Earned leave encashment, Half Pay leave Encashment and LTC benefit obligations as of March 31, 2021 and March 31, 2020 are as follows :

Particulars	As at 31/03/2021	As at 31/03/2020
Discount rate	6.90%	7%
Salary escalation rate - First 5 Years	6.00%	6.00%

Amount (Rs.in Lakhs)

Particulars	Net Asset / Liability recognised in the Balance Sheet							
	Gratuity entitlement (Unfunded)		Leave Encashment (Unfunded)		Half pay Leave Encashment (Unfunded)		LTC (Unfunded)	
	As at Mar- 2021	As at Mar- 2020	As at Mar- 2021	As at Mar- 2020	As at Mar- 2021	As at Mar- 2020	As at Mar- 2021	As at Mar- 2020
Present value of the obligation	646.47	469.11	762.09	646.46	231.62	205.25	94.22	47.25
Fair value of plan assets	-	-	-	-	-	-	-	-
Difference	646.47	469.11	762.09	646.46	231.62	205.25	94.22	47.25
Unrecognised transitional liability	-	-	-	-	-	-	-	-
Unrecognised past service cost - non vested benefits	-	-	-	-	-	-	-	-
Liability recognized in the balance sheet	646.47	469.11	762.09	646.46	231.62	205.25	94.22	47.25





30.16 Statement of Preparatory works/Projects undertaken by the company, on behalf of Government of Kerala (GoK), which are in progress as on March 31, 2021.

Sl. No.	Particulars of the Preparatory work / project undertaken	Government order according administrative sanction for the project	Approved project cost	Amount (Rs. In Lakhs)			
				Source of fund	Funds received till 31.03.2021	Total	Amount Expended till 31.03.2021
1	Widening of 1.5 kms of Vytilla-Petta Road from Kunnam park to Petta	G.O (Ms) No. 13/2015/Trans dated 10/03/2015	22,35.00	GoK	22,35.00		19,43.21
2	Preparatory works of the new metro line from Jawaharlal Nehru Stadium to Kakkadan via Info park	G.O(Ms) No. 13/2016/Trans dated 08/02/2016	189,00.00	GoK Loan from HUDCO	20,00.00 95,72.00		97,47.94
3	Preparatory works of Phase II of the Kochi Metro Rail Project for Widening of Seaport Airport	G.O(Ms) No. 73/2018/Trans dated 17/12/2018	74,07.00	Loan from HUDCO	34,01.00		21,34.36
4	Preparatory work for improvement of Edappally –High Court Road from Edappally to JLN Stadium/Kaloor and upgrading the drainage system	G.O(Ms) No. 56/2016/Trans dated 26/08/2016	39,41.40	GoK	34,00.00		34,01.00
5	Preparatory works for the extension of Kochi Metro Rail Project from Petta to SN Junction, Tripunithura	G.O(Ms) No. 31/2016/Trans dated 31/03/2016	123,00.00	GoK Loan from HUDCO	61,20.00 39,48.00		112,54.86
Total			447,83.40		306,76.00	306,76.00	266,76.28

The net balances of the above-mentioned Preparatory works and Projects undertaken by the company, on behalf of Government of Kerala (GoK), which are in progress as on March 31, 2021, being receivable from / payable to GoK is shown in Note Nos 4,9 and 19 in the Balance Sheet.

30.17 Statement of Preparatory works/Projects undertaken by the company, on behalf of GoK, which are executed through DMRC

Sl. No.	Particulars of the Preparatory work / project undertaken and completed	Order from GoK according administrative sanction	Approved project cost	Amount (Rs. In Lakhs)			
				Source of fund	Amount received	Total	Amount Expended till 31.03.2021
1	Preparatory works	G.O.(MS) No. 110/2013/Trans dated 07-12-2013	242,47.00	GoK	220,45.27	220,45.27	197,40.50
2	Pachalam Rail Over Bridge (ROB)	G.O(Ms) No. 23/2014/Trans dated 05/03/2014 and G.O(Ms) No.56/2014/Trans dated 24/07/2014	52,59.00	GoK	52,59.00	52,59.00	23,66.57
3	Edappally Flyover	G.O (Rt) No.714/2013/PWD dated 13/05/2013	108,77.00	Kerala Road Fund Board (KRFB)	34,43.55	34,43.55	35,28.25
4	Preparatory work for the Construction of the four lane Chembakkara Bridge	G.O(Ms) No. 68/2016/Trans dated 09/11/2016 and G.O(Ms) No. 64/2018/Trans dated 11/11/2018	38,36.44	GoK Loan from HUDCO	27,00.00 11,36.00	38,36.00	37,09.75
		Total	442,19.44		345,83.82	345,83.82	293,45.07

The net balances of the above-mentioned Preparatory works and projects undertaken by the company, on behalf of Government of Kerala (GoK), which are executed through DMRC being receivable from / payable to GoK is shown in Note Nos 4, 9 and 19 in the Balance Sheet.



30.18 Particulars of Advance received from Government of Kerala towards preparatory and other project works

Particulars	<i>Amount (Rs. In Lakhs)</i>	<i>As on March 31, 2021</i>	<i>As on March 31, 2020</i>
Preparatory works of the new metro line -- Kakkanad Via Info Park	19,24.06	19,50.00	
Integrated Water Transport system	96,71.59	36,99.95	
Preparatory Rail Over Bridge (ROB)	25,34.04	18,07.95	
Pachalam Works	28,92.43	27,87.32	
Improvement of Edappally – High Court Road	18,04.09	18,39.15	
Preparatory works for the extension for extension from Petta to SN Junction	2,91.79	2,93.14	
Preparatory works for the extension - LA	-	9,99.09	
Total	191,18.00	133,76.60	

30.19 Central Financial Assistance (CFA) from Ministry of Housing and Urban Affairs (MoHUA) and Government of Kerala (GoK)

The Company received funds as Central Financial Assistance (CFA) from the Ministry of Urban Development(MOUD) under the Scheme of Urban Transport Planning, wherein 80% of the total expenditure for all kinds of traffic and transportation studies etc. shall be borne by MOUD and 20% by the State Government.

Out of the total expenditure of Rs. 2,26.73 lakhs incurred till 31st March 2021, MoHUA has released an amount of Rs. 1,81.38 lakhs till 31st March 2021. The balance amount of Rs. 45.35 lakhs is due from GoK, being their share of financial assistance.

During the year 2020-21, the company adjusted an amount of Rs 32.61 lakhs out of fund received vide G.O.(RT) No.192/2020/Trans dated 08.06.2020 and the net balance of Rs.12.74 lakhs is shown as Receivable from GoK.

30.20 Disclosure in respect of IND AS-12, “Income Taxes”

The Company has a deferred tax asset of Rs. 538,31.49 lakhs as on 31.03.2021 (31.03.2020 Rs. 372,56.05 lakhs), owing to the existence of unabsorbed depreciation and accumulated losses. The deferred tax liability as on 31.03.2021 is Rs. 308,41.43 lakhs (31.03.2020 Rs. 230,78.51 lakhs).

The net deferred tax asset as on 31.03.2021 is Rs.229,90.06 lakhs (31.03.2020 Rs: 141,77.54 lakhs) and as a matter of prudence, the deferred tax asset is not recognized in the books of accounts.

Tax Deducted at Source has been recognised in financial statements based on 26 AS , as appearing in the CBDT portal of the Income Tax Department, Government of India, as on 15.06.2021 in respect of the Financial Year 2020-21.

30.21 Central Financial Assistance (CFA) from MNRE

An amount of Rs.4,80 lakhs (being 15% of the estimated project cost of Rs. 32,00 lakhs) has been approved as Central Financial Assistance (CFA) by the Ministry of New and Renewable Energy (MNRE), Government of India for installation of grid connected Solar Photo Voltaic (SPV) power plants of total aggregate capacity of 4.0 MW under the “National Clean Energy Fund”.

KMRL installed power plant with the capacity of 2.67 mw and accordingly received an amount of Rs.1,44.00 lakhs, being the 1st installment of the CFA, during the financial year 2015-16 and Rs.1,58.47



lakhs during the financial year 2018-19. The amount so received has been grouped under “Other financial liabilities”.

The supply, installation, testing and commissioning of the Solar PV power plants awarded to M/s Hero Solar Energy Private Limited (the developer) by DMRC. The contract is based on RESCO (Renewable Energy Service Company) model, where in the project cost is borne by the developer and KMRL signed the PPA (Power Purchase Agreement) for 25 years.

The financial assistance received from MNRE has been fully disbursed to the developer.

30.22 Non-Motorized transport (NMT) initiatives in KMRL

GoK, vide G.O.(Rt)No.24/2021/Trans dated 16.01.2021, accorded revised administrative sanction for the Non-motorized transport initiatives of the company for an amount of Rs. 239,00 lakhs i.e Rs. 202,54 lakhs as Pass through assistance from GoI and Rs. 36,46 lakhs as subordinate debt from GoK. NMT plan includes station-oriented development, major junction improvements and urban place making pedestrianization project.

Accordingly, the Credit Facility Agreement was signed between Govt of India and AFD for Euro 27 million for funding the NMT initiatives of Kochi metro Rail Project on 27.12.2019. The funds shall be made available to the KMRL by GoI in INR, through GoK as part of the development assistances to the States of India. The project agreement was signed between KMRL (final beneficiary) and AFD on 05.02.2020.

Interest is due on each payment date i.e. on 31st May and 30th November of each year. Repayment of the principal amount shall be in twenty equal half yearly installments and the first installment is due on 31st May, 2025 and the last installment shall be payable on 30th November 2034 by GoK. During the year 2020-21, Rs 24,46.67 lakhs released to GoK through the Department of Economic Affairs was subsequently transferred to KMRL by GoK vide GO(RT) No.49/2021/Trans dated 02.02.2021 and GO(RT) No.54/2021/Trans dated 04.02.2021. During the year 2020-21, an amount of Rs.16,00 lakhs was received from GoK, towards GoK's share for NMT, vide GO(RT) No.77/2021/Trans dated 13.02.2021.

During the year, an amount of Rs. 2,79.61 lakh has been expended towards NMT project.

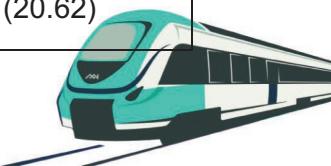
30.23 Disclosure as per the requirements of IND AS-23, “Borrowing costs”

During the year, an amount of Rs. NIL (previous year Rs.8,74.07Lakhs) was capitalized out of the borrowing cost and an amount of Rs. 153,90.48 lakhs (previous year Rs. 135,96.33 Lakhs) and Rs. 9,96.25 lakhs (previous year Rs. 31.47 Lakhs) has been charged to revenue and CWIP, respectively in line with the accounting policy on “Borrowing cost”.

30.24 Disclosure as per the requirements of IND AS- 33, “Earnings per Share”.

Amount (Rs. In Lakhs)

Particulars	2020-21	2019-20
Net Profit /(Loss) for the year (Rs. in Lakhs)	(334,40.66)	(310,81.98)
Weighted average number of equity shares outstanding during the year		
Basic	15,07,46,000	15,07,46,000
Diluted	15,07,46,000	15,07,46,000
Basic Earnings Per Share (Face value of Rs. 100/-per share) (Rs.)	(22.18)	(20.62)
Dilutive Earnings Per Share (Face value of Rs. 100/-per share) (Rs)	(22.18)	(20.62)



30.25 Disclosure in respect of IND AS-1, “Presentation of financial statements”, IND AS,” Accounting policies, Changes in Accounting Estimates and Errors.

a. Capital Management

Particulars	Amount (Rs. in lakhs)	
	As at 31st March 2021	As at 31st March 2020
(a) Total Debt	4,07,909.87	3,54,088.12
(b) Total Capital	2,54,186.86	232,335.46
(c) Debt/ Equity ratio (a/b)	1.60	1.52

For the purpose of computation of company's capital management, capital includes Issued Capital and Other Equity.

Debt includes long term loans and subordinate debt.

b. Due to restatement of previous year financials

The financial statements of the previous year were restated for the following reasons

- (i) On account of updatations in the value of operational assets taken over from DMRC pertaining to previous years, and value updation in the existing assets of KMRL, due to final settlement of contractor claims.
- (ii) On account of differences in the amount of expenditure to be recognized in the statement of profit and loss for gratuity and earned leave.

The net impact of such restatements are summarized below,

Particulars	Amount (Rs. in lakhs)
(Increase) in Property, Plant and Equipment	31,84.27
(Decrease) in Capital Work-In-Progress	(34,94.27)
(Increase) in Other Intangible Assets	19.54
(Increase) in Depreciation upto 2019-20	290.46
(Decrease) in Employee Benefit Expense	(65.56)
(Decrease) in Other Financial Liabilities (Current)	64.36
(Increase) in Other Financial Assets(Current)	1.20
(Decrease) in Other Equity	(224.90)
(Decrease) in Earnings per Equity share	0.05

30.26 Disclosure in respect of IND AS-116, “Leases”

30.26.1 The company has taken on lease/rent certain premises for the benefit of the employees. These lease arrangements are usually renewable on mutually agreed terms. During the year the company has paid lease rent (net of recoveries) amounting to Rs. 39.26 Lakhs (P.Y. Rs. 41.86 Lakhs) and the lease rent so paid is included under the head Expenditure-Staff welfare expenses.

The company has taken on lease vacant land from Kerala State Housing Board for providing parking facility for a period of 5 years.



The changes in the carrying value of ROU assets for the year ended March 31, 2021 as below:

Particulars	<i>Amount (Rs. in lakhs)</i>
During the year 2020-21	
Balance at the Beginning	-
Addition	25.08
Deletion	-
Depreciation	1.73
Balance at the end	23.35

The movement in lease liabilities is as follows:

Particulars	<i>Amount (Rs. in lakhs)</i>
During the year 2020-21	
Balance at the Beginning	-
Additions	24.61
Finance cost accrued during the period	0.77
Payment of lease liabilities	(2.12)
Balance at the end	23.26

The breakup of current and non-current lease liabilities as at March 31, 2021 is as follows:

Particulars	<i>As at March 31, 2021</i>
Current Lease liabilities	19.11
Non -Current Lease liabilities	4.15
Total	23.26

30.26.2 Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments under operating leases are recognized as an expense on a straight-line basis in the Statement of Profit and Loss over the lease term.

The company has licensed out its various assets to parties on operating lease basis. Rental income from operating leases is generally recognized on a straight line basis over the term of the relevant lease. Where the rentals are structured solely to increase in line with expected general inflation to compensate for the company's expected inflationary cost increase, such increases are recognized in the year in which such benefits accrue.

Future minimum licensing amounts receivable under operating lease are given below;



Operating Lease	Amount (Rs. in lakh)	
	As at 31st March 2021	As at 31st March 2020
Not later than one year	392.36	3,79.95
Later than one year and up to five years	20,81.73	17,13.70
Beyond five years	22,44.18	23,17.92

30.27 Disclosure in respect of IND AS-24, "Related Party Disclosures"

30.27.1 Key Management persons:

- 30.27.1.1 Shri. Durga Shanker Mishra,(Chairman)
- 30.27.1.2 Smt Sujatha Jayaraj, (Nominee Director)
- 30.27.1.3 Shri. Jaideep, (Nominee Director)
- 30.27.1.4 Shri. D.K. Saini, (Nominee Director)
- 30.27.1.5 Dr. Vishwas Mehta, (Nominee Director till 28th February 2021)
- 30.27.1.6 Shri. Rajesh Kumar Singh, (Nominee Director)
- 30.27.1.7 Shri. Alkesh Kumar Sharma (Managing Director till 7th April 2021)
- 30.27.1.8 Shri K.R. Jyothilal, (Managing Director from 7th April 2021)
- 30.27.1.9 Shri S. Suhas, (Nominee Director till 7th July 2021)
- 30.27.1.10 Shri Bhupender Singh Bodh, (Nominee Director)
- 30.27.1.11 Shri. Kumar K R (Director-Finance)
- 30.27.1.12 Shri. D K Sinha (Director- System)
- 30.27.1.13 Shri. Thiruman Archunan(Director-Projects till 1st June 2021)
- 30.27.1.14 Shri Shyam Sunder Agrawal (Company Secretary)

30.27.2 Particulars of companies where significant influence exists and with whom the company had transactions

30.27.2.1 Cochin Smart Mission Limited

30.27.3 Disclosure of transactions of the company with Key managerial persons:

Amount (Rs. in lakh)

SI.No	Particulars	2020-21	2019-20
1	Salaries & Allowances	179.73	162.58
2	Contributions to Provident Fund and others	16.11	17.23
3	Other benefits	13.72	14.72
	Total (included in employee cost)	209.56	194.53

- The whole time Directors have been allowed to use the Company vehicles for private journeys subject to recovery as per the Company's policy.
- The above amount does not include provisions towards contributions to gratuity, leave encashment and leave travel concession as ascertained on actuarial valuation. However, the actual payments made during the year are included in other benefits.



30.27.4 Disclosure of transactions of the company with companies:

The company has entered into an agreement with Cochin Smart Mission Limited(CSML), for the leasing of property, for a period of 10 years and two months. The license fees earned for the year 2020-21, is Rs. 6,69.40 lakhs. The company and CSML had the same Managing Director at time of entering into the license agreement, till 3rd September 2020.

30.28 Disclosure in respect of IND AS-36 (Impairment of Assets)

Impairment loss on asset is recognized for an amount of Rs. NIL (previous year Nil) during the year (also refer note no. 30.35).

30.29 Disclosure in respect of Ind AS -37 “Provisions, Contingent liabilities and Contingent Assets”.

a) Provisions, Contingent liabilities and Contingent Assets

Amount (Rs. in lakh)

Particulars	Opening balance as on 01.04.2020	Additions/ transfer / utilization during the year	Closing balance as on 31.03.2021
Provisions	4,28.62	29,08.88	33,37.50
Contingent liabilities			
A. Towards Kochi Metro Rail Project			
i. Land acquisition related claims	110,48.54	76,06.33	186,54.87
ii. State Industrial Security Force (SISF)	-	20,49.39	20,49.39
iii. Establishment and contingency charges to District Collector*	-	52,92.54	52,92.54
iv. Arbitration claims	53,92.32	10,50.86	64,43.18
v. Others	8,09.01	42,85.11	50,94.12
B. Towards preparatory works under taken by KMRL on behalf of Government of Kerala (GoK)	98,31.67	42,41.87	140,73.54
C. Bank Guarantee	141.95	-	141.95
D. Statutory Authorities	73.84	7.40	81.24
Contingent Asset	-	10,91.08	10,91.08

* Excluding amount claimed towards Establishment and contingency charges by the District Collector, relating to preparatory works, as land for preparatory work is acquired in the name of the State Government.

As on 31st March 2021, certain land acquisition cases pertaining to the projects are pending with the Sub-court Ernakulam and Additional District Court Ernakulam. The estimated additional liability on account of enhanced compensation, where claim statements have been filed by the petitioners, is estimated at Rs. 186,54.87 lakhs. This is included under contingent liabilities.



Further, the land acquisition cases pertaining to the preparatory works pending with the Sub-court Ernakulam and Additional District Court Ernakulam where claim statements have been made by the petitioners for an estimated liability of Rs. 135,19.66 lakhs is also included under Contingent liabilities. For the remaining cases, the claim statements are yet to be filed by the petitioners and hence the company is unable to quantify the present liability on account of such references. Liabilities, if any, in respect of these cases pending with the courts shall be provided after completion of the legal proceedings, or on receipt of the final order.

With respect to the claims on preparatory works, the settlement shall be done out of the funds received from the GoK for executing such preparatory works.

Under Rule 4(2) & Rule 4(3) of the Right to Fair Compensation and Transparency in Land Acquisition Rehabilitation Resettlement (Kerala) Rule 2015, establishment charges and contingency at the rate of 30% and 5% respectively of the land acquisition cost, shall be paid in advance to the District Collector. Since the land acquisition is the obligation of GoK as per MOU dated 04.11.2013 between GOI, GOK and KMRL, KMRL has on various occasions requested waiver of such establishment charges and contingency from the Revenue Department. Pending such confirmation, amount (net of advance/provision, if any) on account of establishment charges and contingency, is included under Contingent liabilities.

30.30 Corporate Social Responsibility (CSR)

Companies Act 2013 mandates companies fulfilling criteria, to spend earmarked amount out of profits towards CSR expenses with effect from 01.04.2014. CSR provisions are applicable to KMRL. The company did not spend any amount on CSR, owing to the losses incurred during the current year.

30.31 Disclosure in respect of Ind AS – 107 “Financial Instruments: Disclosures”

30.31.1 Financial Instruments by categories

Particulars	As at 31st March 2021			As at 31st March 2020			<i>Amount (Rs. In Lakhs)</i>
	Amortized cost	FVTPL	FVOCI	Amortized cost	FVTPL	FVOCI	
Financial Assets							
Other financial assets (refer note no. 4& 9)	815,92.03	-	-	550,18.87	-	-	
Trade receivables	9,65.09	-	-	13,52.71	-	-	
Total	825,57.12	-	-	563,71.58	-	-	
Financial Liabilities							
Borrowings (refer note no. 13 & 18)	3921,48.34	-	-	3314,17.05	-	-	
Other financial liabilities(refer note no. 14 & 19)	629,15.80	-	-	843,98.69	-	-	
Total	4,550,64.14			4,158,15.74	-	-	



30.31.2 Financial risk management

The Company is exposed to various risks in relation to financial instruments. The company's financial assets and liabilities by category are summarized above. The main types of risks are market risk, credit risk and liquidity risk. The company's risk management focuses on actively securing the Company's short to medium term cash flows by minimizing the exposure to volatile financial markets.

The most significant financial risks to which the company is exposed are described below;

a. Market risk

The Company has foreign exchange risk and interest rate risk as the Market risk. Also company does not have price risk since company is not having any derivative financial asset.

b. Credit Risk

Credit risk refers to the risk of default on its obligation by the counterparty resulting in a financial loss. The company is exposed to this risk for various financial instruments, for example by granting advances to employees, receivables from customers, security deposits etc. The maximum exposure to the credit risk at the reporting date is primarily from carrying amount of following types of financial assets.

- Trade receivables
- Other financial assets measured at amortized cost

The company continuously monitors defaults of customers and other counter parties, identified either individually or by the company, and incorporate this information into its credit risk controls. Where available at reasonable cost, external credit ratings and/or reports on customers and other counter parties are obtained and used.

c. Liquidity Risk

The Company's liquidity needs are monitored on the basis of monthly and yearly projections. The company's principal sources of liquidity are revenue generated from operations, commercial long term borrowings, Interest free subordinate debt, Share Capital and Grant.

The Company manages its liquidity needs by continuously monitoring cash inflows and by maintaining adequate cash and cash equivalents. Net cash requirements are compared to available cash in order to determine any shortfalls.

Short term liquidity requirements consists mainly of sundry creditors, expense payable, employee dues, statutory dues, current maturities and interest on external borrowings and retention and deposits arising during the normal course of business as of each reporting date. The Company maintains a sufficient balance in cash & cash equivalents and other bank balances to meet its short term liquidity requirements.

The Company assesses long term liquidity requirements on a periodical basis and manages them through internal accruals. The Company's non-current liabilities include repayment of borrowings, interest free subordinate debt, retentions & deposits and liabilities for employee benefits.

d. Credit risk management

i. Trade Receivables

The company has outstanding trade receivables (gross) amounting to Rs. 11,38.06 Lakhs and Rs. 15,12.24 Lakhs as of March 31, 2021 and March 31, 2020, respectively. Trade receivables are typically unsecured and are derived from revenue earned from customers. Credit risks related to trade receivables are mitigated by taking security deposit from customers. The company closely monitors the credit worthiness of the debtors and only deals with creditworthy parties. The company's internal systems are configured to define credit limits of customers, thereby limiting the credit risk to pre-calculated amounts.



ii. Other financial assets

Other financial asset, which includes loans and advances to employees and others are measured at amortized cost.

e. Expected credit losses - Company provides expected credit losses based on the following:

Trade receivables

Trade receivables are impaired when recoverability is considered doubtful based on the recovery analysis performed by the company for individual trade receivables. The company considers that all the above financial assets that are not impaired and past due for each reporting dates under review are of good credit quality. The company has estimated an amount of Rs.1,72.97 lakhs towards expected credit loss on trade receivables.

Age analysis of trade receivables at each of the reporting date is summarized as follows:

Amount (Rs. In Lakhs)

Particulars	As at 31st March 2021		As at 31st March 2020	
	Gross	Impairment	Gross	Impairment
Not past due	-	-	2,99.27	-
Past due less than three months	4,07.52	-	4,89.16	-
Past due more than three months not more than six months	23.76	-	4,23.22	-
Past due more than six months	7,06.78	1,72.97	3,00.60	1,59.53
Total	11,38.06	1,72.97	15,12.25	1,59.53

Other financial assets are measured at amortized cost.

Credit risk related to these other financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system in place ensures that the amounts are within defined limits. An amount of Rs.1,72.97 lakhs is provided towards doubtful debts against dues relating to contract under arbitration.

In addition to the historical pattern of credit loss, the company also considered the emerging situations due to COVID-19. This assessment is not based on any mathematical model but an assessment considering the financial strength of the customers in respect of whom amounts are receivable.

Based on the type of assets, the management is of the opinion that there is no potential impact on the carrying value of the assets other than as stated above. The company considers all the above financial assets as at the reporting dates to be of good credit quality. Accordingly, there are no other impairment provisions as at reporting date against these financial assets. The company will continue to review and, as and when any need arises, provision for impairment shall be considered at that point of time.

30.32 Disclosure in respect of Ind AS -108, "Operating Segments"

The Company has only one reportable business segment, which is implementing the construction, operation and maintenance of a Metro Rail facility in the city of Kochi and operates in a single operating



segment based on nature of services, the risks and returns, the organization structure and internal financial reporting system. All other activities of the Company revolve around this main business. Other operating revenues including consultancy income and rental income earned from leasing space (in stations and outside stations) in respect of property development assets, is considered as an integral part of the company's primary business under the internal decision making and performance measurement process of the company.

As per Ind AS 108, Operating segments are to be reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker monitors and reviews the operating result of the whole company as one segment. The Company's sole operating segment is therefore "Metro Operations". Thus, as identified in Ind AS 108 "Operating Segments" the company's entire business falls under one operation segment and hence no additional disclosures are to be provided under Ind AS 108.

30.33 Disclosure in respect of Capital and other commitments

Amount (Rs. in lakh)

Capital and other commitments	As at 31.03.2021	As at 31.03.2020
Estimated amount of tangible asset contracts entered into by DMRC on behalf of KMRL (including foreign currency contracts net of advances) remaining to be executed and not provided for.	14,51.08	192,71.80
Estimated amount of contracts entered into by KMRL contracts (net of advances) remaining to be executed and not provided for		
A) Tangible asset	481,54.82	289,20.16
Total	496,05.90	481,91.96

Some debit/credit balances of parties are subject to confirmation and reconciliation. Consequential impact thereof, if any, remains unascertained.



30.34 Dues to Micro , Medium and Small enterprises

As at March 31, 2021, an amount of Rs. 1,03.40 lakhs (previous year - Rs. 7,19.44 lakhs) is outstanding but not due to micro, small and medium enterprises. There are no interests due or outstanding on the same.

Amount Payable To Micro, Medium and Small Enterprises

Amount (Rs. in lakh)

Particulars	As at March 31, 2021	As at March 31, 2020
The Principal amount and interest due thereon remaining unpaid to any supplier as at end of each accounting year		
Principal amount due to Micro and Small Enterprises	Nil	Nil
Interest due on above	Nil	Nil
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	Nil	Nil
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006	Nil	Nil
The amount of interest accrued and remaining unpaid at the end of each accounting year	Nil	Nil
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	Nil	Nil
Total	Nil	Nil

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company. This has been relied upon by the auditors.

30.35 Disclosure with respect to insurance claim on account of floods in Kerala State

During the year 2018-19, the assets installed at Aluva Station, Companypady Station and Muttom Yard were partially damaged due to incessant rains and floods in Kerala State, including Kochi, for the period from 15th August 2018 till 20th August 2018. The restoration works in the nature of repairs and replacement to the damaged Properties, Plant and Equipment, were being undertaken through DMRC. KMRL had recognised the impairment loss to the extent identifiable, for an amount of Rs. 78,99.11 lakhs during the year 2018-19. The restoration works are under progress and assets to the extent restored are capitalized in the books.



During the year 2020-21, the insurer approved the claims of the company for an amount of Rs. 71,34.74 lakhs, excluding GST. The claim for the GST payable for an amount of Rs. 10,91.08 lakhs is pending for approval and shall be based on the outcome of advance ruling, with regards to the availability of input tax credit to the company. Cumulatively, till 31.03.2021, KMRL received Rs. 71,34.74 lakhs from the insurance company (till March 31,2020 Rs. 50,00 lakhs). The company recognized an income of Rs: 71,34.74 lakhs under Other Income against the receipt of the insurance claim from the insurer towards the loss of assets during the floods in 2018-19

Restoration works are under progress and KMRL does not expect any material impact on its asset value, retained earnings and to its net income on an ongoing basis. The operations of the metro are not affected due to the restoration works.

30.36 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards.

30.36.a There is no such notification which is applicable from 1st April 2020.

30.36.b On March 24, 2021, the Ministry of Corporate Affairs ("MCA") through a notification, amended Schedule III of the Companies Act, 2013. The amendments revise Division I, II and III of Schedule III and are applicable from April 1, 2021. Key amendments relating to Division II which relate to companies whose financial statements are required to comply with Companies (Indian Accounting Standards) Rules 2015 are:

Balance Sheet:

- (i) Lease liabilities should be separately disclosed under the head 'financial liabilities', duly distinguished as current or non-current.
- (ii) Certain additional disclosures in the statement of changes in equity such as changes in equity share capital due to prior period errors and restated balances at the beginning of the current reporting period.
- (iii) Specified format for disclosure of shareholding of promoters.
- (iv) Specified format for ageing schedule of trade receivables, trade payables, capital work-in-progress and intangible asset under development
- (v) If a company has not used funds for the specific purpose for which it was borrowed from banks and financial institutions, then disclosure of details of where it has been used.
- (vi) Specific disclosure under additional regulatory requirement such as compliance with approved schemes of arrangements, compliance with number of layers of companies, title deeds of immovable property not held in name of company, loans and advances to promoters, directors, key managerial personnel (KMP) and related parties, details of benami property held etc.

Statement of profit and loss:

(i) Additional disclosures relating to Corporate Social Responsibility (CSR) and undisclosed income specified under the head 'additional information' in the notes forming part of financial statements.

The amendments are extensive and based on its applicability, the company will evaluate the same, to give effect/disclosures, as required by law.

30.37 Disclosure on Impact of Covid-19 in Metro Operations

Significant disruptions have taken place worldwide due to the outbreak of Covid-19 Pandemic. Metro Rail operations of the Company along the Phase I stretch was suspended from 22nd March 2020 till 6th September 2020 resulting in realisation of lower fare box and non fare box revenue. Commercial operations of the metro resumed from 7th September 2020. The estimated loss of fare box revenue due to non-operation of metro is Rs. 36,57.00 lakhs during the year 2020-21. Further, the estimated loss of



revenue due to waive off / concessions offered to the non-fare box customers during the year is Rs. 7,52.02 lakhs.

30.38 Previous Year figures have been regrouped /re-arranged/reclassified, wherever necessary, to make them comparable to the current year's presentation.

In terms of our report of even date attached.

**For K.Venkatachalam Aiyer & Co
Chartered Accountants
FRN: 004610S
UDIN: 21232723AAAACN6851**

Sd/-
**Vishnu Mohan
Partner
Membership No.: 232723**

For and on behalf of the Board of Directors

Sd/-
**K R Jyothilal
Managing Director
(DIN: 0160017)**

Sd/-
**Kumar K. R
Director (Finance) & CFO
(DIN: 08106837)**

Sd/-
**Shyam Sunder Agrawal
Company Secretary**

**Place: Cochin
Date: 05.08.2021**

**Place: Cochin
Date: 05.08.2021**



