

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/
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Partner
Membership No. 232723

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For and on behalf of the Board of Directors

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KOCHI METRO RAIL LIMITED

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



ANNUAL REPORT 2020-21

Particulars	Equity Share Capital	Interest Free Sub Debt -GOI	Interest Free Sub Debt -GOK	Deferred Income - Monetary Grants			Other Equity			Amount (Rs.in Lakhs)
				Reimbursement of State Taxes -GOK	Deferred Income - Non Monetary Grants	Reserves and Surplus Retained Earnings	Other Comprehensive Income	Total		
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)	(27.99)	919 02.22 (124.06)		
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)	917 78.16		
Add : Comprehensive income / (Loss) restated for the year	-	-	-	-	-	(310 60.34)	(21.64)	(310 81.98)		
Add: Additions / Adjustments during the year	-	-	177 49.09 (16 38.41)	58 89.37 (8 36.90)	91.91	-	-	237 30.37 (28 37.08)		
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)	815 89.47		
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)	815 89.47		
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	-	-	-	-	-	(334 17.63)	(23.03)	(334 40.66)		
Add: Additions / Adjustments during the year	-	-	-	592 54.59 (26 42.14)	-	-	-	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/
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For and on behalf of the Board of Directors

Sd/
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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 (Rs. in Lakhs)	Amount (Rs. in Lakhs)	Number	Amount (Rs. in Lakhs)	
Authorised Equity Shares of Rs.100 each	20 00 00 000	2000 00 00	20 00 00 000	2000 00 00	
Issued, Subscribed and Fully paid up 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

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

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

As at 31st March 2021		As at 31st March 2020	
Name of Shareholder	Number of Shares % of holding	Number of Shares % of holding	% of holding
President of India	7 53 73 000 50	7 53 73 000 50	50
Governor of Kerala	7 53 73 000 50	7 53 73 000 50	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>	
	As at 31.03.2021	As at 31.03.2020
Note 12 : Other Equity		
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>	
	As at 31.03.2021	As at 31.03.2020
Note 13 : Borrowings [Non current]		
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
<i>* The Company had received moratorium for repayment of loan installment</i>		
Current & Not Due: Term Loan from Banks and Financial Institutions (Refer Note No. 30.11) Pass Through Assistance - Government of India (Refer Note No. 30.13) Interest accrued but not due on borrowing	91 26.00 66 35.54 18 05.83	47 00.00 66 35.54 20 80.88
Unsecured - Trade / Security Deposit Received - Land Acquisition and Structural Valuation - Others; - Project related liabilities - Government of Kerala (Refer Note No. 30.18) - PTA amount due and payable to GOI - Lease Liability (Refer Note No. 30.26.1) - Delhi Metro Rail Corporation - Others	15 32.97 89 07.39 66 57.70 191 17.99 - 4.15 - 29 01.95	8 54.53 96 91.64 189 19.13 133 76.60 66 35.54 - 9 27.90 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.

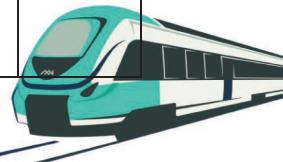
During the year, the company incurred an amount of Rs. 10.84 lakhs towards expenditure relating to KWML on behalf of GoK and the same is recognized as receivable from GoK.



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 - Vytilla - 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)	As at 31/03/2021	As at 31/03/2020	Earned Leave Encashment (Unfunded)	As at 31/03/2021	Half pay Leave Encashment (Unfunded)	As at 31/03/2020	Leave travel concession (Unfunded)	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	64.43		
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		
Benefits paid / provision withdrawn	(18.57)	(3.99)	(35.70)	(33.98)	(6.54)	0.00	(3.93)	(8.50)		
Past service cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	28.59	0.00
Actuarial (gain) / loss from change in Financial Assumptions	8.33	40.24	8.13	44.60	2.47	14.20	0.72	0.50		
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	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	Fund received till 31.03.2021	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	As on March 31, 2021	Amount (Rs. In Lakhs) As on March 31, 2020
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.

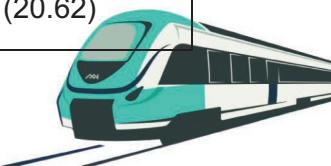
30.23 Disclosure as per the requirements of IND AS-23, “Borrowing costs”

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	As at March 31, 2021
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

