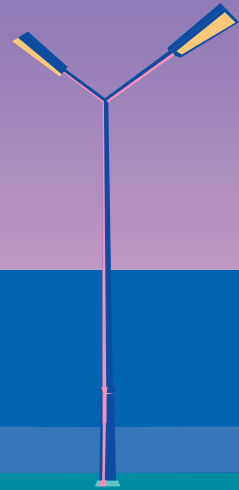




ANNUAL REPORT

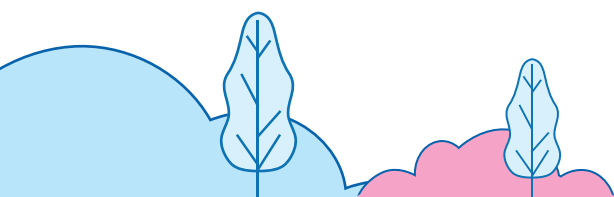
2019 - 2020





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REGISTERED OFFICE

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

STATUTORY AUDITORS

M/s K Venkatachalam Aiyer & Co.

Chartered Accountants

Building No. 41/3647 B, 1st Floor, Bluebird Towers, Providence Road,
Kochi – 682018.

SECRETARIAL AUDITORS

M/s Vivek Sarath & Naufal

Practising Company Secretaries,

Door no. 28/3655, Sunoro Church Road, Metro Pillar #824, Opp. Radisson Blu,
Elamkulam, Cochin – 682020.

INTERNAL AUDITORS

M/s P. Parikh & Associates

Chartered Accountants

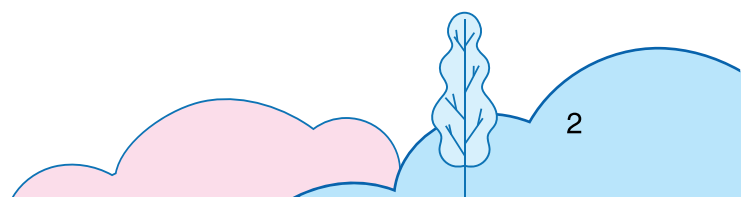
2nd Floor, Koduvathara Lane Building, Koduvathara Lane,
Civil Lane Road, Kochi – 682025

COMPANY SECRETARY

Shyam Sunder Agrawal

OUR BANKS

Canara Bank | Union Bank of India | Axis Bank Ltd.
IDBI Bank Ltd. | State Bank of India | Indian Bank
HDFC Bank Ltd. | Federal Bank Ltd. | Dhanalaxmi Bank Ltd.
The Kerala State Cooperative Bank

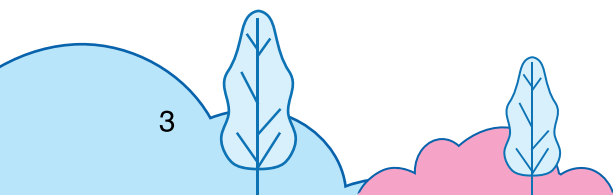




BOARD OF DIRECTORS

(As on 28th July 2020)

- | | | |
|-----------------------------------|---|---|
| Shri. Durga Shanker Mishra | : | Chairman, Kochi Metro Rail Limited
Secretary, Ministry of Housing and Urban Affairs,
Room No.122 C, Nirman Bhawan, New Delhi. |
| Shri. Jaideep | : | OSD (UT) & Ex-officio Joint Secretary, Ministry of
Housing and Urban Affairs, Room No. 001C, Nirman
Bhawan, New Delhi. |
| Smt. Sujatha Jayaraj | : | Director (Finance), Chennai Metro Rail Limited,
Koyambedu, Chennai. |
| Shri. D.K. Saini | : | Director (Projects), DMRC, Metro Bhawan, Fire
Brigade Lane, Barakhamba Road, New Delhi. |
| Dr. Vishwas Mehta | : | Chief Secretary, Government of Kerala, Government
Secretariat, Thiruvananthapuram. |
| Shri. Rajesh Kumar Singh | : | Additional Chief Secretary (Finance), Government of
Kerala, Government Secretariat,
Thiruvananthapuram. |
| Shri. K.R. Jyothishilal | : | Principal Secretary (Transport),
Government of Kerala, Government Secretariat,
Thiruvananthapuram. |
| Shri. S. Suhas | : | District Collector, Ernakulam, Collectorate, Kakkanad,
Kochi. |
| Shri. Alkesh Kumar Sharma | : | Managing Director, Kochi Metro Rail Ltd.,
4 th Floor, JLN Metro Station, Kaloor, Kochi. |
| Shri. Thiruman Archunan | : | Director (Projects) Kochi Metro Rail Ltd.,
4 th Floor, JLN Metro Station, Kaloor, Kochi. |
| Shri. D.K. Sinha | : | Director (Systems) Kochi Metro Rail Ltd.,
4 th Floor, JLN Metro Station, Kaloor, Kochi. |
| Shri. Kumar K.R. | : | Director (Finance) Kochi Metro Rail Ltd.,
4 th Floor, JLN Metro Station, Kaloor, Kochi. |





KOCHI METRO RAIL LIMITED

Registered Office: 4th Floor, JLN Metro Station, Kaloor, Kochi – 682017, Kerala, India.
Tel: +91 484 2846 700/2846 770, Fax: +91 484 2970 810, Website: www.kochimetro.org
CIN: U60100KL2011SGC029003.

NOTICE OF THE NINTH ANNUAL GENERAL MEETING

Notice is hereby given that the Ninth Annual General Meeting of the Shareholders of the Company will be held on 28th September 2020 at 03.00 PM at the Registered Office of the Company at 4th Floor, JLN Metro Station, Kaloor, Kochi – 682017, to transact the following businesses:

Ordinary Business

1. To receive, consider and adopt the audited financial statements of the Company for the financial year ended 31st March 2020 along with the Report of the Board of Directors, the Statutory Auditors thereon and the comments of the Comptroller and Auditor General of India.
2. To fix the remuneration to the Statutory Auditors M/s K. Venkatachalam Aiyer & Co., Chartered Accountants appointed by the Comptroller and Auditor General of India (for the financial year 2019-20) of Rs. 6,00,000/- (Rupees Six Lakh only) plus out of pocket expenses and taxes.

By Order of the Board of Directors

Place: Kochi
Date : 25/09/2020

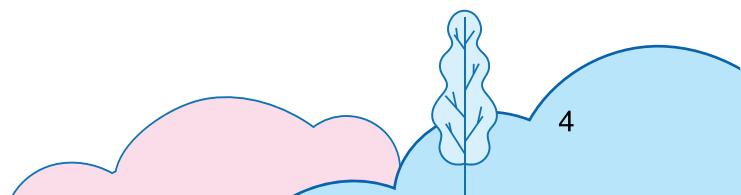
For Kochi Metro Rail Limited

sd/-

Shyam Sunder Agrawal
Company Secretary

Notes:

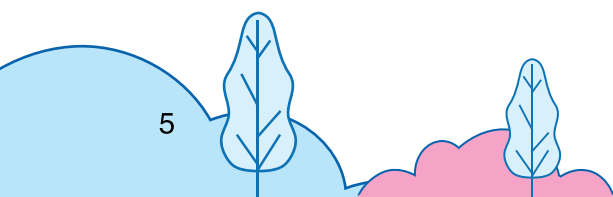
1. Annual General Meeting shall be conducted through the facility of VC in compliance with provisions stated in General Circular No 20/2020 dated 5th May, 2020 read with General Circular No 14 /2020 dated 8th April, 2020 and General Circular No 17/2020 dated 13th April, 2020 issued by Ministry of Corporate Affairs.
2. The facility for joining the meeting shall be kept open at least 15 minutes before the time scheduled to start the meeting and shall not be closed till the expiry of 15 minutes after such scheduled time.





3. Attendance of members through VC shall be counted for the purpose of reckoning the quorum under section 103 of Companies Act, 2013.
4. A Proxy is allowed to be appointed under section 105 of Companies Act, 2013 to attend and vote at a general meeting on behalf of a member who is not able to attend personally. Since AGM is scheduled to be held through VC where physical attendance of members in any case has been dispensed with, there is no requirement for appointment of proxies. Accordingly the facility of appointment of proxies by the members will not be available for AGM. However, in pursuance of section 112 and section 113 of Companies Act, 2013, representatives of the members may be appointed for the purpose of participation and voting in the meeting held through VC.
5. Designated E-mail id of the Company, on which members may convey their vote, when poll is required to be taken during the meeting on any resolution, is cs@kmrl.co.in. The members shall cast their votes on resolutions only by sending e-mails through their e-mail addresses which are registered with the Company.
6. Since Company has less than 50 members, the Chairman may decide to conduct a vote by show of hands, unless a demand for poll is made by any member in accordance with section 109 of the Companies Act, 2013.
7. The user id and / or password to participate in AGM via VC is circulated to members separately. Members may contact Company Secretary in case of any assistance required to participate in AGM via VC.
8. Comments from the Comptroller and Auditor General of India pursuant to section 139 (5) of the Companies Act, 2013 will be tabled.
9. The route map showing directions to reach the venue of the 9th AGM is annexed.

ROUTE MAP





KOCHI METRO RAIL LIMITED

Registered Office: 4th Floor, JLN Metro Station, Kaloor, Kochi – 682017, Kerala, India.
Tel: +91 484 2846 700, 2846 770, Fax: +91 484 2970 810, Website: www.kochimetro.org
CIN: U60100KL2011SGC029003.

ATTENDANCE SLIP

Please fill attendance slip and hand it over at the entrance of the meeting venue.

Name

Address

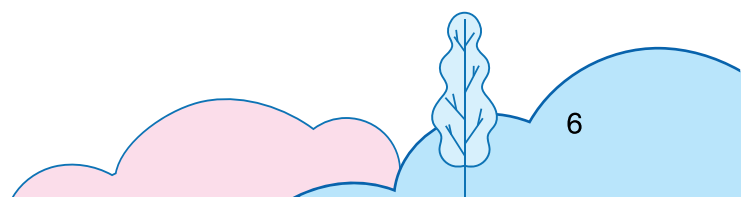
Folio No

No. of Shares held

I certify that I am the registered shareholder/proxy for the registered shareholder of the Company.

I hereby record my presence at the Ninth Annual General Meeting of the Company held on 28th September 2020 at 03.00 PM at Kochi Metro Rail Limited, 4th Floor, JLN Metro Station, Kaloor, Kochi – 682017.

Signature of Member / Proxy





CHAIRMAN'S MESSAGE



DURGA SHANKER MISHRA

Chairman, KMRL

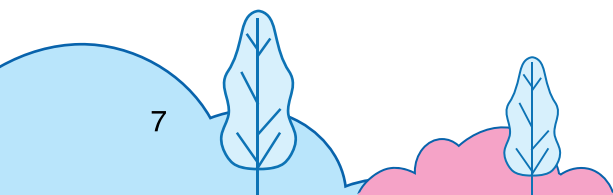
Secretary, Ministry of Housing and Urban Affairs
Government of India

I have great privilege in extending a warm welcome to the Ninth Annual General Meeting of your Company. The Board's Report and the Audited Annual Accounts of the Company for the Financial Year 2019-20 as well as the Statutory Auditors' Report have already been circulated to you and with your permission, I take them as read. The comments of Comptroller and Auditor General (C&AG) of India on the Supplementary Audit have been received. The C&AG has issued a nil report.

Your Company is currently operational for the stretch from Aluva to Petta; the revenue operation for the stretch from Aluva to Palarivattom commenced on 19th June 2017 and that of Palarivattom to Maharaja's College on 3rd October 2017. The stretch from Maharaja's College to Thykoodam was opened to the public on 3rd September 2019 and the final stretch from Thykoodam to Petta commenced commercial operations on 7th September 2020.

The average ridership per day in the initial stretch of Aluva to Palarivattom was 31,144 which increased to 36,005 on the opening of the next stretch till Maharajas in October 2017. The ridership has further increased on the opening of the next stretch of Phase I from Maharajas to Thykoodam to 64,320 and underwent a steady increase, touching 1,23,975 passengers per day by 1st January, 2020.

The COVID 19 pandemic and the ensuing lockdown had greatly affected the operations and revenue of the Company. The Metro operations were suspended from 22nd March 2020 as per Central Government and State Government directives due to COVID19 pandemic resulting in





zero fare box revenue, during the lockdown period. Company was able to resume operations from 7th September 2020 onwards as per the Unlock 4 Guidelines issued by Government of India.

During the lockdown period there was average monthly non-fare box revenue generation of Rs. 2.41 crore for the Company from Office Space Rentals, Semi Naming Rights and AFC Royalty premium. Furthermore, the Company incurred average monthly expenditure to the tune of Rs. 6.96 crore for the same period towards salary costs (to both regular and outsourced staff), power charges and maintenance costs etc.

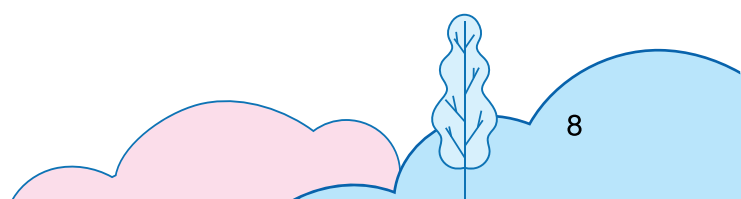
The Board of KMRL had approved Phase II of the Kochi Metro Rail Project from JLN station, Kaloor to Kerala's IT hub at Kakkanad comprising of 11 stations, with a length of 11.2 km. The Detailed Project Report (DPR), after revision under the new Metro Rail Policy 2017, was submitted to the Government of Kerala for its administrative sanction. On approval, it was forwarded to Government of India and on 26th February 2019 was accorded in-principle approval. The proposal is currently under active consideration of Government of India. Phase II is expected to be completed within a time span of 4 years.

Apart from providing a modern Mass Rapid Transit System in the city of Kochi, the Company is enlarging its role to become a total transport solution provider for the people. The Company is at work to integrate all modes of public transport, such as the metro, the buses, the ferries and non-motorised transport into a single seamless system, with a single network, a single ticket and a single timetable. In this regard, the Company had framed the **Kerala Metropolitan Transport Authority Act, 2019**. The Kerala State Legislative Assembly enacted the KMTA Bill, 2019 on 21st November 2019. It is also commendable to note the pivotal role played by KMRL in assisting GoK in the preparation of the draft KMTA Rules as well.

I am pleased to mention that your Company, along with Government of Kerala and Kreditanstalt für Wiederaufbau (KfW), has taken up the reins for the execution and operation of the Kochi Water Metro project named as the '**Integrated Water Transport Project**'. The project envisages to connect 38 jetties and provide inter-modal connectivity between jetties, bus terminals and the metro network, with 15 defined routes comprising a total length of 76 km. The construction of the first lot of terminals is underway and the contract for designing and building twenty three electric boats have been awarded.

Your Company has also been entrusted with the task of implementation of '**Integrated Urban Regeneration and Water Transport System**' by developing 6 major canals in the city of Kochi. The total length of the canal system to be regenerated is 35 km. The funding is availed through Kerala Infrastructure and Investment Fund Board (KIIFB).

It is also worth mentioning the steps taken by the Company for improving non-motorised





transportation facilities and improving last mile connectivity, by way of developing streetscapes, walking paths and cycle paths as well as the initiatives taken for improving critical road junctions for better mobility and urban transit safety. As a part of improving last mile connectivity, the Company introduced a feeder bus service '**Pavan Doot**' between Aluva Metro Station and Cochin Airport. It is commendable to note that the feeder earned a revenue of Rs. 1.77 lakh for a period of 10 days. Subsequently, another feeder van/bus service was also started between JLN Metro Station and Infopark, Kakkanad.

The role your Company has played in aggregating the private buses in the city has been instrumental. Presently, about 150 private buses under a pilot project in the name of '**Smart Bus**' are accepting Kochi 1 card as a fare payment instrument, along with other passenger friendly features. This Smart Bus initiative under the 'Seamless Mobility for Kochi', has won the 'Award of Commendable Initiative' in the category 'The Best City Bus Service Project' in the Urban Mobility India Conference, 2019 held at Lucknow and the award was received by the Hon'ble Minister for Transport, Govt. of Kerala.

I wish to place on record my deep regard towards all the stakeholders – Board of Directors, banks, shareholders, labour union, print, audio-visual and social media – who have provided due recognition, help and guidance in the furtherance of Company's objectives. I also wish to thank the various departments of Government of India and Government of Kerala for their unstinted support to the KMRL Project.

The people of Kochi and also from various parts of the State have embraced Kochi Metro and accepted KMRL with open arms. I would like to thank the citizens of Kochi and the people of Kerala for their continued patronage and encouragement, which has enabled the Company to go forward with its vision and goals, despite the difficulties encountered in project implementation.

I would like to conclude by appreciating the efforts made by KMRL's MD and other employees towards their contribution in transforming the Company to what it represents today. We have made tremendous progress, but we still have miles to go. Together, I am confident we will complete the transformation of KMRL into a company that creates significant value for all of its stakeholders.

Thanking you,

Sd/-

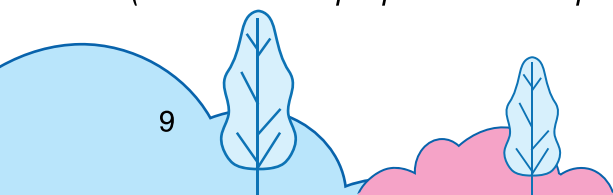
(Durga Shanker Mishra)

Chairman, KMRL

Secretary, Ministry of Housing and Urban Affairs

Government of India

(This does not purport to be the proceedings of the 9th Annual General Meeting of the Company)



BOARD'S REPORT 2019-20

Dear Members,

The Directors of your Company are pleased to present the Ninth Annual Report on the business and operations of the Company, along with the Audited Financial Statements, Auditor's Report and comments of Comptroller and Auditor General of India thereon for the financial year ending 31st March 2020.

Status of Revenue Operation

During the year under review, the total revenue generated was Rs. 134.95 crore inclusive of fare box revenue from metro train operations covering a total distance of 23.87 km from Aluva to Thykoodam, non-fare box revenue and external projects, as against Rs. 104.48 crore in the previous year.

The total expenditure incurred during the year was Rs. 115.77 crore (previous year Rs. 100.34 crore) giving a profit before Depreciation and amortization expenses, Finance cost, other comprehensive income and tax expenses amounting to Rs. 19.18 crore as against Rs. 4.13 crore in the previous year.

After adjustment of Depreciation and amortization expenses, Finance cost, other comprehensive income and tax expenses, a loss amounting to Rs. 310.01 crore (previous year Rs. 285.18 crore) was incurred during the year.

A snapshot of the financial result is given below:

Rs. in Lakh

Particulars	2019-20	2018-19
Gross Income	13495.05	10447.99
Operating Expenses	11577.20	10034.50
Profit/(Loss) before Interest and Depreciation	1917.85	413.49
Finance Charges	(16093.07)	7510.89
Gross Profit/(Loss)	(14175.22)	(7097.40)
Other Comprehensive Income	(21.64)	(29.99)
Provision for Depreciation and Impairment of assets	(16804.97)	(21391.03)
Net Profit/(Loss) before Tax	(31001.83)	(28518.42)
Provision for Tax	-	-
Net Profit/(Loss) after Tax	(31001.83)	(28518.42)



Share Capital and Subordinate debts

The total paid up Share Capital of KMRL as on 31st March 2020 is Rs. 1507.46 crore (previous year Rs. 1507.46 crore). Your Company has received 100% of the approved equity-funding share from Government of India and Government of Kerala.

Government of India and Government of Kerala have released their entire share of sub debt towards central taxes amounting to Rs. 248.50 crore each. Government of Kerala released Rs. 225.92 crore towards reimbursement of state taxes and Rs. 672.25 crore towards land acquisition, out of which Rs 366 crore is arranged as back to back loan from The Kerala State Cooperative Bank Limited on behalf of Government of Kerala.

Government of Kerala vide order No. G.O (Ms.) No.36/2019/Trans dated 15/07/2019 has given administrative sanction for the Extension of Phase I of the metro line from Petta to Thripunithura for Rs. 1066.62 crore. Rs 58.11 crore was released by GoK directly to Special Thahasildar LA towards land acquisition during the year 2019-20.

Dividend

In view of non-availability of distributable profits, your Directors do not recommended any dividend for the year ended 31st March, 2020.

Transfer to Reserves

Your Directors do not propose any amount to be transferred to the Reserves for the year ended 31st March, 2020.

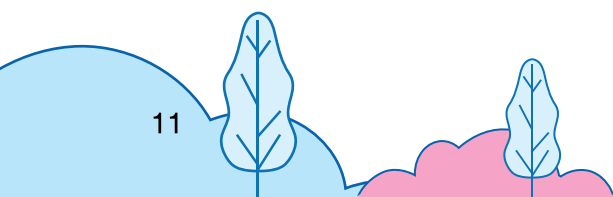
Term Loans & Working Capital Loan

The total loan outstanding as on 31st March, 2020 is Rs. 1260.75 crore and Rs. 1170 crore from AFD and Canara Bank respectively. Total loan outstanding towards cost escalation from Canara Bank as on 31.03.2020 is Rs.166.34 crore.

The total loan outstanding as on 31st March, 2020 for the Phase I extension from the consortium of Canara Bank & Union bank of India amounts to Rs 50.12 crore.

In addition to above, term loans are availed from the Kerala State Cooperative Bank Ltd and HUDCO towards land acquisition for project works and preparatory works with state government guarantee for repayment. The amounts outstanding as on 31.03.2020 is Rs. 376 crore and Rs 130 crore from Kerala State Cooperative Bank and HUDCO respectively.

An amount of Rs. 85.30 crore as working capital loan from Canara Bank is outstanding as on 31.03.2020.



The Project in Retrospect

Project Description – Phase I

The Phase I of the Kochi Metro Rail project was sanctioned in July 2012, which envisages a route length of 25.16 km from Aluva to Petta, on a fully elevated metro viaduct with 22 stations. The sanctioned cost of the project is Rs. 6218.14 crore (revised).

The Kochi Metro Rail Project consists of two basic construction elements, viz. the Civil Structural elements and the Systems. The Civil Structural element of Phase I comprises of the Metro Viaduct, 22 Metro Stations and the Track. The Systems consists of the Rolling Stock (Metro Rail Coaches), Signalling, Telecom and electrification for Traction & Power supply facilities. A metro train depot on 15.12 hectares of land has also been constructed for the stabling and maintenance of metro trains.

Phase – I (Aluva to Petta) Physical Progress (Civil) – 100%

Details of project completion as follows:

A. Reach 1 (Aluva to Palarivattom)

The works under Reach 1 from Aluva to Palarivattom, with a section length of 13.26 km and 11 stations were completed and the section was inaugurated by the Hon'ble Prime Minister on the 17th of June 2017. After the inaugural function, the Reach 1 section was opened to public on 19th June 2017.

B. Reach 2A (Palarivattom to Maharaja's College)

Reach 2A of Phase I from Palarivattom to Maharaja's College, comprising a length of 4.96 km and 5 stations was commissioned and opened to the public on 3rd of October 2017 after the inauguration by the Hon'ble Chief Minister of Kerala.

C. Reach 2B (Maharaja's College to Thykoodam)

Reach 2B of Phase I from Maharajas College to Thykoodam, encompassing a length of 5.65 km and 5 stations was inaugurated by the Hon'ble Chief Minister of Kerala and opened to the public on 3rd September 2019.

D. Reach 2C (Thykoodam to Petta)

The statutory clearance for the commissioning of Reach 2C of Phase I from Thykoodam to Petta with a length of 1.33 km and 1 station was received on 28.05.2020. The stretch shall be opened to the public subject to lifting of lockdown in connection COVID-19.

Extension of Phase I (Petta to Thripunithura Terminal)

Phase I extension consists of two Phases:

- Phase IA – from Petta to SN Junction; and
- Phase IB – from SN Junction to Thripunithura Terminal.



The approved cost of Phase IA (Petta to SN Junction) and Phase IB (SN Junction to Thripunithura Terminal) are Rs. 710.92 crore and Rs. 356 crore respectively.

a) Phase IA (Petta to SN Junction)

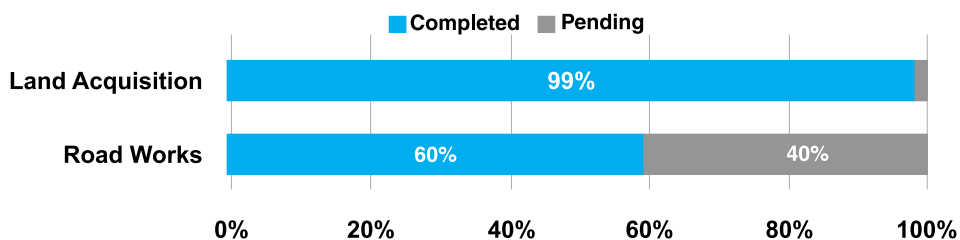
This stretch consists of viaduct of 2 km of 2 stations - SN Junction and Vadakkekotta. Land acquisition process except for Vadakkekotta Station has been fully completed. M/s L&T infrastructure Engineering Limited, Chennai has been appointed as Detailed Design Consultant for Phase I extension. The contract for preparatory works of Phase I Extension is awarded to M/s SEGURO Foundations & Structures and M/s Vijai Electricals, and the work is in progress.

The construction contract of viaduct, stations and 2 lane bridge across Panamkuttu River along Metro viaduct is awarded to M/s KEC-CCECC JV for Rs. 299.87 crore and the piling and pier works are in progress. Casting of girders have also started in full stretch at the casting yard. This stretch is expected to be commissioned by March 2022.

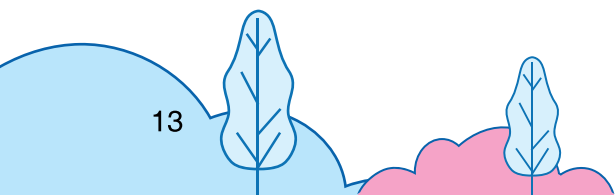
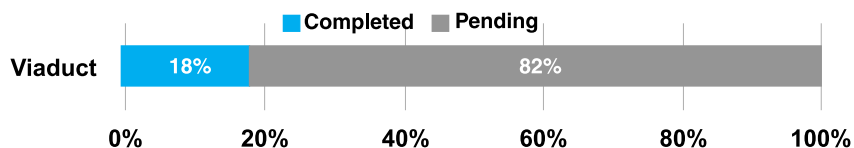
Tendering/issue of variation order for system works like power supply, traction, lift, escalator, E&M works, signalling and telecom, etc. are progressing as per the project schedule. All the system tenders are for the combined sections of Phase IA as well as for Phase IB. All the tenders are scheduled to be finalised before the end of July 2020.

The progress of the work as on May 2020 are highlighted below:

1. Preparatory Works



2. Metro works



b) Phase IB (SN Junction to Thripunithura Terminal)

Phase IB extension leads to Thripunithura Terminal station from SN Junction metro station with a length of 1.2 km. Government of Kerala has issued Administrative Sanction for extending Metro from SN Junction to Thripunithura vide GO.(Ms) No 27/2019/Trans dated 14.06.2019 for an amount of Rs. 356 crore.

Land Acquisition Status:

1. Administrative sanction for 206 cents received from GoK, for which requisition is under process.
2. Additional administrative sanction for land extent of 463.13 cents is awaited from GoK.

Work Status

- M/s LKT Engineering Consultants Ltd, New Delhi is appointed as Detailed Design Consultant for Phase IB. Design is under final stage.
- Civil tender uploaded. Tender opening scheduled on 14.07.2020.

Project status of Phase II

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

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

Further, based on the advice of MoHUA, the cost of the project was revised based on the cost being followed by other metros as well as the benchmark cost of Metro Rail Projects. The revised cost of the project, until completion of the project, is Rs. 1957.05 crore (including taxes & duties). The revised cost along with a supplementary document to the revised DPR was submitted to GoI



though GoK letter No.C2/75/2017/Trans dated 4th February 2019. The Revised DPR along with AAR and Comprehensive Mobility Plan (CMP) was circulated by MoHUA among the departments and ministries in the inter-ministerial committee and the clarifications sought were satisfactorily replied.

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

The proposal was considered in the Public Investment Board (PIB) meeting conducted on 13.03.2020, and is awaiting the approval of Cabinet.

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

1. Appointment of Project Management Consultant (PMC) for execution of the project in Engineering Procurement & Construction (EPC) contract mode: Tender for appointing PMC shall be floated by end of July /beginning of August 2020 subject to the approval of project by Gol.
2. (a) Preparatory Works: Government of Kerala has accorded administrative sanction of Rs. 189 crore for the preparatory works of Phase II. The Land Acquisition process for the same is in progress and it is expected that land acquisition will start from September 2020.
(b) Preparatory Works: Government of Kerala had issued Administrative Sanction for an amount of Rs. 74.07 Crore vide G.O.(Ms) 73/2018/TRANS as a preparatory works package of Phase II for widening 2.5 km of Seaport-Airport Road.

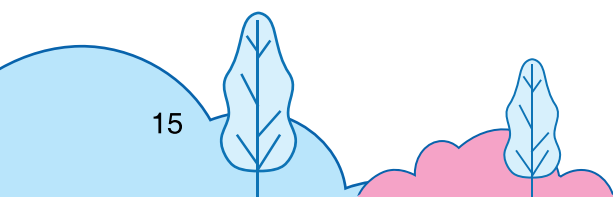
In line with the same, contract KBC1 for road widening along metro corridor for a 2.5 km stretch of Seaport-Airport Road from Kakkanad signal junction to Infopark expressway entrance has been awarded and work is expected to be completed by December 2020.

Metro Staff Quarters at Muttom:

During the phase of Operation & Maintenance of Kochi Metro Phase I, KMRL would be in requirement of residential quarters for operational staff. Keeping this in mind, KMRL had decided to invite tenders to obtain Design Consultancy Services, Project Management Service and Construction Agency involving civil, structural, architectural, mechanical, electrical and plumbing works to complete the construction. Subsequently, M/s Fountain head, M/s Aswathnarayan & Eswara LLP, M/s Kool Home Builders were selected respectively as DDC, Project Management Consultant and Contractor, after scrutinization of their credentials.

Construction of quarters to the staff in the Operation & Maintenance wing have been planned in three categories:

1. From NE5 to NE 8 – Type I, with Plinth area of 70Sqm (Phase I)
2. Up to Manager (E0-E3) – Type II, with Plinth area of 80Sqm



3. Up to SDGM – Type III, with Plinth area of 95Sq.m.

Construction for Phase I, with two residential towers with 112 units, sewage treatment plant with capacity of 70KLD and substation for electrical supply to the buildings has been completed. The quarters are also facilitated with firefighting and alarm systems as per NFPA requirements, including talkback system.

The buildings have 4 units in one floor, 56 units in 1 tower with a covered area of 509.38 Sqm; a total of two towers having 1018.76 Sqm for 112 units. Quarters are facilitated with one passenger lift (maximum capacity of 10 passengers) and another goods lift (maximum capacity of 15 passengers) in each of the towers to regulate the movement of the residents of the flats.

Bliss City

Government of Kerala has allotted 17.30 Acre of land to Kochi Metro Rail Limited for monetising and to generate non-fare box revenue vide Government order in the year 2013. Kochi Metro Rail Limited have decided to convert this land to an Entertainment Hub for all age groups, which can yield some good revenue to meet the Operational Expenses of Kochi Metro. In light of the same, a proposal for calling a consultancy towards Conceptualization of Bliss City was put forward to KMRL Board.

Subsequently, the 33rd Board Meeting of KMRL held on 3rd May 2019 resolved that “a reputed consultancy organization be appointed through an international competitive bid for the concept plan, DPR preparation, transaction advisory, bid process management, contracting and other related services for the project”. In view of the same, tender was called by KMRL to appoint consultancy for conceptualizing, preparing master plan etc. along with transaction advisory service. Through competitive tendering procedure, contract was awarded to M/s KPMG Advisory Services Private Limited on 24.07.2019 for a contract value of Rs. 1,27,70,400/- excluding taxes.

The detailed scope is as follows:

1. Submission of Inception Report
2. Preparing the Feasibility Report including 3 options
3. Final Detailed Project Report on approved Concept Plan and Marketing Plan
4. Tender Packaging and Preparation of Bid
5. Bid Process Management
6. Execution of agreement with successful Concessionaire

The progress of various activities under Bliss City is as below:

- The Consultant has completed initial reconnaissance and submitted the Inception Report and Feasibility Report as per the plan.
- Government of Kerala had identified another 14.5 Acre of land and is in the process of handing over to Kochi Metro Rail Limited for development along with 17.3 Acres of land, which is already handed over. As the additional 14.5 Acre of land identified is near the



handed over area, it was seen prudent to ensure that the master plan be developed by a single agency in order to maximize the value of the property and to have mutually complementing concepts. In view of the same, the Procurement Sub Committee of KMRL in its 5th Meeting held on 20th February 2020 approved the variation to the contract awarded to M/s KPMG Advisory Private Ltd for developing the master plan of additional 14.5 Acres of land in line with the existing scope for an amount of Rs. 44,69,640/- which brings the overall contract value to Rs 1,72,40,040/- excluding taxes.

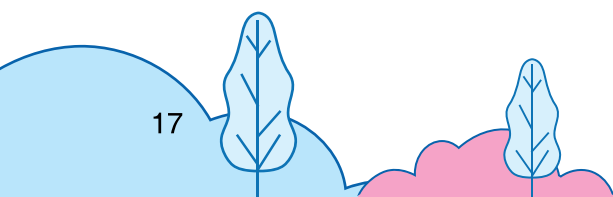
- The tender for the calling and selecting the developer(s) is expected to roll out in the month of August 2020.


Integrated Water Transport Project (Water Metro Project)

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

A consortium comprising of AECOM, UMTC and Zebec Marine was appointed as General Consultant on 2nd June 2017. Your Company has completed all the surveys of the project area for the General Consultant to finalize the project details. Your Company received all Statutory Clearance for the Water Metro Project from various statutory agencies like National Board for Wildlife, Archaeological Survey of India, Kerala Coastal Zone Management Authority and Kerala State Wetland Authority. The Ministry of Environment and Forest & Climate Change (MoEF & CC) recommended the Environmental Clearance for the Water Metro Project on 1st October 2019.

M/s KITCO was appointed for Detailed Design Consultancy on 5th June 2018 for the landside terminals. The Good for Construction drawings were issued for Vyttila, Kakkanad, High Court, Mattancherry, Vypin & Bolgatty terminals and work is progressing. The terminal construction contract was signed with M/s Marymatha Construction Company for the first lot of terminals viz. Vyttila-Eroor-Kakkanad. The next five terminals – High Court, Bolgatty, Vypin, Fort Kochi, and Mattancherry – which constitute the second lot, were also awarded to M/s Marymatha Construction Company. The RFP for 8 terminals was published and bid submission was on 8th June 2020. The technical bid evaluation is under progress.





KMRL has taken possession of all Government lands under Revenue and LSGD Departments except four parcels of land including KSRTC at Thevara, Revenue land at Thykoodam and Ernakulam Jetty and KINFRA land at Infopark. Administrative sanction from GoK has been received vide GO (Ms) No.34/2019/TRANS dated 2nd July 2019 for proceeding with the acquisition of 3.0464 Ha of private lands (23 parcels) and 3.251 Ha of Revenue Puramboku land for the construction of boat terminals and associated terminal facilities for implementing the Integrated Water Transport System in Kochi. The Social Impact Assessment Study was completed for 14 Jetties and Government of Kerala has approved the study. 11/1 notification is issued from district administration.

Your Company has awarded the contract to design and build Twenty-Three 100 Pax electric boats to M/s Cochin Shipyard Limited, Kochi, Kerala. The model test for the hull design was successfully completed at Marin, Netherlands. The first boat is scheduled to be delivered by December 2020. The contract for design and build of Sixty-five floating pontoons was awarded to M/s Marinetek Group OY, Finland. The contract for dredging and hindrance removal for the first phase of the project was awarded to M/s Tebma Marine Private Ltd.

Integrated Urban Regeneration and Water Transport System (IURWTS) Project

Your Company has been entrusted with the task of implementation of “Integrated Urban Regeneration and Water Transport System” by developing 6 major canals viz. Edappally Canal, Thevara-Perandoor Canal, Chilavannur Thodu, Thevara Canal, Market Canal and Konthuruthy Canal in the city of Kochi and to bring back these canals to their erstwhile glory, by taking into consideration the synergies with the ongoing Water Metro project. The total length of the canal system to be regenerated is 35 km. The funding is availed through Kerala Infrastructure and Investment Board (KIIFB).

A tripartite agreement between KIIFB, Coastal Shipping and Inland Navigation Department, GoK and your Company was executed on 28th February 2019 in the presence of the Chief Secretary of Government of Kerala. Your Company has also signed a MoU with M/s Bhavanam Foundation, a Government of Kerala undertaking, for taking care of the rehabilitation and resettlement aspects of the Project Affected People, on 2nd March 2019.

A Netherlands based consultancy firm, M/s Antea Nederland-M/s Antea India JV ,who has immense experience in the rejuvenation of such projects like “Room for River” has been appointed as the Project Management Consultant on 10th July 2019. Your Company has completed the LIDAR survey of the project command area and has prepared the Detailed Project Report (DPR) as per the requirements of funding agency and submitted to administrative department for approval. Further, contracts for getting EIA clearance from MoEF & CC, Bathymetric survey, Geotechnical surveys, flood modelling and Water Quality studies were awarded and works are in progress.



Rolling Stock and System Contracts

A. Rolling Stock

Rolling Stock deliveries of the 25 trains under the current order for Phase I part of the project have been completed. All the trains have been delivered to KMRL Depot; testing and commissioning of the trains are completed and inducted into the revenue service.

The machinery and plant required for maintenance of Rolling Stock have been delivered, installation completed and commissioned. The depot machinery includes the automatic train wash plant, pit wheel lathe etc.

B. Signalling & Telecom

Automatic Train Operation (ATO) has been introduced in the commissioned Reach 1, Reach 2A and Reach 2B sections. All the 25 trains are fitted with On Board ATO system and made available for revenue operation. The Signalling & Telecommunication works for the section Reach 2C from Thykoodam (TKDM) to Petta (PETT) are in progress. The work for implementing Automation Train Protection and Automatic Train Operation in the Muttom Depot are in progress and is planned to be commissioned along with Reach 2C.

C. Power Supply & Traction and Electrical & Mechanical

Power Supply and Traction works for the Reach 2B and 2C sections of Phase I project has been successfully completed. The revenue operation of Reach 2B section, which includes one Receiving Sub-Station located at Thykoodam along with five Auxiliary Sub-Stations and three Traction Sub-Stations, started functioning in the month of September 2019. The R2B section with One Auxiliary/Traction Sub-Station works are completed. CMRS inspection is completed and ready to start the train operations.

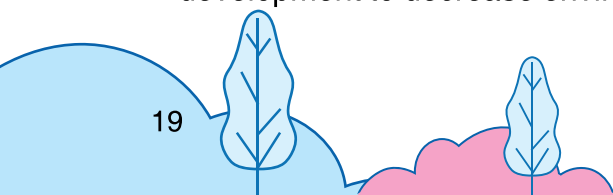
The work for supply and installation of lifts and escalators for Reach 2B and 2C are completed, except for LHS of Ernakulam South metro station. The CMRS and EIG inspections are completed for Reach 2B and EIG certificate is obtained for Reach 2C. In all, 19 lifts and 24 escalators are commissioned in Reach 2B and 2C sections.

The tender for lifts and escalators for Phase I extension has been floated. There are 21 lifts and 12 escalators planned to be installed in 3 stations coming up under Phase I extension.

The electrical and mechanical systems including the DG sets and the fire safety equipment and devices for the stations under the Reach 2A and Reach 2B sections have been commissioned along with other station assets. Similarly, the E&M systems for Reach 2C stations have been installed, commissioned and the EIG certifications obtained and awaiting the CMRS inspection.

D. Solar Plant

KMRL intends to promote the use of solar energy in an inclusive manner to ensure optimal usage of the available solar potential in this region. KMRL is committed towards sustainable development to decrease environmental degradation, to promote resource efficiency and to



support measures that contribute to the reduction of greenhouse gas emissions such as carbon dioxide.

In order to achieve full energy neutrality, KMRL has implemented solar rooftop project for an installed capacity of 2.670 MWp on the roofs of metro stations and Depot buildings. The project is implemented through RESCO (Renewable Energy Service Company) model in which the capital investment will be done by the contractor/power producer. Additionally, KMRL has commissioned a ground mounted solar power project, under RESCO model as our second project of capacity 2.7192 MWp in Depot of KMRL. The daily average generation from both these plants is about 23,000 units.

The third solar project under execution has an estimated capacity of 5.445 MWp from different sites of KMRL including station rooftops, Depot track area, parking area, and few rooftops of Depot buildings. Once this project is completed, KMRL is likely to enhance its energy neutrality up to 65%.

As the total capacity of plant becomes 10.8 MWp, the CO₂ emission reduction due to KMRL Solar plant will be about 13,302 tonnes/year, which is equivalent to planting of 5,33,033 teak trees.

E. Automated Fare Collection System

AFC system commissioned for 21 stations from Aluva to Thykoodam has been working satisfactorily since the opening of the section. In addition to QR code (both Paper based QR and Mobile App based QR) and contactless Smart card for transit operation, passes like Trip pass in Kochi 1 card, Day and Weekend passes in RFID paper tickets were launched for the benefit of regular commuters. To popularize and increase the usage of Kochi 1 card, issuance of the same from locations outside the metro premises was introduced. In addition to this, for the purpose of bulk issuance, Kochi 1 non-personalised card were introduced, which will reduce the issuance time at the counter. Kochi 1 Minor Cards (for age group 10 years to 18 years) were also introduced to promote the same among school/ college students. With these features, Kochi 1 cards can be now issued from educational institutes, corporate offices, public converging points like malls etc.

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

To have network redundancy for the operation of Automatic Gates, GPRS connectivity has been established for QR validation in all the 306 validators from ALVA to TKDM. The AFC works for Reach 2C section were completed and ready for CMRS.

The work for implementation of AFC system for Phase IA extension (Vadakkkekotta, SN junction and Thripunithura Terminal) and for Water Metro Project has been entrusted to M/s Axis Bank consortium by exercising the option available in the existing contract. The



preliminary design and the Bill of Quantities for Water Metro has been finalised.

F. IT Initiatives

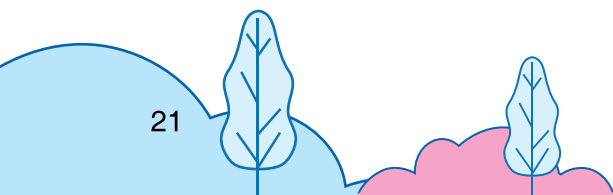
- **KMRL ESS System:** The employees in KMRL are provided access to the HRMS Open Source System named 'Odo', a web based employee self-service portal. The integration of Employee Profile, Time & Attendance, Shift as well as Leave are implemented and rolled out to users.
- **Project Updates:** KMRL IT department developed an MIS portal for senior management to see the latest updates of all running projects. The designated nodal officers are given a provision to provide data required and the same is updated to the portal on a weekly basis.
- **Disaster Recovery:** KMRL data was fortified by introducing Disaster Recovery System during this financial year.
- **New Corporate Office:** KMRL headquarters was relocated to a new office space at JLN Metro Station. The office is equipped with state-of-the-art IT infrastructure. The office space is fully Wi-Fi enabled, with cloud based storage of data, software enabled video conferencing, projectors / interactive screens / video walls in meeting rooms etc. The office building has been awarded Platinum Rating by the Indian Green Building Council (IGBC).

Operation and Maintenance

During the year under review, the operational section was extended to Thykoodam with opening of Maharaja College-Thykoodam (R2B) section on 03.09.2019. 15 Trains were run at a minimum headway of 05 min 50 seconds. A total of 70,751 trips were run, clocking 18,92,239 km with an average punctuality of 99.88%. The number of passengers travelled during the period was 1,81,07,722, generating a fare box revenue of Rs. 56,93,91,789. The fare box revenue up to February 2020 rose by 30% compared to corresponding period last year, before the effect of COVID-19 set in.

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

- a) Revenue service timings were extended during the special and festive occasions. On 02.06.2019 to facilitate candidates travelling for the UPSC examination, revenue services were preponed. During the ISL matches at JLN stadium additional trips was performed beyond normal revenue hours. On new year (01.01.2020), with extended timings KMRL registered a ridership of 1,23,975. The fare box earning was correspondingly Rs. 42,59,641, which has been the highest ever.
- b) Promotional fare was introduced together with opening of R2B section to enhance patronage. From 04.09.2019 to 18.09.2019, 50% rebate was offered both on QR ticket and Kochi 1 card. The same was tapered to 20% on QR ticket and 25% on Kochi 1 card which ran from 19.09.2019 to 30.09.2019.



- c) The use of Kochi 1 card among the commuters was promoted through various means. Issuance of card from outside metro premises was facilitated. New products viz. Day Pass, Weekend Pass, Student card for minors, Group Booking was introduced. The Kochi 1 card sales increased from 37,799 to 83,658 during the financial year. Similarly, the usage ratio of Kochi 1 card to QR ticket increased from 14.5% to 24.9%.

During the year, for providing last mile connectivity to airport a feeder bus service in the name and style “Pavan Doot” was launched between Aluva Metro Station and Cochin Airport. To attract different service providers for last mile connectivity, a feeder policy was put in place. Under the policy, another feeder bus service was also introduced between JLN metro station and Infopark.

To augment the safety culture among the staff Safety Week was celebrated from 4th March 2020 to 10th March 2020. Various events were conducted during the period to engage the staff in various safety related activities such as administration of Safety Pledge, Fire, First Aid, evacuation drills, lectures by distinguished professionals etc. Various competitions like safety quiz, safety poster and slogan writing were held and winners were felicitated. Further, to keep the operations staff abreast of safety procedures, 12 Mock Drills and 474 night drills were conducted during the year.

CCTV has been provided at the stations for surveillance and a means to enhance the security of metro commuters. During the year, cameras were provided/relocated to cover the street level view of entry/ exit of stations in Aluva – Maharaja's College section. This will facilitate CCTV coverage for the approach area of stations.

Rolling Stock maintenance: The rolling stock maintenance schedules were reduced through benchmarking with other metros and own experience compared to one provided by OEM. This brought a savings of Rs 12 lakh p.a. Further, rolling stock maintenance activities were outsourced resulting in a yearly savings of Rs 70 lakh.

Facility Management Services contract (KDS): The ticketing, cleaning and customer facilitation activities were rationalized during the year bringing in a reduction of 30% in the manpower strength requirement under the contract and bringing in corresponding savings.

Setting up of Electronics Repair lab: The sub-systems managed by various wings of O&M viz. COM, RST, STC, PST, and MEP have numerous electronic devices consisting of modules and circuit boards. An in-house common repairing facility was set-up in the Depot to facilitate troubleshooting and repair. The lab has workman benches, required tools, and measuring equipment. The lab will not only promote technical knowledge-sharing among the departments, but also serves as a training centre for the employees.

During the year, a total number of 1594 man-days training was conducted in Training Centre that included Competency training of 152 staff, Competency Refresher training of 188 staff, Induction Training of 112 staff, Ticketing training for 112 outsourced staff, Basic Fire and Lift training for 20 outsourced staff, Soft Skill training for 145 staff, Self-Defence technique for 21 women staff, road



safety for 08 staff, first aid hose reel for 33 staff, Troubleshooting training for 103 staff, and other various special drives for 197 staff. Internship in various disciplines for Engineering Students from various colleges were also conducted.

A downward trend in ridership was observed during the month of March due to COVID-19. From 22.03.2020 onwards, revenue service was stopped as per Government directives. Government has come out with various directives and model SOP to be followed for operating metro under the COVID-19 situation. The arrangement as per the guidelines has been completed and KMRL has readied itself to resume service at short notice.

Non-Motorised Transport Initiative

Out of Rs. 239 crore, different projects with a cumulative value of Rs. 32.19 crore has been completed as on date. The tender procedures and planning for the balance work is going on and will be commenced shortly.

Loan agreement and project agreements have been signed with AFD, France for 27 Million Euro for construction of footpath, cycle track, road safety etc. The request for loan withdrawal of Rs. 24 crore is under verification by AFD.

AMRUT - Atal Mission for Rejuvenation and Urban Transformation

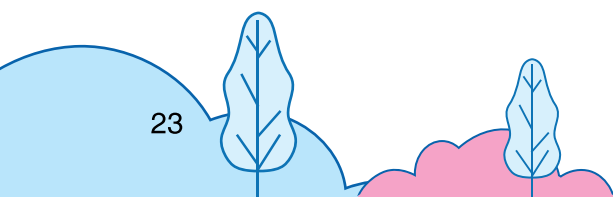
Atal Mission for Rejuvenation and Urban Transformation (AMRUT) is one of the new initiatives of Ministry of Housing and Urban Affairs (MoHUA) launched in June 2015, which aims to provide basic services to households and build amenities in cities to improve the quality of life for all, especially the poor and the disadvantaged. One of the key objectives of the project is Urban Transport and Green Space and Parks to ensure pedestrian friendly footage across the city and provide green access. MoHUA has selected the following (nine) cities in Kerala viz., Thiruvananthapuram, Kollam, Kochi, Thrissur, Kozhikode, Kannur Municipal Corporations and Alappuzha, Guruvayoor, Palakkad Municipalities for the programme.

GoK through Mission Director, SMMU Thiruvananthapuram has assigned KMRL for:

1. The preparation of DPR and implementation of Urban Transport Project for Kozhikode Municipal Corporation
2. The preparation of DPR and implementation of Urban Transport and Green space and Park Projects for Kochi Municipal Corporation.

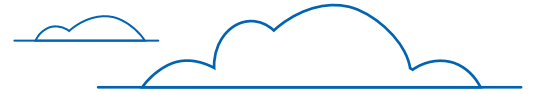
In this context, a tripartite agreement was signed on 10th January between KMRL, AMRUT Mission Director and Kochi/Kozhikode Municipal Corporations for the preparation of DPR including detailed design estimation and project supervision, providing end-to-end support for timely completion and handing over to the Municipal Corporations.

Three AMRUT projects are completed and remaining 14 projects are in progress.

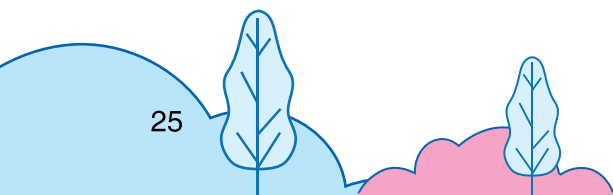


The project status is as follows:

AMRUT PROJECT DETAILS UNDER URBAN TRANSPORT , PARK AND GREEN SPACES DEVELOPMENT (April-2020)							
SI No	Project Details	Project Locations	AS Amount (In cr)	Status	Expected Project Completion	% of Work Completion	Remarks
1	Construction of Parks and Green Space Development at Various Location for Kochi Municipal Corporation under Amrut Scheme Saap 17-18 (package I)	Kudumbi Colony	3.619	Site was handed over in March 2020.	Aug 20		Site handed over only on March-2020 by Kochi Municipal Corporation)
		New park at Vyttila near Chilavannur kayal		Awaiting KCZMA approval		40%	Work has been temporarily stopped as per the instruction of District Collector for CRZ clearance. Awaiting KCZMA approval
		Mythiri Nagar Park		Work completed		100%	Work Completed and handed over to Kochi Municipal Corporation
		Vypin Jetty Green space development		Work completed		100%	
2	Construction of Walkway at Various Location for Kochi Municipal Corporation under Amrut Scheme Saap 16-17 & 17-18 (package II)	Walkway along Panorama Road	5.905	Work completed	July 20	100%	Due to COVID-19, the work was delayed and is targeted to be completed by July 2020.
		Walkway from Petta to Gandhi square		Paver tile laying in progress		68%	
		Walkway along Nazarath Janatha Jubile Road		Drain slab and Paver tile laying in progress		75%	
		Walkway and Junction Development at Thoppumpady		Drain slab laying in progress		72%	
		Walkway and Junction Development at Pambayimola Indira Gandhi		Paver tile laying in progress		64%	



AMRUT PROJECT DETAILS UNDER URBAN TRANSPORT , PARK AND GREEN SPACES DEVELOPMENT (April-2020)							
SI No	Project Details	Project Locations	AS Amount (In cr)	Status	Expected Project Completion	% of Work Completion	Remarks
3	Construction of Foot Over Bridge with Elevators and Escalators and Improving Accessibility Near Mofusil/new Bus Stand Under Amrut Scheme, Kozhikode (Package III)	Near New Bus Stand, Kozhikode	11.35	95% of 1.5km foot path work completed. FOB entry/ exit building plastering work in progress	Sep. 20	68%	Delivery of escalators and elevators delayed due to COVID-19.
4	Construction of Padmasarovaram Walkway and Cycle Track for Kochi Municipal Corporation under Amrut Scheme (Package IV)	Near Elamkulam Metro station	9.309	Work is on termination		6%	KCZMA has declined the proposal for CRZ clearance.
5	Construction of Walkway at Various Location for Kochi Municipal Corporation under Amrut Scheme Saap 16-17 & 17-18 (Package V)	Walkway from GCDA Jn to Kendriya Vidyalaya and Market road	6.602	Paver tile laying in progress	Jul-20	70%	Due to COVID-19, the work was delayed and is targeted to complete by July 2020.
		Walkway along Karnakodam Thodu		Interlock paver laying in progress		80%	
		Walkway along Chambakara Canal road		Handrail fabrication and fixing is in progress		80%	
		Walkway and Junction Development at Thevara Jn		Drain wall casting in progress		25%	
		Walkway from JLN Stadium to Pipe line road		Interlock paver laying and manhole slab paving in progress		60%	
		Walkway along Mulankuzhy beach road		Drain Kerbstone work ongoing		70%	
TOTAL			36.785				



Urban Transport

- a. KMRL had completed the task of assisting Government of Kerala in formulating the Country's first comprehensive urban mobility Act, 'The Kerala Metropolitan Transport Authority Act, 2019', as envisaged in the National Urban Transport Policy, 2006. The Kerala Legislative assembly enacted the KMTA Bill, 2019 on 21st November 2019. KMRL also assisted GoK in the preparation of draft KMTA Rules.
- b. KMRL has facilitated the 'Ernakulam District Autorickshaw Driver's Co-operative Society' to sign lease agreements with M/s. Kinetic Green Energy & Power Solutions Ltd. and M/s Mahindra & Mahindra Ltd. for operation of their E-Autos, as feeder to Metro Rail system, during the proposed scaling-up phase in 2020-2021.
- c. KMRL was instrumental in aggregating the private buses in the city. Presently, about 150 private buses under a pilot project in the name of 'Smart Bus' are accepting the Kochi 1 card as a fare payment instrument, along with other passenger friendly features. This Smart Bus initiative under the 'Seamless Mobility for Kochi', a multi-model transport integration initiative being implemented in Kochi in association with the Government of Kerala and KMRL has won the 'Award of Commendable Initiative' in the category of 'The Best City Bus Service Project' in the Urban Mobility India Conference-2019 held at Lucknow and the award was received by the Hon'ble Minister for Transport, Govt. of Kerala.

Human Resource

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

In view of the ongoing construction activities and the subsequent revenue operations, the intake of manpower and their competency building is in progress. As on 20th June 2020, KMRL has a team of dedicated personnel comprising of 97 in the Projects wing, 399 in the Operation & Maintenance wing and 18 in the Water Transport wing. Virtual classroom training programmes using centralized training infrastructure and resources were imparted to the newly recruited technical manpower for building up a competent workforce to meet our future operational/functional requirements.

As part of women empowerment, KMRL has taken cooperation of Kudumbasree (a women's self-help group), for providing services ranging from ticketing, housekeeping and crowd management at stations.

In the precarious situation prevailing all over the Nation due to the outbreak of COVID-19 pandemic, KMRL has followed the Government directions and precautionary measures for preventing the spread of COVID-19. All norms prescribed such as social distancing, wearing of



masks, usage of sanitising liquids when entering the office and leaving the office are made compulsory. Sanitation of the office premises are being carried out on a regular basis. All employees are permitted to enter the office and work places only after thermal scanning. During the lock down period, as per the instructions contained in various directives from MHA, KMRL has paid salary to its employees including outsourced staff, contract employees etc.

Employment of Reserved Category

The guidelines issued by Gol from time to time with regard to reservation of services for SCs/STs/PH/OBCs etc. are being meticulously followed. In order to fill up the short fall in SC/ST category, the Divisional Employment Exchange was approached for sponsoring suitable candidates, based on which due recruitment process was conducted. As on 20th June 2020, Company has employed 56 Scheduled Caste, 3 Scheduled Tribe, 246 Other Backward Class, 9 Ex-Servicemen and 5 differently abled persons.

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

Corporate Communication Management and presence in Social Media

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

Artrack Painting Competition (July 2019)

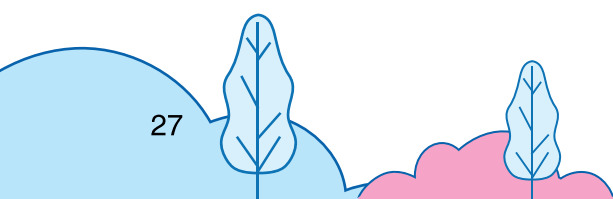
Artrack was a painting competition organised for school children in the Ernakulam District. More than 600 students participated and 1000 odd persons attended the event held at Aluva Metro Station. Through the event, KMRL ensured that spaces at Metro stations can be used for small events.

Vishu 2019 (April 2019)

Coordinated with the marketing team for the design and setting up of a stall for Tata Tea as part of a branding activity.

Christmas 2019 (Dec 2019)

Coordinated with the marketing team for the design and setting up of a stall for Tata Tea as part of a branding activity.



Durbar Hall Janakeeyam Stall Set Up

Set up a stall for Kochi Metro to showcase the much awaited Water Metro project as well as the progress of Kochi Metro.

Evolve Expo (July 2019)

KMRL was selected as the nodal agency of the Evolve Expo 2019. A first of its kind expo organised by the State Government saw thousands of electric vehicle enthusiasts and top brass of the government as well as manufacturers turning up. The Corporate Communication team singlehandedly managed the Public Relations including media coverage of the event. With the due support of Urban Transport wing, an event management agency was hired and the expo was executed without any glitches.

A small stall was also setup for Water Metro to promote the E-mobility of Water Metro.

150th birth anniversary of Mahatma Gandhi

To celebrate the 150th birth Anniversary of Mahatma Gandhi, CC department conducted few events and a short film competition in the last year.

Republic day was observed in Kochi. To commemorate the Republic Day KMRL joined hands with Gandhi Peace Foundation Kochi and conducted a public event. More than 1000 people attended the event and took oath against violence. 600 odd school students also participated in the event.

ATMA Short Film Contest

The first edition of ATMA Short Film Contest was announced on 17-07-2019 as a part of 150th birth anniversary of Mahatma Gandhi. The name of short film was drawn from the word Mahatma. The theme – 'Greed' was taken from the saying of Mahatma Gandhi "The world has enough for everyone's needs, but not everyone's greed," The contest was promoted online. A total of ten creative posts were done and shared on social media pages regarding the contest on Facebook, Instagram, Twitter, etc. A custom made video was shot and edited through which winners were announced.

Total no of entries: A total of 27 short films were received in mail by the last date on 25-09-2019. Out of this Nine films were shortlisted.

Thykoodam launch

KMRL on September 3rd opened five more stations. The inauguration of the event was conducted at Kadavanthra Rajiv Gandhi Indoor Stadium. An event agency was hired for the smooth conduct of the event. Chief Minister Pinarayi Vijayan and Union Minister Shri Hardeep Singh Puri attended the event. The CC team handled the media coverage while it had the support of the entire KMRL for the conduct of the event.



CC Department also worked in tandem with the Water Metro for the branding and development of customer experience.

Corporate Communications team also managed to keep the momentum going when it came to the mainstream media coverage. The team managed to keep the media interested and disseminated press releases. The department also managed to get full page coverages in leading vernacular and English newspapers. News channels also covered KMRL related events extensively.

The year that went past also saw a significant coverage on Social Media as well. 150 odd small videos were created and numerous posters were designed. Routine works such as Newsletters, blogs, website content updation were also carried out to promote the Company.

Vigil Mechanism

Your Board in its 23rd meeting held on 18th January 2016, has put in place a vigil mechanism/whistle blower policy in line with Section 177(9) of the Companies Act 2013. No further changes have been effected in it subsequently and the same holds good for the financial year 2019-20 as well. During the year under review, no complaint was received under Vigil Mechanism.

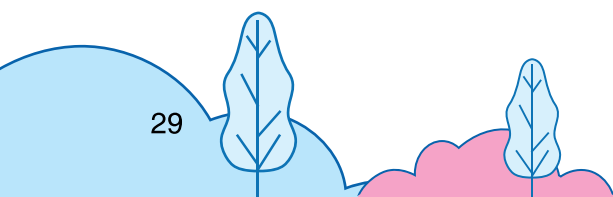
Right to Information

Your Company has implemented the Right to Information Act, 2005 (hereinafter referred to as "RTI Act"), which enhances the citizens by providing access to information with a view to enlighten them on the accountability and transparency practised in the Company. Appropriate officials have been designated as Public Information Officer (PIO), Assistant Public Information Officers (APIOs), and First Appellate Authority to ensure that various enabling provisions of the RTI Act are implemented in letter and spirit. During the FY 2019-20 a total number of 77 RTI Applications, as well as 10 First Appeals, were received by the Company. All the above referred RTI Applications, as well as First Appeals, were disposed of by the concerned officials in strict compliance with the provisions of the RTI Act. No Second Appeals were filed against the Company either before the Central Information Commission (CIC) or State Information Commission (SIC).

Conservation of Energy and Technology Absorption

Conservation of Energy

All the metro stations, offices, Depot areas, viaduct, parking areas, property development areas and wherever the lighting is required have been fitted with 100% of LED lighting, thereby saving energy in the lighting. Energy efficient LED lights are used in lighting the interior and exterior of the trains.





Variable Voltage Variable Frequency (VVVF) drive is used in the train's propulsion system, which uses optimized energy during the powering of the train. Regenerative braking technology is adopted in which the energy, otherwise supposed to be wasted during the braking, is converted into electricity and used by the trains.

Digital timer and occupancy sensor-based lighting control system is used in stations and Admin building to cut the wastage of power during unused time slots or empty areas.

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

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

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

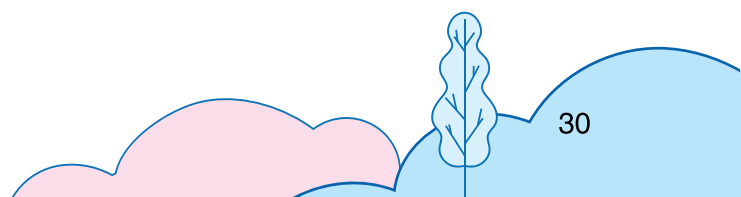
KMRL stations, Depot and the corporate office have adopted the green building norms in the design stage itself and the installations have been given the Platinum rating by the National Green Building Council.

Use of alternate source of energy

KMRL has adopted a solar energy policy and is striving to achieve full energy neutrality. KMRL has installed and commissioned solar power project of capacity 5.4 MWp in the building roofs or in the unused land area under the possession of KMRL. These projects were implemented through RESCO (Renewable Energy Service Company) model within all the CAPEX is invested by the power producer / contractor. Present average generation of solar energy stands at about 23,000 units per day. Further an additional capacity of 5.4 MWp has been contracted and the works have started.

Capital investment on energy conservation equipment

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





Technology Absorption

At the contracting stage itself necessary provisions have been used for technology absorption and accordingly the rolling stock for the KMRL has been manufactured only in india with a local content of about 70%, which has substantially reduced the cost of the trains. Presently, efforts are on to increase the local content in the escalators for the new stations, which otherwise is fully imported.

Particulars of loans, guarantees and investments

During the year under Report, your Company has not -

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

Related Party Transactions

During the year under review, your Company has not entered into any contracts or arrangements with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013.

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

Material changes and commitments

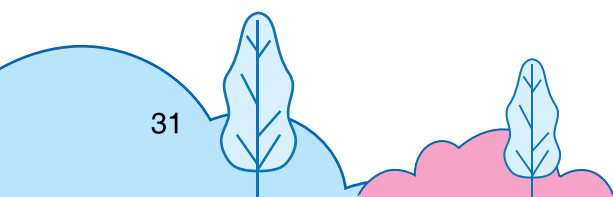
There have been no material changes and commitments affecting the financial position of your Company, which have occurred between the end of the Financial Year of the Company to which the financial statements relate the date of the Report.

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

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

Fixed Deposits

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





Foreign Exchange Earnings and Outgo

During the year, there was no foreign exchange earnings. However, an amount equivalent to Rs. 0.05 crore was incurred towards foreign travel.

Risk Management Policy

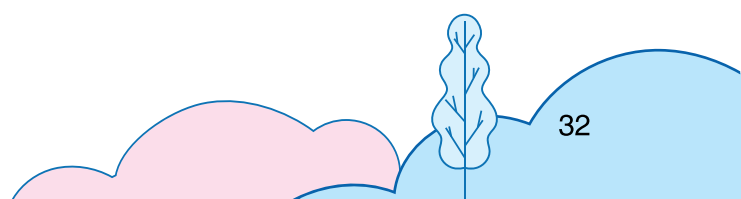
Your Company is committed to identify potential risks before they occur so that the risk management activities may be planned and invoked as and when needed across the life of the project and to mitigate its adverse impacts on achieving the larger objectives.

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

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

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

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





Corporate Social Responsibility and Sustainability Initiatives

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

Your Company has complied with the provisions of the Companies Act, 2013 in letter and spirit and has constituted a Corporate Social Responsibility Committee comprising of:

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

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

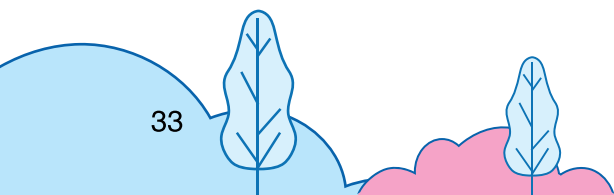
a. Median beautification

Median beautification is essential in order to enhance the aesthetics along the metro alignment and contribution to environment (greening). Hence, KMRL has envisaged to award medians from Edappally to Thykoodam to interested sponsors for beautification along with the maintenance of junctions beautified by KMRL. The contract period is for two years. Total 103 medians have been awarded so far for median beautification by KMRL.

b. Bio waste management in stations

KMRL has installed locally moulded oven dried clay/Terracotta pots in stations and Depot for bio degradable waste management. All types of biodegradable waste are collected and processed in these units and hence the cost of transporting the waste from the stations/depot has reduced and the waste can be processed in the source station itself.

Compost produced in these units are utilized for gardening activities in KMRL premises. By installing these pots, KMRL has not only helped the pottery cottage industry but has also added to its social responsibility. On an average 100 kg of bio-waste is collected and processed from depot and 22 metro stations per day.





c. Dry waste to vendor and taking equivalent recycled material for office use

As part of sustainability initiative, paper and plastic waste recycling was outsourced to an NGO foundation (Eshree foundation based out of Coimbatore who will collect waste through their franchise Ecorycle in Kochi). A tripartite agreement was signed between KMRL and the NGO. As per the agreement the NGO will collect all the paper and plastic waste and in return, they would give KMRL money or equivalent by-products as decided by KMRL. The envisaged stations for the recycling project on a pilot basis are Muttom, JLN, Maharajas and Thykoodam.

These measures not only eliminated the monthly expenditure of Rs.1.15 Lakh of collecting the waste from individual stations, but also contributed in making waste management more sustainable.

A total of 2500 kg of paper waste and 80kg of plastic waste were collected in two months December'19 and January 2020 and in lieu of which 14 bundles of A4 paper has been supplied by the vendor.

d. Rain water harvesting

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

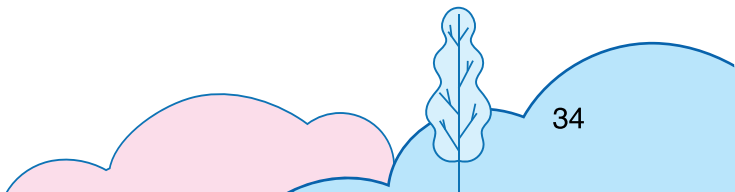
Based on these studies conducted, an MOU has been executed between KMRL and SCMS and a pilot project of rain water harvesting has been implemented in Companypady metro station. It is planned to further extend rain water harvesting plants to more stations.

Alternate Revenue Initiatives

During the year 2019-20, KMRL leased out approximately 29000 sq. ft. of space with tenure of 5 to 10 years. The clients include Norka Roots, Kerala Land Reforms & Development Co-op Society Ltd., Syndicate Bank, Thodupuzha Drug House Pvt. Ltd., McDonalds, etc.

Explanation or comments by the Board on every qualification, reservation or adverse remark or disclaimer made by:

Annexed separately to this report





Board of Directors

As on 31.03.2020, the Board of your Company comprises of 12 Directors, of whom 4 Directors are nominees of Government of India, 5 Directors are nominees of the Government of Kerala and 3 are Functional Directors. The Secretary, Ministry of Housing and Urban Affairs, Government of India is the Chairman, while the Managing Director is a nominee of Government of Kerala. A detailed note on the Board of Directors is provided under the 'Corporate Governance Report'.

Number of Meetings of the Board

During the financial year 2019-20, the Board of Directors of your Company met four times, on 3rd May 2019, 9th August 2019, 3rd September 2019 and 19th December 2019.

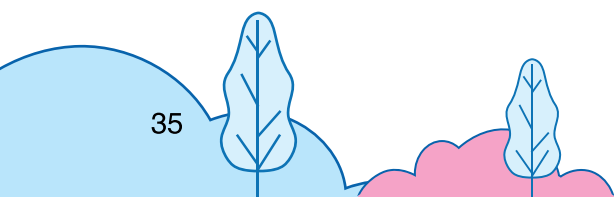
Committees of the Board

The Board has constituted eight sub-committees commensurate with the size and nature of the operations of KMRL. These are the Audit Committee, the Corporate Social Responsibility Committee, the Human Resource Development and Nomination and Remuneration Committee, the Operation and Maintenance Committee, the Project Management Committee, the Investment Committee, the Procurement Committee and the Property Development Committee. Each of these sub-committees has clearly spelt out Terms of References duly approved by the Board. These sub-committees meet according to the requirements of your Company from time to time. The details of the sub-committees of the Board are provided under the section 'Corporate Governance Report'.

Directors and Key Managerial Personnel

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

Sl No	Name of the Director ceased	Date of cessation	Name of the Director appointed	Date of appointment
1.	Shri M. Sivasankar	10.07.2019	Shri K.R. Jyothilal	10.07.2019
2.	Shri K. Mohammed Y. Safirulla	07.08.2019	Shri S. Suhas	07.08.2019
3.	Shri Dimpy Garg	09.08.2019	–	–
4.	Shri A.P.M. Mohammed Hanish	25.09.2019	Shri Alkesh Kumar Sharma	25.09.2019
5.	Shri Mukund Kumar Sinha	06.12.2019	Shri Jaideep	09.08.2019
6.	Vice Admiral S.K.K. Krishnan	19.12.2019	–	–
7.	Shri Manoj Joshi	13.02.2020	Shri Rajesh Kumar Singh	13.02.2020



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

- Shri Durga Shanker Mishra
- Shri D.K. Saini
- Smt Sujatha Jayaraj
- Shri Tom Jose
- Shri Thiruman Archunan
- Shri Kumar K.R.
- Shri D.K. Sinha

Directorial changes that occurred up to 31st March, 2020:

- On 10th July 2019, Shri K.R. Jyothilal, Principal Secretary (Transport), Government of Kerala took charge as Director (Government of Kerala nominee) on the Board in place of Shri M. Sivasankar.
- On 7th August 2019, Shri S. Suhas, District Collector Ernakulam took charge as Director (Government of Kerala nominee) on the Board in place of Shri K. Mohammed Y. Safirulla.
- On 9th August 2019, Shri Jaideep, Executive Director, Electrical Engineering, Railway Board took charge as Director (Government of India nominee) on the Board in place of the previous Railway Board nominee.*
- On 19th September 2019, Vice Admiral S.K.K. Krishnan, Independent Director, tendered his resignation and ceased to be a Director on KMRL Board.
- On 25th September 2019, Shri Alkesh Kumar Sharma, on repatriation from central deputation, was appointed as Managing Director by the Government of Kerala in place of Shri A.P.M. Mohammed Hanish.
- On 6th December 2019, Shri Jaideep, Executive Director, Electrical Engineering, Railway Board was nominated as Director (Government of India nominee) on the Board in place of Shri Mukund Kumar Sinha.*
- On 13th February 2020, Shri Rajesh Kumar Singh, Additional Chief Secretary (Finance), Government of Kerala took charge as Director (Government of Kerala nominee) on the Board in place of Shri Manoj Joshi.

**Shri Jaideep, in his capacity as Executive Director, Electrical Engineering, Railway Board, was nominated as Director on Kochi Metro Rail Limited in place of the previous Railway Board nominee Shri Dimpy Garg vide Gol Letter No. K-14011/17/2017/MRTS-Coord dated 9th August 2019. Subsequently, on cessation of office of Shri Mukund Kumar Sinha, Shri Jaideep took charge as OSD (UT), MoHUA and was nominated as Director on KMRL Board in place of Shri Mukund Kumar Sinha; vide Gol Letter No. K-14011/P-1/2016-UT-V dated 6th December 2019, thereby resulting in a vacancy of Railway Board nominee on KMRL Board.*



Directorial changes that occurred after 31st March, 2020 but before the date of this report:

- On 31st May 2020, Dr Vishwas Mehta, Chief Secretary, Government of Kerala took charge as Director (Government of Kerala nominee) on the Board in place of Shri Tom Jose.

Board placed on record its appreciation of the services of Shri Tom Jose, Shri A.P.M. Mohammed Hanish, Shri Mukund Kumar Sinha, Vice Admiral S.K.K. Krishnan and Shri Manoj Joshi during their tenure as Directors.

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

- Shri Alkesh Kumar Sharma—Managing Director
- Shri Thiruman Archunan—Director, Projects
- Shri Kumar K.R.—Director, Finance cum CFO
- Shri D.K. Sinha—Director, Systems
- Shri Shyam Sunder Agrawal—Company Secretary

Performance appraisal of Directors

Your Company conducts performance appraisals of all three of its functional directors on a yearly basis. In the year under review, all the three functional directors performed well in their respective fields.

In the case of nominee directors, the performance appraisal is undertaken by the respective governments, they are nominated by.

Details of Subsidiary, Joint Venture and Associate Companies

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

Presentation of financial statements

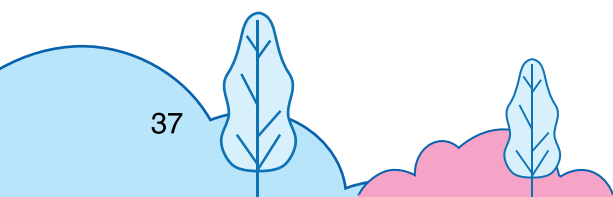
The financial statements of your Company for the year ended 31st March 2020 have been disclosed as per Schedule III to the Companies Act, 2013. Your Company is under the process of preparing and presenting the Economic Balance Sheet.

Significant and Material orders

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

Extract of Annual Return

In terms of provisions of section 134(3)(a) of the Companies Act, 2013, the extract of the Annual



Return as provided under sub-section (3) of section 92 of the Companies Act, 2013 in form MGT-9 is attached and forms part of this Board's Report.

Internal Financial Control

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

Corporate Governance

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

Secretarial Standards of ICSI

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

Auditors

Statutory Auditor

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

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

Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013, M/s Vivek Sarath & Naufal, Firm of Practising Company Secretaries, was appointed to conduct the secretarial audit of your Company for the year 2019-20. The report from the secretarial auditor and the comments to every observation/qualification made by the Company Secretary in practice in his secretarial audit report is annexed to this Report.

Internal Auditor

M/s P Parikh & Associates Chartered Accountants, Kochi, were appointed as the Internal Auditors of your Company to conduct internal audit and oversee the duties of the internal auditors of the Company and their report is reviewed by the Audit Committee from time to time.



Directors' Responsibility Statement

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

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

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

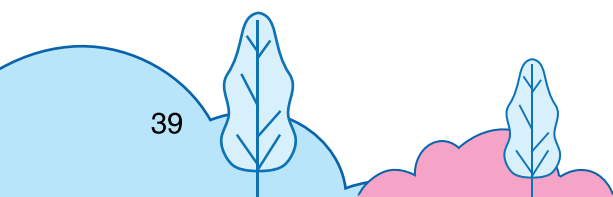
- in the preparation of the annual accounts for the financial year ended 31st March, 2020, the applicable accounting standards have been followed along with proper explanations for material departures;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Company at the end of the financial year and of the profit and loss of your Company for that period;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of your Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going-concern basis;
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating effectively.

Change in nature of Business

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

Other Disclosures – Prevention of Sexual Harassment in the Workplace

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





Composition of the Internal Complaints Committee:

- Ms. Seeni Alex Kuruvilla, JGM(F&A) - Presiding Officer
- Dr Lizamma Koshy, Retd HoD (Chem) - External Member
Maharajas College, Ernakulam
- Ms. Lilly Kutty Raju, ES to MD - Member
- Dr A. J. Augustine, GM(HR, Admn & Trg) - Member & Convener

There were three cases of sexual harassment reported during the year and were appropriately disposed.

Acknowledgement

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

For and on Behalf of the Board of Directors,

Place: Thiruvananthapuram
Date: 28.07.2020

(Sd/-)
Chairman

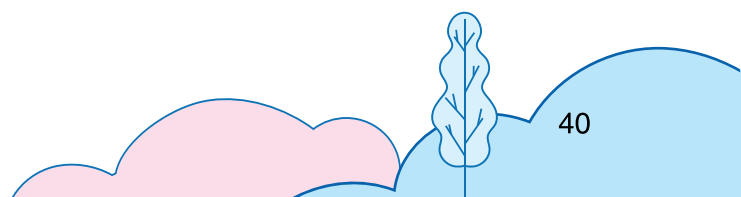
Annexure - 1

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

The Secretarial Auditor raised an observation that composition of Human Resource Development and Nomination & Remuneration Committee is not in line with section 178(1) of the Act, with effect from 19.12.2019.

During 2019-20, the HRD & NR Committee was constituted as per provisions of section 178(1) of the Act till 19.12.2019, the Company shall ensure the compliance of the same by reconstitution of the Committee in its ensuing Board Meeting.

Place : Cochin
Date : 11.09.2020





EXTRACT OF THE ANNUAL RETURN (FORM MGT 9)

As on the Financial Year ended on 31st March, 2020

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

- i. Corporate Identity Number (CIN) : U60100KL2011SGC029003
- ii. Registration Date : 02.08.2011
- iii. Name of the Company : KOCHI METRO RAIL LIMITED
- iv. Category/Sub-Category of the Company : PUBLIC COMPANY
- v. Address of the Registered office and Contact Details : 4TH FLOOR, JLN METRO STATION, KALOOR, KOCHI, KERALA, INDIA, PIN – 682017.
Tel: +91 484 2846 700, 2846 770
Fax: +91 484 2970 810
E-mail: contact@kmrl.co.in
Website: www.kochimetro.org
- vi. Whether listed Company : NO
- vii. Name, Address and Contact details of Registrar and Transfer Agent, if any : NA

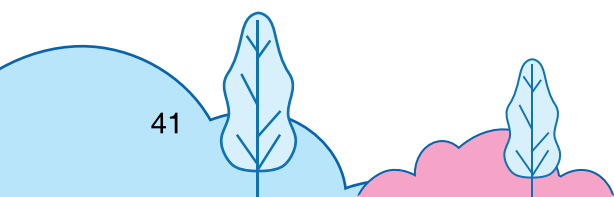
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

SL. No.	Name and Description of the main products/ services	NIC Code of the product/ service	% to total turnover of the company
1.	Metro Railways	99532124	60.38
2.	AFC Annual Premium	99715926	14.41
3.	License Fees, semi naming rights	99831690	11.94

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

The Company does not have any holding, subsidiary and associate companies.



IV. SHAREHOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

I) Category-wise Shareholding

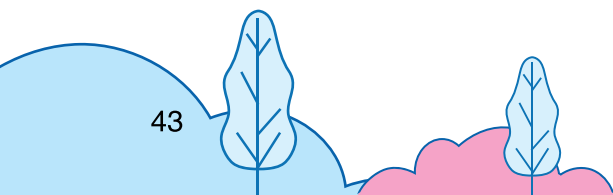
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoters									
(1) Indian	-	-	-	-	-	-	-	-	-
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	7,53,73,000	7,53,73,000	50	-	7,53,73,000	7,53,73,000	50	-
c) State Govt.(s)	-	7,53,73,000	7,53,73,000	50	-	7,53,73,000	7,53,73,000	50	-
d) Bodies Corporate	-	-	-	-	-	-	-	-	-
e) Bank/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
SUB TOTAL:(A) (1)	-	15,07,46,000	15,07,46,000	100	-	15,07,46,000	15,07,46,000	100	
(2) Foreign									
a) NRIs - individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other...	-	-	-	-	-	-	-	-	-
SUB TOTAL (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	-	15,07,46,000	15,07,46,000	100	-	15,07,46,000	15,07,46,000	100	-
B. PUBLIC SHAREHOLDING									
(1) Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Fund	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIS	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
l) Others (specify)	-	-	-	-	-	-	-	-	-



Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
SUB TOTAL (B)(1)	-	-	-	-	-	-	-	-	-
(2) Non Institutions									
a) Bodies Corporate	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital up to Rs.1 lakh	-	-	-	-	-	-	-	-	-
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
SUB TOTAL (B) (2):	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	15,07,46,000	15,07,46,000	100	-	15,07,46,000	15,07,46,000	100	0

ii) Shareholding of Promoters

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	President of India	7,53,73,000	50	-	7,53,73,000	50	-	0
2	Governor of Kerala	7,53,73,000	50	-	7,53,73,000	50	-	0
	Total	15,07,46,000	100	-	15,07,46,000	100	-	0



iii) Change in Promoters' Shareholding (please specify, if there is no change)

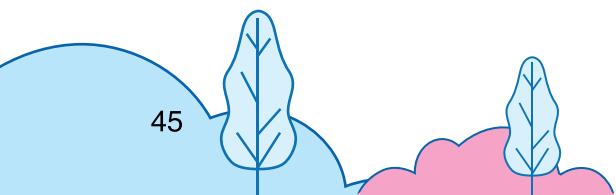
Sl. No.	Name of Promoters	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year				
1.	President of India	7,53,73,000	50	-	-
2.	Governor of Kerala	7,53,73,000	50	-	-
	Total	15,07,46,000	100	-	-
	Change in shareholding	-	-	-	-
	At the end of the year				
1.	President of India	-	-	7,53,73,000	50
2.	Governor of Kerala	-	-	7,53,73,000	50
	Total	-	-	15,07,46,000	100

iv) Shareholding pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
At the beginning of the year	-	-	-	-
Date wise Increase/Decrease in Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc.)	-	-	-	-
At the end of the year (or on the date of separation, if separated during the year)	-	-	-	-


iv) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1.	Shri Durga Shanker Mishra				
	At the beginning of the year	1	—	—	—
	At the end of the year	1	—	—	—
2.	Shri Mukund Kumar Sinha				
	At the beginning of the year	1	—	—	—
	At the end of the year	1	—	—	—
3.	Shri A.P.M. Mohammed Hanish				
	At the beginning of the year	2	—	—	—
	At the end of the year	0	—	—	—
4.	Shri Alkesh Kumar Sharma				
	At the beginning of the year	0	—	—	—
	At the end of the year	2	—	—	—
5.	Smt Sujatha Jayaraj				
	At the beginning of the year	1	—	—	—
	At the end of the year	1	—	—	—
6.	Shri D.K. Saini				
	At the beginning of the year	1	—	—	—
	At the end of the year	1	—	—	—
7.	Shri Tom Jose				
	At the beginning of the year	1	—	—	—
	At the end of the year	1	—	—	—
8.	Shri Manoj Joshi				
	At the beginning of the year	1	—	—	—
	At the end of the year	1	—	—	—
9.	Shri M. Sivasankar				
	At the beginning of the year	1	—	—	—
	At the end of the year	0	—	—	—
10.	Shri K.R. Jyothilal				
	At the beginning of the year	0	—	—	—
	At the end of the year	1	—	—	—
11.	Shri K. Mohammed Y. Safirulla				
	At the beginning of the year	1	—	—	—
	At the end of the year	0	—	—	—



Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
12.	Shri S. Suhas				
	At the beginning of the year	0	—	—	—
	At the end of the year	1	—	—	—
13.	Shri Thiruman Archunan				
	At the beginning of the year	—	—	—	—
	At the end of the year	—	—	—	—
14.	Shri D.K. Sinha				
	At the beginning of the year	—	—	—	—
	At the end of the year	—	—	—	—
15.	Shri Kumar K.R.				
	At the beginning of the year	—	—	—	—
	At the end of the year	—	—	—	—
16.	Shri Shyam Sunder Agrawal				
	At the beginning of the year	—	—	—	—
	At the end of the year	—	—	—	—

Note: The Directors hold shares as nominees of the Government.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/ accrued but not due for payment
(Rs. in Lakh)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	149,282.39	150,751.09	-	300,033.48
ii) Interest due but not paid	-	-	-	
iii) Interest accrued but not due	8,852.50	80.85		8,933.35
Total (i+ii+iii)	158,134.88	150,831.95	-	308,966.83
Change in Indebtedness during the financial year				
· Addition	40,397.29	11,947.04		52,344.33
· Reduction	-			
Net Change	40,397.29	11,947.04	-	52,344.33
	-	-	-	
Indebtedness at the end of the financial year				
I) Principal Amount	184,758.94	162,693.64	-	347,452.58
ii) Interest due but not paid	5,734.28	-	-	5,734.28
iii) Interest accrued but not due	8,038.96	85.34	-	8,124.30
Total (i+ii+iii)	198,532.18	162,778.98	-	361,311.16

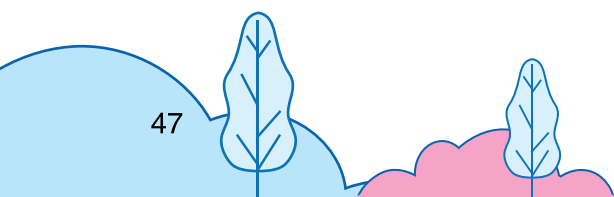


VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. in Lakh)

Sl. No.	Particulars of Remuneration	Name of the MD/WTD/Manager					Total Amount
		Shri A.P.M. Mohammed Hanish (MD)	Shri. Alkesh Kumar Sharma (MD)	Shri Kumar K R (WTD)	Shri DK Sinha (WTD)	Shri Thiruman Archunan (WTD)	
1	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	14.60	22.74	36.70	37.46	41.11	152.61
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	2.53	0	0	0	2.53
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			-	-		-
2	Stock option						
3	Sweat Equity						
4	Commission						
	as % of profit others (specify)						
5	Others, please specify	2.28	7.33	5.43	5.14	7.36	27.54
	Total (A)	16.88	32.60	42.13	42.60	48.47	182.68
	Ceiling as per the Act	Not Applicable					



Salary and perquisites include all elements of remuneration i.e. salary, allowances and benefits. No bonus, pension or performance linked incentive is paid to any of the Directors. The Company has not issued any stock option to any of the Directors.

B. Remuneration to other Directors:

During the year the Company has not paid any remuneration to the non-executive Directors.

C. Remuneration of Key Managerial Personnel other than MD/Manager/WTD:

Sl. No.	Particulars of Remuneration			Key Managerial Personnel		
	Gross Salary	CEO	Company Secretary B Anilkumar (from 01.04.2019 to 01.07.2019)	Company Secretary Shyam Sunder Agrawal (from 29.07.2019 to 31.03.2020)	CFO	Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	-	6.30	9.96	-	16.26
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	0	-	0
	C) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	as % of profit	-	-	-	-	-
	others, specify	-	-	-	-	-
5	Others, please specify	-	-	1.88	-	1.88
	Total		6.30	11.84		18.14

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES

During the year 2019-20, there were no penalties/ punishment/ compounding of offences under the Companies Act, 2013.



भारतीय लेखा तथा लेखा परीक्षा विभाग

कार्यालय प्रधान निदेशक वाणिज्यिक लेखा परीक्षा
तथा पदेन सदस्य लेखा परीक्षा बोर्ड, चेन्नै

*Indian Audit and Accounts Department
Office of the Principal Director of Commercial Audit
and ex-officio Member Audit Board, Chennai*

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF KOCHI METRO RAIL LIMITED, KOCHI FOR THE YEAR ENDED 31 MARCH 2020.

The preparation of financial statements of Kochi Metro Rail Limited for the year ended 31 March 2020 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) are the responsibility of the management of the company. The statutory auditor appointed by the Comptroller and Auditor General of India under section 139 (5) of the Act are responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 28.07.2020.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Kochi Metro Rail Limited for the year ended 31 March 2020 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

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

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

**Sd/-
(R. AMBALAVANAN)
Director General of Commercial Audit, Chennai**

Place: Chennai

Date : 28 September 2020

CORPORATE GOVERNANCE REPORT

Corporate Governance in simple words mean the way in which a corporation is governed. It refers to mechanisms, processes and relations by which corporations are controlled and directed. Corporate Governance is a systematic process driven by ethical conduct of the business and affairs of an organisation, aimed at promoting sustainable business and enhancing shareholders value in the long term. The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability across all business practices. It essentially involves balancing the interests of a company's stakeholders, such as shareholders, management, customers, suppliers, financiers, government and the community. We believe that Corporate Governance is a continuous journey for sustainable value creation for all the stakeholders driven by our values of Integrity, Commitment, Passion, Seamlessness and Speed.

Board of Directors

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

Composition of Board of Directors

As on date of this report, the Board of Directors of KMRL comprises of 12 Directors, of whom 4 Directors are nominees of the Government of India, 5 Directors are nominees of the Government of Kerala, and 3 are Functional Directors. The Chairman is the Secretary, Ministry of Housing and Urban Affairs, Government of India, and the Managing Director is a nominee of Government of Kerala.

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

Attendance record of Directors:

Sl. No.	Name of Director	Meetings held in 2019-20 during the tenure of their directorship	Meetings attended	Attended AGM
1.	Shri Durga Shanker Mishra	4	4	No
2.	Shri Mukund Kumar Sinha	3	1	No
3.	Shri Jaideep	2	1	No
4.	Smt Sujatha Jayaraj	4	2	Yes
5.	Shri D.K. Saini	4	3	No
6.	Shri Dimpy Garg	2	1	No
7.	Shri Tom Jose	4	3	Yes
8.	Shri Manoj Joshi	4	1	Yes
9.	Shri K.R. Jyothilal	3	3	Yes
10.	Shri S. Suhas	3	1	Yes



Sl. No.	Name of Director	Meetings held in 2019-20 during the tenure of their directorship	Meetings attended	Attended AGM
11.	Vice Admiral S.K.K. Krishnan	3	2	No
12.	Shri K. Mohammed Y. Safirulla	1	1	No
13.	Shri A.P.M. Mohammed Hanish	3	3	No
14.	Shri Alkesh Kumar Sharma	1	1	No
15.	Shri Kumar K.R	4	4	Yes
16.	Shri D.K. Sinha	4	4	Yes
17.	Shri Thiruman Archunan	4	4	Yes

Information supplied to the Board

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

Board procedures

Board Meetings are conducted for critical evaluation and review of the performance of the Company and for ensuring effective implementation of management decisions. During the financial year 2019-20, the Board of Directors of the Company met four times; on 3rd May 2019, 9th August 2019, 3rd September 2019 and 19th December 2019.

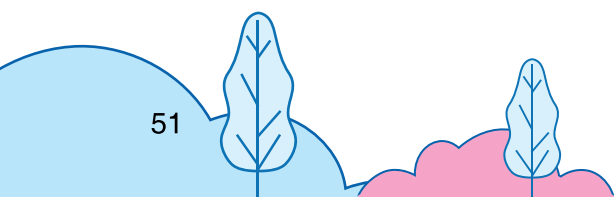
The Company has streamlined a procedure for holding the Board and the Board Sub-Committee Meetings, as explained below:

a) Institutionalised decision making process

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

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

- The meetings are convened by giving appropriate notice, after obtaining the approval of the Chairman of the Board. To address specific urgent needs, meetings are also called at shorter notice. The Board also passes resolutions by circulation, but only for such matters, which are of utmost urgency and which are permissible in terms of the provisions of the Companies Act, 2013; in the relevant year two resolutions were approved by circulation.



- The agenda papers are prepared by the Heads of Departments concerned and, after obtaining the concurrence of respective Functional Director, are submitted to the Managing Director for approval. Duly approved detailed agenda notes, management reports and other explanatory statements, backed by comprehensive background information, are circulated in advance amongst the members for facilitating meaningful, informed and focused decisions at the meetings;
- Where it is not desirable to attach any document or if the agenda is of sensitive nature, the same is placed on the table at the meeting with the approval of the Managing Director and the Chairman. In special and exceptional circumstances, additional or supplementary item(s), which are not on the agenda, are taken up for discussion with the permission of the Chair;
- The Board is also informed of major events/items and approvals taken whenever necessary. The Managing Director keeps the Board apprised of the overall performance of the Company at the Board Meetings;
- Action Taken Report, review of the status of actions taken on the directives of the Board in earlier meetings, physical and financial progress, minutes of Committee Meetings also forms part of the Agenda;
- The members of the Board have complete access to all the information of the Company;
- The Board meetings are generally conducted in line with the applicable Secretarial Standards.

c) Briefing by the Managing Director

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

d) Recording minutes of proceedings at the Board meeting

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

e) Compliance

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



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

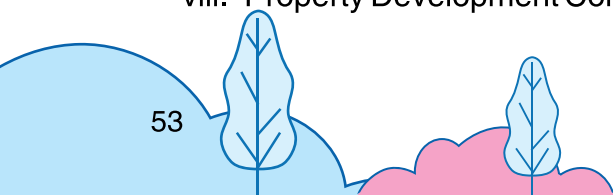
Information placed before the Board inter alia includes:

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

Committees of the Board

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

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



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

1. Audit Committee

Composition as on 31st March, 2020:

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

During 2019-20, the Audit Committee met once viz., 1st August 2019. In addition to the members of the Audit Committee, these meetings were attended by the Director, Finance and those executives who were considered necessary for providing inputs to the Committee. The Terms of Reference of the Audit Committee, as approved by the Board are in accordance with the Companies Act, 2013.

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

Name of the Member	Meetings held in 2019-20 during the tenure of their directorship	Meetings attended
1. Shri Manoj Joshi	1	1
2. Shri Mukund Kumar Sinha	1	0
3. Vice Admiral S.K.K. Krishnan	1	1
4. Shri K. Mohammed Y. Safirulla	1	0
5. Shri K.R. Jyothilal	0	0
6. Smt Sujatha Jayaraj	0	0
7. Shri Jaideep	0	0

2. Corporate Social Responsibility (CSR) Committee

Composition as on 31st March, 2020:

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

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



3. Project Management Committee

Composition as on 31st March, 2020:

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

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

4. Investment Committee

Composition as on 31st March, 2020:

1. Shri Manoj Joshi - Chairman
2. Shri Alkesh Kumar Sharma - Member
3. Shri K.R. Jyothilal - Member
4. Shri Kumar K.R. - Member

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

5. Procurement Committee

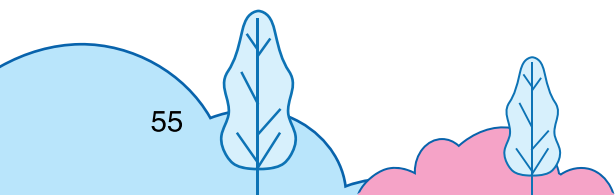
Composition as on 31st March, 2020:

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

The Committee met two times on 20th November 2019 and 20th February, 2020

Attendance record of Members:

Name of the Member	Meetings held in 2019-20 during the tenure of their directorship	Meetings attended
1. Shri Alkesh Kumar Sharma	2	2
2. Shri S. Suhas	1	0
3. Shri Thiruman Archunan	2	1
4. Shri Kumar K.R.	2	2
5. Shri D.K. Sinha	2	2



6. Operation and Maintenance Committee

Composition as on 31st March, 2020:

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

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

7. Property Development Committee

Composition as on 31st March, 2020:

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

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

8. Human Resources Development and Nomination and Remuneration Committee

Composition as on 31st March, 2020:

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

The Committee met once on 20th March, 2020.

Attendance record of Members:

Name of the Member	Meetings held in 2019-20 during the tenure of their directorship	Meetings attended
1. Shri Alkesh Kumar Sharma	1	1
2. Shri K. R. Jyothilal	1	0
3. Smt Sujatha Jayaraj	1	0
4. Shri Thiruman Archunan	1	1
5. Shri Kumar K.R.	1	1



Disclosures

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

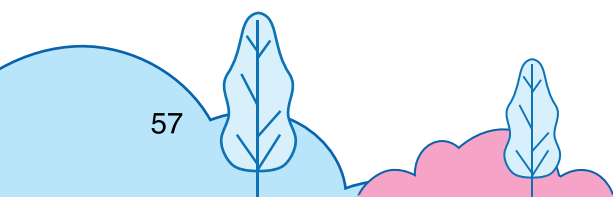
General Meetings, held in the last three years:

AGM/ EGM	6 th AGM	7 th AGM	8 th AGM	3 rd EGM
Date and Time	30.11.2017 12:30 PM	01.12.2018 12:00 PM	30.09.2019 11:30 AM	01.02.2020 12:30 PM
Venue	Registered Office	Registered Office	Registered Office	Registered Office
Special Resolution (if any)	Appointment of Vice Admiral S.K.K. Krishnan as Independent Director.	1.Appointment of Shri Kumar K.R., Director Finance (WTD). 2. Appointment of Shri D.K. Sinha, Director Systems (WTD).	-	1.Enhancement in the borrowing limit of the Company from Rs. 5,000 crore to Rs. 10,000 crore. 2.Alteration in Clause III of MOA. 3.Alteration in Clause IV of MOA. 4.Adoption of new set of AOA. 5.To approve the issue of domestic bonds up to a limit of Rs. 1250 crore.

COMPANY'S WEBSITE

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

Sd/-
Chairman



Form No. MR - 3

SECRETARIAL AUDIT REPORT**For the Financial Year ended 31st March, 2020**

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

To
The Members
Kochi Metro Rail Limited
CIN: U60100KL2011SGC029003
JLN Metro Station, 4th Floor, Kaloor, Kochi - 682017

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

Based on the verification of company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2020** ('Audit Period') complied with the statutory provisions listed hereunder and also that the company has followed the Board processes and has the required compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Kochi Metro Rail Limited** for the financial year ended on 31st March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
(The clause is not applicable as the company is an Unlisted Public Company).
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **(The clause is not applicable as the company is an Unlisted Public Company)**
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and



External Commercial borrowings; **(The clause is not applicable during the Audit period)**

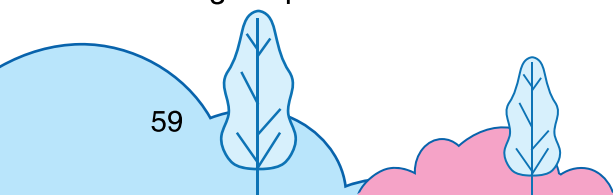
(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act,1992 ('SEBI Act'); **(The company being an Unlisted Public Company, Clause (v) and its sub clauses (a) to (h) are not applicable)**

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers)Regulations,2011;
- (b) The Securities and Exchange Board of India(Prohibition of Insider Trading)Regulations,1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations,2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations,2009;and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

We have also examined compliances with respect to:

- (i) The Secretarial Standards, SS-1 and SS-2 issued by the Institute of Company Secretaries of India and as notified by the Ministry of Corporate Affairs, and report that the Company has generally complied with the said standards.
- (ii) The Listing Agreements entered into by the company with BSE Limited, National Stock Exchange of India Limited and London Stock Exchange.**(The Clause is not applicable as the company is an Unlisted Public Company)**

During the period under review the company has complied with the provisions of the Act, Rules,



Regulations, Guidelines and Standards as mentioned above, subject to the following observation:

- a) *As per Section 178(1) of the Act and Rules framed thereunder, the Nomination and Remuneration Committee should comprise of three or more Non-Executive Directors, out of which, not less than one-half shall be Independent Directors. Notification No. G.S.R 839(E) dated 05/07/2017 issued by the Ministry of Corporate Affairs, Government of India, has exempted unlisted public companies which is a joint venture from appointing Independent Directors on its Board. Hence Human Resource Development and Nomination and Remuneration Committee meetings are conducted without Independent Directors. However, subsequent to the reconstitution of the Human Resource Development and Nomination and Remuneration Committee on 19.12.2019, composition of the committee is not in line with Section 178(1) of the Act.*

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

- (i) Income Tax Act, 1961;
- (ii) Goods and Service Tax Act, 2017;
- (iii) Provisions of following Labour legislations governing the Company's employees namely;
 - a) The Minimum Wages Act, 1948
 - b) Employees State Insurance Act, 1948
 - c) Employees Provident Fund and Miscellaneous Provisions Act, 1952
 - d) The Payment of Wages Act, 1936
 - e) Employees Compensation Act, 1923
- (iv) Contract Labour (Regulation and Abolition) Act, 1970;
- (v) Inter State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- (vi) Building and other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996;



- (vii) Right to Information Act, 2005;
- (viii) Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- (ix) The Prohibition of Employment as Manual Scavengers and their Rehabilitation Act, 2013;
- (x) Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 and
- (xi) Indian Electricity Rules, 1956.

The Executing Agency, who has been entrusted with the responsibility of completion of various projects, has reported broad compliance under major safety provisions and partial compliance regarding certain health and welfare provisions under BOCW Rules like latrines, urinals and non-compliance regarding provision of canteens. However, the executing agency is following up the matter for complying. The Executing Agency is further complying with the requirements under the environment protection laws including the rules made thereunder.

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

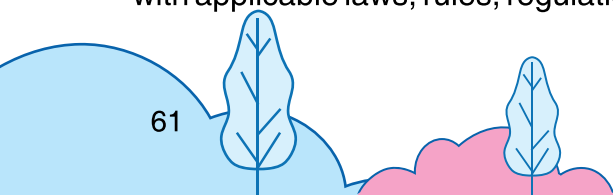
We further report that:

The Board of Directors of the company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Woman Directors. The Ministry of Corporate Affairs, Government of India, vide Notification No. G.S.R 839(E) dated 05th July, 2017, has exempted unlisted public companies, which is a joint venture, from appointing Independent Directors on its Board. It may be noted that, the Board of the company comprised of an Independent Director till 13.09.2019. The changes in the composition of the Board of Directors that took place during the audit period were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.





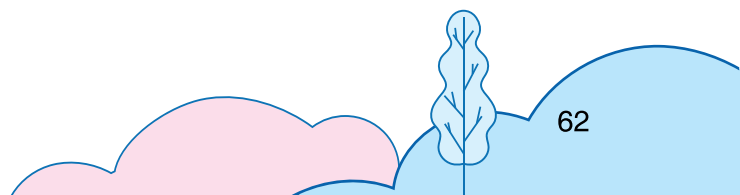
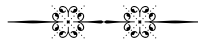
We further report that during the audit period following Special resolutions were passed having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards as applicable:

- (i) Enhancing the borrowing limit of the company under Section 180(1)(c) of the Act from Rs. 5,000 Crore to Rs. 10,000 Crore;
- (ii) Alteration of Clause III of the Memorandum of Association of the Company by substituting the existing object 4(b) and inserting thereafter new objects as 4(c) and 4(d).
- (iii) Alteration of Clause IV (Liability Clause) of the Memorandum of Association of the company
- (iv) Adoption of new set of Articles of Association of the company.
- (v) Approval for issuance of domestic bonds upto a limit of Rs. 1250 Crore.

Place : Cochin

Date : 11.09.2020

UDIN : A047669B000696537





Annexure - A

To,
The Members
Kochi Metro Rail Limited
CIN: U60100KL2011SGC029003
JLN Metro Station, 4th Floor, Kaloor, Kochi - 682017

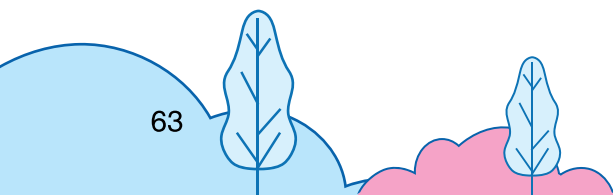
The report of even date is to be read along with this Annexure.

1. Maintenance of Secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these Secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices that were followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of any of the financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. We have presented our opinion on the basis of information/records produced by the company during the course of the audit and the reporting is limited to that extent.

The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place : Cochin

Date : 11.09.2020





INDEPENDENT AUDITORS' REPORT

To
The Members of
KOCHI METRO RAIL LIMITED

Report on the Audit of the Financial Statements for the year ended 31st March 2020

Opinion

We have audited the financial statements of KOCHI METRO RAIL LIMITED ('the Company'), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

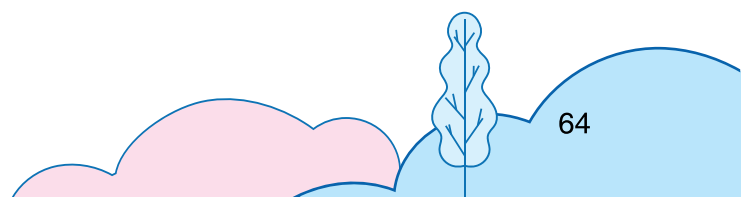
Basis for Opinion

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

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

Emphasis of Matter

1. We draw attention to note 1.2.1 of the financial statements regarding the uncertainties arising out of the global health pandemic from CoVID-19, and the assessment made by the management on the operations and financial results of the company for the year ended March 31, 2020. This assessment and the outcome of the pandemic is as made by the management and are highly dependent on the circumstances as they evolve in the subsequent periods.





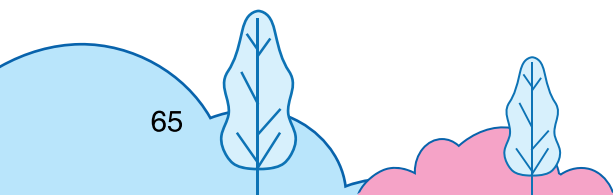
2. We draw attention to note 30.41 of the financial statements in respect of insurance claim made with The New India Assurance Co. Ltd on account of the estimated loss suffered in respect of certain assets of the company, due to the heavy floods in Kerala State, during August 2018. Pending finalization of the claim for the settlement with the insurance company to indemnify the loss suffered due to the floods, the company has received an interim payment of Rs. 30,00 lakhs from the insurance company during the current year (previous year Rs. 20,00 lakhs), totaling the amount to Rs.50,00 lakhs as upto March 31, 2020.

In accordance with Ind AS 37, the insurance claim receivable is a contingent asset defined as “a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more future events not wholly within the control of the company.”The company did not recognize the insurance claim receivable from The New India Assurance Co. Ltd to indemnify against the loss incurred due to floods as an asset for the reason that the insurance company did not intimate its acceptance of the claim made by the Company. Accordingly, the amount of Rs. 50,00 lakhs received from the Insurance Company, as an advance against the claim of the company to be settled, is recognized as a liability under Note No. 20 'Other Current Liabilities' in the Balance Sheet given the element of uncertainty of realization associated with the claim receivable.

The insurance claim receivable from the Insurance Company against the claim to be submitted by the company is a contingent asset as per paragraph 10 and in accordance with the requirement of paragraph 89 of Ind AS 37 and the accounting policy adopted, the company did not recognize any amount as a contingent asset.

3. We draw attention to note 30.2 of the financial statements in respect of the foreign exchange rate variation, for The Pass Through Assistance (PTA) provided by Government of India, based on the credit facility agreement for 180 Million Euro (equivalent to Rs.1327 10.77 lakhs) as on the date of receipt of the assistance, between *Agence Francaise De Development (AFD)*, as lender and Government of India (GoI), as the borrower. The PTA funds were released by Government of India to the company through budgetary provisions in Indian Rupees and the liability towards the credit facility of the company is limited to INR 1327 10.77 lakhs, as per the Memorandum of Understanding executed on 04 Nov, 2013 between the Government of India, Government of Kerala and the company.

In accordance with paragraph 23 of Ind AS 21, Foreign currency assets and liabilities are to be valued on the balance sheet date by translating using the closing rates. The Company did not recognize foreign exchange variation losses, related to the PTA received from Government of India, for the reason that the liability of the company is towards Government of India for an amount of Rs.1327 10.77 lakhs and the repayment obligation of the company is limited to the amount of PTA received in Indian Rupees amounting to Rs.1327 10.77 lakhs, and the loss, if any, on account of Foreign exchange





fluctuation will be borne by Government of Kerala. The equivalent amount of PTA in Indian Rupees using the closing foreign exchange rate as on 31.03.2020 is Rs. 1327 10.77 lakhs.

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

Information other than the Financial Statements and Auditors' Report thereon

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

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

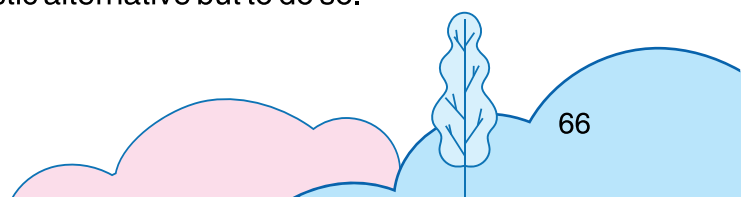
In connection with our audit of the Financial Statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially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

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

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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





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

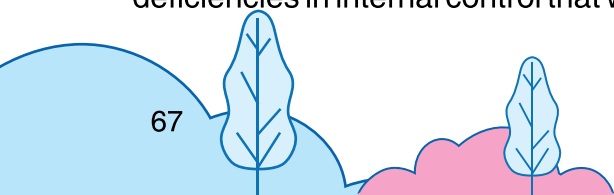
Auditors' Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidences obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

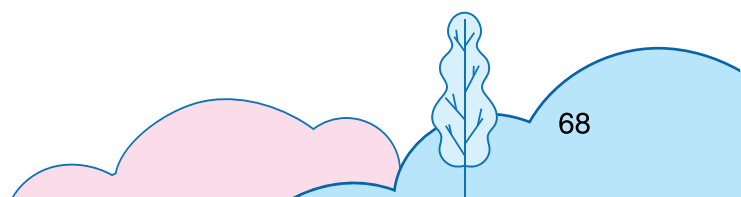




We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, we give in the “**Annexure A**”, a statement on the matters specified in paragraph 3 and 4 of the Order, to the extent applicable;
2. Based on verification of books of accounts of the company and according to information and explanations given to us, we give in “**Annexure B**” a report on the directions issued by The Comptroller and Auditor General of India in terms of sub-section (5) of Section 143 of the Companies Act, 2013.
3. As required by section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts.
 - d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e) As per Notification No G.S.R 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, provisions of section 164(2) of the Act regarding the disqualifications of Directors are not applicable to the company, since it is a Government Company.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to the Financial Statements and the operating effectiveness of such controls, refer to our separate report in “**Annexure C**”.
 - g) As per notification no. G.S.R 463 (E) dated 5th June 2015 issued by the Ministry of Corporate Affairs, Government of India, provisions of section 197 of the Act regarding remuneration to Director are not applicable to the Company, since it is a Government Company.





- h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in the financial statements. *(Refer Note No.30.35 of the Financial Statements).*
 - (ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

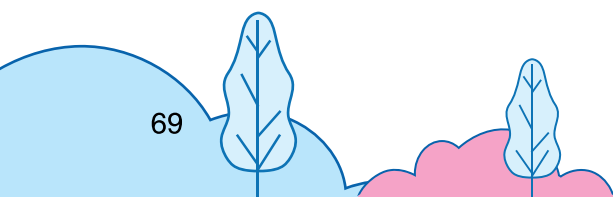
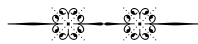
For K.Venkatachalam Aiyer & Co.
Chartered Accountants
FRN: 004610S
UDIN: 20232723AAAABQ3007

Sd/-

CA. Vishnu Mohan
Partner | Membership No 232723

Place: Cochin

Date: 28 July 2020



Annexure A to the Independent Auditors' Report of even date to the members of Kochi Metro Rail Limited on the financial statements for the year ended March 31, 2020

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

- 1) In respect of the Company's fixed assets:
 - a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets
 - b) The company has a programme of physical verification of its fixed assets. In our opinion, the periodicity of such physical verification needs improvement having regard to the size of the Company and nature of its business.
 - c) According to the information and explanations given by the management and based on the examination of the records of the Company, the title deeds of immovable properties included in Property, Plant and Equipment are held in the name of the Company except in respect of 3.0642 hectares of land with a value of Rs.191,84.58 lakhs for which the registration of title Deeds in the name of company, is in progress. As informed by the Management, the documentation is in progress and the said matter is being handled by the Revenue department of Government of Kerala.
- 2) According to the information and explanations given to us, Inventories, being stock of tools, have been physically verified during the year. In our opinion, the frequency of verification is reasonable, having regard to the size of the company. Further, in our opinion and according to the information and explanations given to us, no material discrepancies were noticed on such physical verification
- 3) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013.
- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Companies Act, 2013, in respect of grant of loans, making investments and providing guarantees and securities.
- 5) The Company has not accepted any deposit within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the requirement of reporting under the provisions of clause 3(v) of the order is not applicable to the Company.



- 6) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the company
- 7) According to the information and explanations given to us, in respect of statutory dues:
- The Company is generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Income Tax, Sales Tax, Goods and Services Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues applicable to it.
 - According to the information and explanation provided to us, no undisputed amounts payable in respect of Provident Fund, Income Tax, Sales Tax, Goods and Services Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and Other Statutory Dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

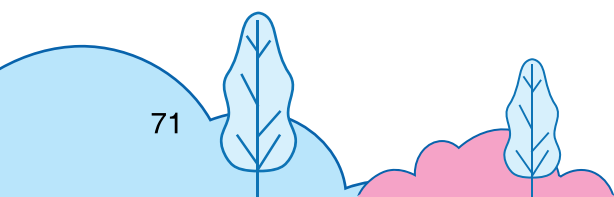
According to the information and explanation provided to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and services tax, cess which have not been deposited as on 31st March 2020 on account of dispute.

- 8) In our opinion and according to the information and explanations provided by the management, the Company has not defaulted in repayment of loans or borrowings to Financial Institutions, Banks or Government, except for the following, as on March 31, 2020;

Sl.No	Particulars of the Amount Due	Borrowings	
		Amount (Rs.in lakhs)	Period (No of days)
1	PTA amount due and payable to GOI – 1st Installment *	33 17.77	198
2	PTA amount due and payable to GOI – 2nd Installment	33 17.77	16
	Total	66 35.54	

* The amount was subsequently paid to GOI on 07-05-2020

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





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

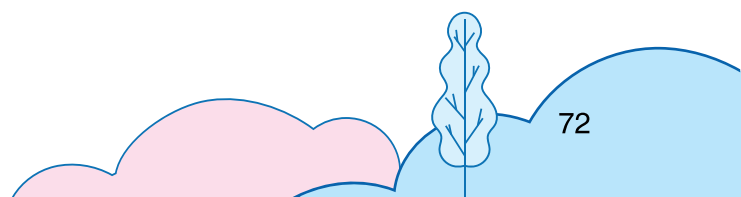
For K.Venkatachalam Aiyer & Co.
Chartered Accountants
FRN: 004610S
UDIN: 20232723AAAABQ3007

Sd/-

CA. Vishnu Mohan
Partner | Membership No 232723

Place: Cochin

Date: 28 July 2020





**Annexure B to the Independent Auditor's Report of even date
to the members of Kochi Metro Rail Limited on the financial statements
for the year ended March 31, 2020**

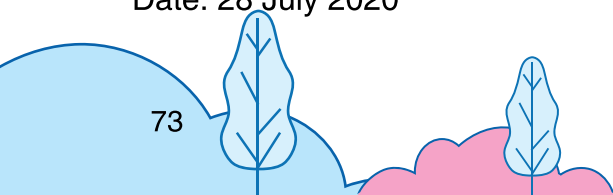
**Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirement' of
our report dated Jul 28, 2020, to the members of Kochi Metro Rail Limited on the accounts
for the year ended 31st March, 2020**

Sl. No.	C&AG Directions	Comments of Statutory Auditor
1	Whether the company has system in place to process all accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with financial implications, if any, may be stated.	Yes, the Company has a system in place to process all the accounting transactions through IT system, namely SAP. Based on the verification carried out by us during the course of our audit and based on the information and explanations given to us, we have not come across any instance of processing of accounting transaction outside IT system having significant implication on the integrity of accounts and the consequent financial implication.
2	Whether there is restructuring of an existing loan or cases of wavier/write off of debts/loans/interest etc made by a lender to the company's inability to repay the loan? If yes, the financial impact may be stated.	There is no such case of restructuring of an existing loan or cases of waiver / write off of debts / loans/ interest etc. made by a lender to the company due to its inability to repay the loan during the year.
3	Whether funds received / receivable for specific schemes from central / state agencies were properly accounted for /utilized as per its terms and conditions? List the cases of deviation.	On verification of the records furnished before us and according to the information and explanations given to us, funds received / receivable for specific schemes from central / state agencies are generally accounted for /utilized as per its terms and conditions except for the instances mentioned in Annexure 1 .
4	Whether ticketing revenue collection reports provided by the collecting bank is in agreement with the Automated Fare Collection (AFC) database.	On verification of the sample records furnished before us and according to the information and explanations given to us, the daily ticketing revenue collection reports provided by the collecting bank, i.e., Axis Bank are reconciled with the AFC data base report.

For K.Venkatachalam Aiyer & Co.
Chartered Accountants
FRN: 004610S
UDIN: 20232723AAAABQ3007

Sd/-

CA. Vishnu Mohan
Partner | Membership No 232723
Place: Cochin
Date: 28 July 2020



Annexure 1 Referred to in Point 3 of the report dated Jul 28, 2020 of Kochi Metro Rail Limited, issued on the directions issued by The Comptroller and Auditor General of India in terms of sub-section (5) of Section 143 of the Companies Act, 2013

(Amount in Rs. Lakhs)

Sl. No	Particulars for which the funds were received	Amount received from GoK till March 31, 2020	Amount utilized for the purpose for which the amounts were obtained till March 31, 2020	Amount utilized for other purposes till Mar 31, 2020
1	Amount received from GoK for the preparatory works for widening PWD road from Kunnara Park to Petta	22 35.00	19 41.86	2 93.14
2	Amount received from GoK for the preparatory works for construction of Rail Over Bridge – Pachalam	52 59.00	24 71.68	27 87.32
3	Amount received from GoK for the preparatory works for improvement of the Edappally - High Court Road from Edappally to JLN Stadium/ Kaloor	34 00.00	15 60.85	18 39.15
4	Amount received from GoK for various preparatory works listed in G.O.(Ms)No.110/2013/Trans dated 07.12.2013	236 00.27	217 92.32	18 07.95
5	Amount received from GoK for Land Acquisition for preparatory works for Phase 1A (Petta to SN junction/ Thripunithura)	61 20.00	51 20.91	9 99.09
6	Amount received from GoK for Land Acquisition for preparatory works of new metro line from Jawaharlal Nehru Stadium to Kakkanad via Infopark	20 00.00	50.00	19 50.00
7	Amount received from GoK for repayment of first installment of AFD loan due and payable to Gol	37 60.00	-	37 60.00
Total		463 75.27	329 38.62	134 36.65

Note – Status of the above works as on Mar 31, 2020 is given below;

- The work under Sl. No.1 is completed.
- The works under Sl. Nos. 2 & 4 are undertaken by DMRC and pending final settlement.
- The works under Sl. Nos. 3, 5 and 6 are ongoing projects.
- The amount stated in Sl No 7 was repaid to Gol on 07.05.2020.

Place: Cochin

Date: 28 July, 2020



Annexure C to the Independent Auditors' Report of even date to the members of Kochi Metro Rail Limited on the financial statements for the year ended March 31, 2020

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

Independent Auditors' Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of KOCHI METRO RAIL LIMITED ('the Company') as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on “the internal control over financial reporting” criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, and the Guidance Note issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting with reference to these financial statements were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls over





financial reporting included obtaining an understanding of internal financial controls over financial reporting with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal controls based on the assessed risk. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting with reference to these financial statements.

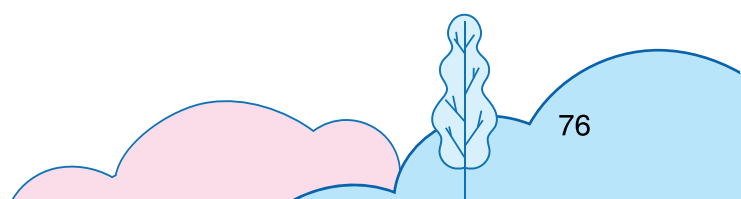
Meaning of Internal Financial Controls over Financial Reporting with reference to these Financial Statements

A company's internal financial control over financial reporting with reference to these financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting with reference to these financial statements includes those policies and procedures that

1. Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
2. Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of the Management and directors of the Company; and
3. Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting with reference to these Financial Statements

Because of the inherent limitations of internal financial controls over financial reporting with reference to these financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting with reference to these financial statements, to future periods are subject to the risk that the internal financial controls over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.





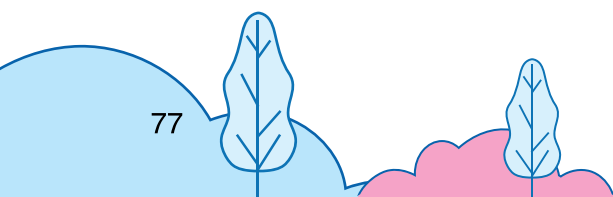
Opinion

In our opinion, 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 2020, based on the internal controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For K.Venkatachalam Aiyer & Co.
Chartered Accountants
FRN: 004610S
UDIN: 20232723AAAABQ3007

Sd/-
CA. Vishnu Mohan
Partner | Membership No 232723

Place: Cochin
Date: 28 July 2020



KOCHI METRO RAIL LIMITED
BALANCE SHEET AS AT 31st MARCH, 2020

Amount (Rs.in Lakh)

Particulars	Note No.	As at 31.03.2020	As at 31.03.2019
ASSETS			
(I) Non- Current Assets			
(a) Property, Plant and Equipment	2.A	5364 21.63	3893 24.60
(b) Capital Work-In-Progress	2.B	276 31.28	1244 05.69
(c) Other Intangible Assets	3.A	32 16.85	33 28.92
(d) Intangible Assets Under Development	3.B	.58	.58
(e) Financial Assets			
(i) Trade Receivables		-	-
(ii) Other Financial Assets	4	343 80.60	400 91.82
(f) Other Non Current Assets	5	212 97.07	138 65.33
Total Non - Current Assets (I)		6229 48.01	5710 16.94
(II) Current Assets			
(a) Financial Assets			
(i) Trade Receivables	6	13 52.72	7 11.19
(ii) Cash and Cash Equivalents	7	14 29.96	4 03.06
(iii) Other Bank Balances	8	33 40.15	85.60
(iv) Other Financial Assets	9	206 37.07	283 10.09
(b) Other Current Assets	10	83 14.70	3 58.53
Total Current Assets (II)		350 74.60	298 68.47
Total Assets (I) +(II)		6580 22.61	6008 85.41
EQUITY AND LIABILITIES			
(I) EQUITY			
(a) Equity Share capital	11	1507 46.00	1507 46.00
(b) Other Equity	12	818 14.37	919 02.22
Total Equity (I)		2325 60.37	2426 48.22
LIABILITIES			
(II) Non- Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	13	3228 86.97	2886 97.95
(ii) Other financial liabilities	14	83 16.98	90 57.23
(b) Provisions	15	12 41.19	8 26.92
(c) Deferred Tax Liabilities	16	-	-
(d) Other Non-Current Liabilities	17	949.40	6 79.03
Total Non - Current Liabilities (II)		3333 94.54	2992 61.13
(III) Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	18	85 30.08	-
(ii) Other Financial Liabilities	19	761 46.08	554 03.99
(b) Other Current Liabilities	20	72 64.66	34 92.85
(c) Provisions	21	1 26.88	79.22
Total Current Liabilities (III)		920 67.70	589 76.06
Total Equity and Liabilities (I) + (II) + (III)		6580 22.61	6008 85.41
Significant accounting policies	1.2		
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: 20232723AAAABQ3007

For and on behalf of the Board of Directors

Sd/-
Alkesh Kumar Sharma
Managing Director

Sd/-
Vishnu Mohan
Partner
Membership No. 232723

Sd/-
Shyam Sunder Agrawal
Company Secretary

Sd/-
Kumar K R
Director (Finance)

Place : Cochin
Date : 28.07.2020

Place : Thiruvananthapuram
Date : 28.07.2020



KOCHI METRO RAIL LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH , 2020

Amount (Rs.in Lakh)

Particulars	Note No.	For the year ended 31.03.2020	For the year ended 31.03.2019
I Revenue from Operations	22	94 02.98	80 09.24
II Other Income	23	40 92.07	24 38.75
III Total Revenue (I + II)		134 95.05	104 47.99
IV Expenses:			
Operating Expenses	24	45 11.09	32 78.56
Employee Benefits Expense	25	42 20.38	38 06.66
Finance Costs	26	160 93.07	75 10.89
Depreciation and Amortization Expense	27	168 04.97	134 91.92
Impairment on Non Current Assets		-	78 99.11
Other Expenses	28	28 45.73	29 49.28
Total Expenses (IV)		444 75.24	389 36.42
V Profit / (Loss) Before Tax (III - IV)		(309 80.19)	(284 88.43)
VI Tax expense:			
(1) Prior tax adjustment		-	-
(2) Deferred tax		-	-
		-	-
VII Profit / (Loss) for the period (V - VI)		(309 80.19)	(284 88.43)
VIII Other Comprehensive Income			
Items that will not be reclassified to profit or loss			
- Remeasurements of post employment benefit obligations		(21.64)	(29.99)
Income tax relating to items that will not be reclassified to profit or loss		-	-
		(21.64)	(29.99)
IX Total Comprehensive Income for the year (VII+ VIII) (Comprising Profit / (Loss) and Other Comprehensive Income for the year)		(310 01.83)	(285 18.42)
X Earnings per equity share:	29		
(1) Basic and Dilutive		(20.57)	(18.92)
Significant accounting policies	1.2		
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: 20232723AAAAABQ3007

For and on behalf of the Board of Directors

Sd/-
Vishnu Mohan
Partner
Membership No. 232723

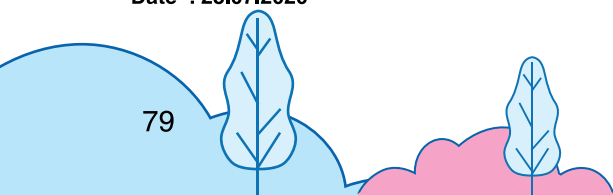
Sd/-
Shyam Sunder Agrawal
Company Secretary

Sd/-
Alkesh Kumar Sharma
Managing Director

Sd/-
Kumar K R
Director (Finance)

Place : Cochin
Date : 28.07.2020

Place : Thiruvananthapuram
Date : 28.07.2020



KOCHI METRO RAIL LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH, 2020

Amount (Rs.in Lakh)

Particulars	Equity Share Capital	Deferred Income - Monetary Grants			Other Equity Deferred Income - Non Monetary Grants GoK	Reserves and Surplus Retained Earnings	Other Comprehensive Income	Total
		Interest Free Sub Debt - GOI	Interest Free Sub Debt - GOK	Reimbursement of State Taxes - GoK				
Balance as at April 1, 2018	1507 46.00	216 52.96	805 26.92	92 70.66	-	(202 10.91)	2.00	912 41.63
Changes in accounting policy or prior period errors	-	-	-	9 63.03	-	(3 09.37)	-	6 53.66
1507 46.00	1507 46.00	216 52.96	805 26.92	102 33.69	-	(205 20.28)	2.00	918 95.29
Add : Comprehensive income / (Loss) restated for the year	-	-	-	-	-	(284 88.43)	(29.99)	(285 18.42)
Add: Additions / Adjustments during the year	-	-	93 81.27	73 10.91	138 38.52	-	-	305 30.70
Less: Transfer to Income during the year	-	(3 28.10)	(12 37.37)	(4 39.88)	-	-	-	(20 05.35)
Balance as at March 31, 2019	1507 46.00	213 24.86	886 70.82	171 04.72	138 38.52	(490 08.71)	(27.99)	919 02.22
Balance as at April 1, 2019	1507 46.00	213 24.86	886 70.82	171 04.72	138 38.52	(490 08.71)	(27.99)	919 02.22
Changes in accounting policy or prior period errors	-	-	-	-	-	20.69	-	20.69
1507 46.00	1507 46.00	213 24.86	886 70.82	171 04.72	138 38.52	(489 88.02)	(27.99)	919 22.91
Add : Comprehensive income / (Loss) for the year	-	-	-	-	-	(309 80.19)	(21.64)	(310 01.83)
Add: Additions / Adjustments during the year	-	-	177 49.09	58 89.37	91.91	-	-	237 30.37
Less: Transfer to Income during the year	-	(3 61.77)	(16 38.41)	(8 36.90)	-	-	-	(28 37.08)
Balance as at March 31, 2020	1507 46.00	209 63.09	1047 81.50	221 57.19	139 30.43	(799 68.21)	(49.63)	818 14.37

For and on behalf of the Board of Directors

In terms of our report attached.
 For K Venkatachalam Aiyer & Co
 Chartered Accountants
 FRN 004610S
 UDIN: 20232723AAAABQ3007

Sd/-
 Vishnu Mohan
 Partner
 Membership No. 232723

Sd/-
 Shyam Sunder Agrawal
 Company Secretary

Sd/-
 Alkesh Kumar Sharma
 Managing Director

Sd/-
 Kumar K R
 Director (Finance)

Place : Cochin
 Date : 28.07.2020

Place : Thiruvananthapuram
 Date : 28.07.2020

KOCHI METRO RAIL LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2020

Amount (in Rs. Lakh)

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
A. Cash Flow from Operating activities		
Net Profit/(Loss) for the period	(310 01.83)	(285 18.42)
Adjustment for		
(Profit) / Loss on sale of asset (net)	8.89	0.53
(Profit) / Loss on sale of flood affected asset (net)	.00	1 94.32
Depreciation and amortization expense	168 04.97	134 91.92
Prior period items	20.69	-
Impairment of Asset	-	78 99.11
Expected Credit Loss on Trade Receivables	1 59.53	-
Interest income	(42.57)	(33.92)
Finance cost	135 96.33	57 66.13
Net Gain arising on financial assets measured at FVTPL	(8 53.03)	(4 43.76)
Operating Profit/(Loss) before working capital changes	(13 07.02)	(16 44.09)
Adjustments for (increase) / decrease in operating assets		
(Increase)/ Decrease in Financial Assets	(79 47.91)	38 44.82
(Increase)/ Decrease in other non- current Assets	(104 08.92)	16 77.24
(Increase)/ Decrease in other Assets	(112 10.73)	19 15.23
(Increase)/ Decrease in Provisions	4 61.94	3 59.32
(Increase)/ Decrease in other Payables	123 50.42	166 36.46
Net Cash flow from / (used in) Operating activities (A)	(180 62.22)	227 88.98
B. Cash Flow from Investing activities		
Payment to acquire property , plant and equipment including capital advances	(19 53.93)	(95 72.48)
Payment for Capital WIP including capital advances	(608 54.95)	(490 78.39)
Interest income received	50.53	87.56
Net Cash flow from / (used in) investing activities (B)	(627 58.35)	(585 63.31)
C. Cash flow from Financing activities		
Proceeds from Long term loan from Canara Bank	269 45.17	353 44.40
Proceeds from Long term loan from HUDCO	130 00.00	-
Proceeds from Long term loan from Union Bank	30 00.00	-
Proceeds from Pass through assistance from Agence Francaise de Development(AFD)	-	58 67.76
Proceeds from Sub Debt from Government of Kerala	477 39.51	58 11.00
Proceeds from Working Capital loan	85 30.08	-
Finance Cost Paid	(143 67.29)	(106 34.74)
Loan repaid during the year	(30 00.00)	(47 00.00)
Net Cash flow from / (used in) financing activities (C)	818 47.47	316 88.42
Net Increase / (decrease) in cash and cash equivalents (A) + (B) + (C)	10 26.90	(40 85.91)
Cash and cash equivalents at the beginning of the year	4 03.06	44 88.97
Cash and cash equivalents at the end of the year	14 29.96	4 03.06
Comprising of		
Cash on Hand	0.40	29.55
Balance with Banks:		
-Current Accounts	12 99.35	91.28
-Term Deposits (with maturity less than twelve months)	1 30.21	2 82.23
Cash at bank	14 29.96	4 03.06

In terms of our report date attached.
For K Venkatachalam Aiyer & Co
Chartered Accountants
FRN 004610S
UDIN: 20232723AAAABQ3007

Sd/-
Vishnu Mohan
Partner
Membership No. 232723
Place : Kochi
Date : 28.07.2020

Sd/-
Shyam Sunder Agrawal
Company Secretary

Sd/-
Alkesh Kumar Sharma
Managing Director
Place : Thiruvananthapuram
Date : 28.07.2020

Sd/-
Kumar K R
Director (Finance)

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2020

Corporate Information

Kochi Metro Rail Limited (hereinafter referred to as “the Company” or “KMRL”), incorporated under the 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. The Company commenced commercial operations on 19.06.2017. The Revenue Streams of the Company includes 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 Basis of Preparation

The Financial Statements have been prepared in accordance with Indian Accounting Standards under the historical cost 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 judgments

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 reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Some of the estimations require higher degrees



of judgment to be applied than others. Management continuously evaluates all of its estimates and judgments 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 maybe 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 1.20.

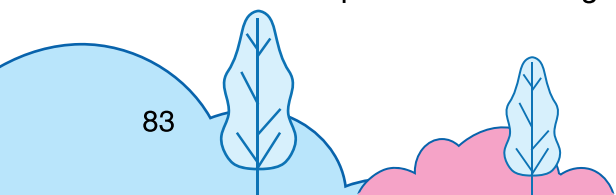
c) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when the Company has a present obligation as a result of past event 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.

d) 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 changes in these assumptions may have a material impact on the resulting calculations.

e) 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.

f) 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 as per Central Government and State Government directive due to COVID-19 pandemic.

Company expects to resume operations as per the directions of Government of India/State Government. 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.

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.



- 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, value added taxes and amounts collected on behalf of third parties. The company recognizes revenue when the amount of revenue can be reliably measured, 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

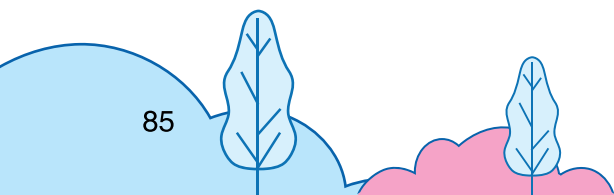
Property, Plant and Equipment (except freehold land) are stated at their acquisition cost / historical cost less accumulated depreciation and impairment, if any. The company is adopting the cost model for determining gross carrying amount.

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 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 the license / right to use.

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)

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 deposits, (other than from temporary deployment of funds received by way of equity and interest free subordinate debt), 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 as at the end of the month of commissioning.

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.

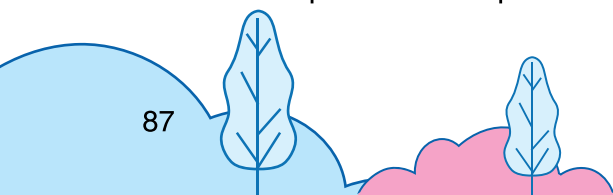
Land received from the State Government at free of cost, ownership of which vests with the company, is recognized on the basis of Government Order and at market value of the land ,which is calculated on the basis of Section 26 of The Right to Fair Compensation and Transparency in Land Acquisition, Rehabilitation & 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. 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.

1.11 Provision for doubtful debts and advance

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



1.12 Insurance claims

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

1.13 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) 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.
- (iii) The estimated useful lives of the assets where the useful life is estimated on the basis of the technical assessment 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
Furniture, Fixtures, Office Equipment's and any other asset provided to employees at residential offices except Directors.	4
SCADA Servers (main and standby)	3
Low Value Assets(less than Rs.5,000 per individual item)	1
Way leave charges to Railway *	70
Branding	5



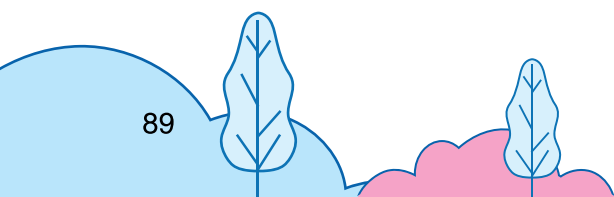
- (iv) Residual value of 5% has been retained for all Fixed Assets, which is in line with the provisions of Schedule II of the Companies Act, 2013.
- (v) Property, plant and equipment and Intangible assets (Low Value Assets) costing Rs. 5,000/-or less are depreciated / amortized fully in the year of purchase.
- (vi) The maximum life of the components has been restricted to the life of the main asset.
- (vii) 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 of respective sections.
- (viii) 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.
- (ix) Intangible assets are amortized on a systematic basis over the best estimate of its useful life, from the date they are available for use.
- (x) Way leave charges paid to Railways are recognized as intangible assets and amortized on straight-line method over the period for which Way Leave has been granted (*).
- (xi) 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.

1.14 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.

1.15 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;

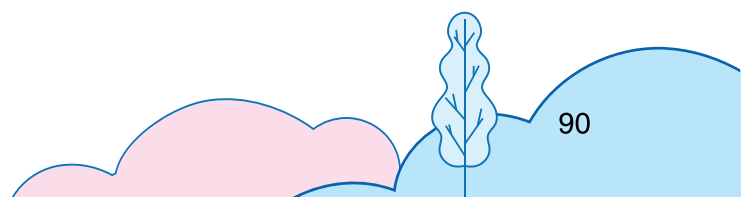
An asset shall be classified as current when it satisfies any of the following criteria:

- 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.

1.16 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.

1.17 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 transactions 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;

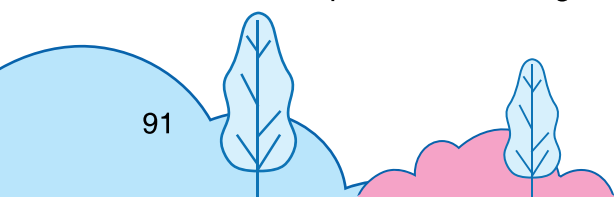
- To be measured at amortized cost and;
- To be measured subsequently at fair value (either through other comprehensive income or through Statement of Profit and Loss)

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.

1.18 Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized only when,





- a) the company has a present obligation (legal or constructive) as a result of a past event.
- b) it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation.
- c) 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) a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation.
- b) 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.

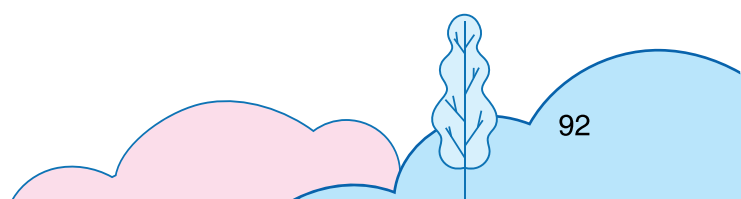
1.19 Commitments

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

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

1.20 Taxation

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 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 realized in future.

Current and deferred tax are recognized in the Statement of Profit and Loss, except when they relate to items that are recognized in other comprehensive income or items related to equity, in which case, the current and deferred tax are also recognized in other comprehensive income or directly in equity respectively.

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.

1.21 Foreign exchange transaction/translations

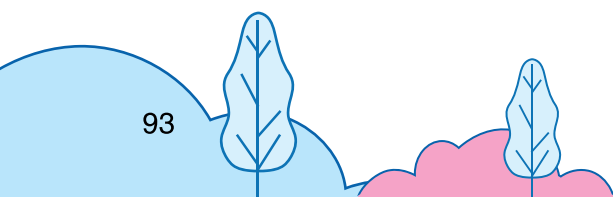
Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates (“functional currency”). The financial statements are presented in Indian Rupees (“INR”), which is the functional currency and presentation currency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

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

1.22 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.

1.23 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.

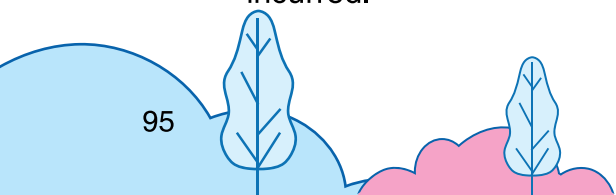
1.24 Allocation of interest during construction

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.

1.25 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.

1.26 Segment reporting

The Company has only one reportable business segment, which is developing, running and maintaining of metro rail system. Accordingly, the amounts appearing in the financial statements are related to the Company's single business segment.

1.27 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.

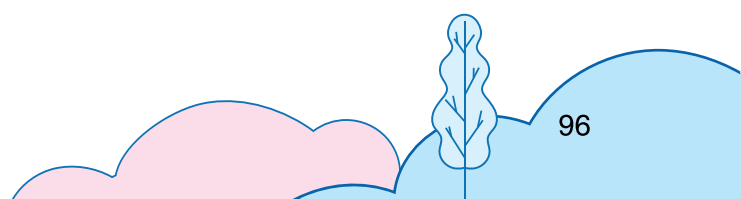
1.28 Cash Flow Statement

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

1.29 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.



Amount (Rs.in Lakh)

Particulars	Gross Block			Depreciation/ Amortisation/ Depletion			Net Block		
	As at 1st April 2019	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st March 2020	As at 1st April 2019	For the year	Deductions / Adjustments	As at 31st March 2020	As at 31st March 2019
Land (Freehold) (Refer Note 2.1)	849 47.86	29 44.87	-	878 92.73	-	-	-	878 92.73	849 47.86
Building	834 21.81	381 38.76	80.67	1214 79.90	25 26.15	17 80.23	71.44	1172 44.96	808 95.66
Temporary structures	6.89	-	.00	6.89	1.06	2.25	-	3.58	5.83
Viaduct, Bridges, Tunnel & Culverts	1282 73.20	725 08.49	18.03	2007 63.66	69 94.38	53 85.13	18.03	1884 02.18	1212 78.82
Plant and Machinery	65 51.04	14 15.84	7 63.32	72 03.56	12 23.15	3 97.77	6 24.68	9 96.24	53 27.89
Rolling Stock	522 14.22	244 79.12	25 35.90	741 57.44	51 34.07	23 69.06	25 35.90	691 90.21	470 80.15
Escalators & elevators	82 51.74	25 35.79	-	107 87.53	5 69.95	4 08.09	-	98 09.49	76 81.79
Signalling & Telecom Equipments	138 11.15	52 73.75	27 56.78	163 28.12	41 17.14	10 06.77	27 56.78	139 60.99	96 94.01
Roads	12 24.80	21.95	-	12 46.75	2 18.30	1 23.22	-	3 41.52	10 06.50
Fences, wells, tube wells	2 50.43	1 18.50	1 85.96	1 82.97	2 07.01	25.36	1 85.96	46.41	43.42
Computers	53 80.36	12 85.85	8 62.77	58 03.44	29 03.01	13 27.79	8 61.73	33 69.07	24 34.37
Electrical Appliances	231 66.08	94 65.33	12 34.33	313 97.08	47 99.01	25 74.84	12 29.75	61 44.10	252 52.98
Cables & Ducts	74 52.98	21 20.33	.20	95 73.11	6 82.25	4 52.81	.20	11 34.86	84 38.25
Switching Centres	18 85.95	9 98.16	2 73.84	26 10.27	4 70.67	1 58.91	2 73.84	3 55.74	14 15.28
Furniture and Fixtures	6 28.29	7 54.98	45.65	13 37.62	1 96.67	69.06	41.71	2 24.02	11 13.60
Office Equipment	23 28.68	16 51.41	42.21	39 37.88	4 94.52	3 65.37	41.95	8 17.94	31 19.94
Low Value Assets	5 61.49	36.77	-	5 98.26	5 61.09	37.17	-	5 98.26	.40
Vehicles	95.02	-	-	95.02	28.96	11.35	-	40.31	54.71
Total	4204 51.99	1637 49.90	87 99.66	5754 02.23	311 27.39	164 95.18	-	389 80.60	5364 21.63
Previous year (Restated)	3807 98.05	398 82.27	2 28.33	4204 51.99	101 98.83	131 87.35	77 72.47	311 27.39	3893 24.60

Note 2.B : Capital work -in -progress

Particulars	As at 1st April 2019	Additions/ adjustments during the year	Total	Capitalised during the year	As at 31st March 2020
Kochi metro rail project- phase 1 (Refer Note No. 30.4)	1233 64.93	577 45.93	1811 10.86	1586 84.40	224 26.46
Phase II (Extension) (Refer Note No. 30.4)	7 37.55	(1 96.54)	5 41.01	-	5 41.01
Phase 1A & 1B (Extension)	1 97.96	43 82.84	45 80.80	-	45 80.80
Phase III (Aluva to Angamaly with Airport Link)	1 05.25	(22.24)	83.01	-	83.01
Total	1244 05.69	619 09.99	1863 15.68	1586 84.40	276 31.28
Previous year (Restated)	718 23.83	690 59.00	1408 82.83	164 77.14	1244 05.69

Amount (Rs.in Lakh)

Particulars	Gross Block			Depreciation/ Amortisation/ Depletion				Net Block		
	As at 1st April 2019	Additions/ adjustments during the year	Disposal/ adjustments during the year	As at 31st March 2020	As at 1st April 2019	For the year	Impairment	Deductions / Adjustments	As at 31st March 2020	As at 31st March 2019
Computer software	14 15.10	1 97.72	170.65	14 42.17	7 05.85	2 57.80	-	1 70.65	6 49.17	7 09.25
Branding- Kochi Metro	61.60	-	-	61.60	44.06	12.33	-	-	5.21	17.54
Way leave charges to Railway	27 76.22	-	-	27 76.22	1 74.09	39.66	-	-	25 62.47	26 02.13
Total	42 52.92	1 97.72	1 70.65	42 79.99	9 24.00	3 09.79	-	1 70.65	32 16.85	33 28.92
Previous year (Restated)	41 59.56	93.42	0.06	42 52.92	4 92.79	3 04.57	1 26.65	0.02	33 28.92	36 66.77

Note 3.B : Intangible assets under development

Particulars	As at 1st April 2019	Additions/ adjustments during the year	Total	Capitalised during the year	As at 31st March 2020
HRMS Module Taxation	.58	1 97.72	.58	1 97.72	.58
Total	.58	1 97.72	.58	1 97.72	.58
Previous year	10.26	(7.09)	3.17	(2.59)	.58

Notes:

- 2.1. The Company has taken over possession of 34,7076 hectares of private Land till 31st March 2020 (previous year 34,1460 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 3.0642 hectares with a value of Rs.191,84.58 lakhs.19.9895 hectares of land with a value of Rs.213,41.85 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 an 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. Adjustments during the year for Gross block and Depreciation/Amortisation/Depletion includes Rs. 86,02.12 Lakhs relating to adjustment on account of impairment of assets during the year FY 2018-19
- 2.9. In case of mobile phone, grouped under office equipment, the useful life is estimated at three years.
- 2.10. During the year, the Company capitalised tangible and other intangible assets valuing Rs. 16,39,47.64 lakhs.



Amount (Rs.in Lakh)

Note 4 : Other Non Current Assets- Financial Assets	As at 31.03.2020	As at 31.03.2019
Receivable from Government of Kerala		
- Receivable against the Loan taken from The Kerala State Cooperative Bank (Refer Note No.30.5, 30.9 & 30.13)	281 90.10	328 90.10
- Interest Receivable towards the The Kerala State Cooperative Bank Loan (Refer Note No. 30.5, 30.9 & 30.13)	60 43.42	70 50.88
Security Deposit (Unsecured and Considered Good)	1 47.08	1 50.84
Total	343 80.60	400 91.82

Amount (Rs.in Lakh)

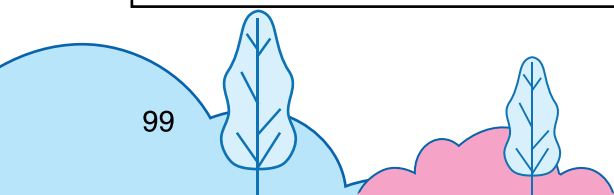
Note 5 : Other Non Current Assets	As at 31.03.2020	As at 31.03.2019
Capital advances - For Project (Unsecured and Considered good);		
- District Collector-Land Acquisition	59 59.86	73 11.78
- District Collector-Land Acquisition-Petta to SN	41 25.35	58 11.00
Capital advances - For Preparatory works (Unsecured and Considered good);		
- District Collector-Land Acquisition(Petta extension) (Refer Note No. 30.9)	9.90	9.90
- District Collector-Land Acquisition-Phase II (Refer Note No. 30.14)	96 72.00	-
- District Collector-Land Acquisition-Chambakkara Bridge (Refer Note No. 30.23)	3 71.98	-
- District Collector-Land Acquisition- Seaport - Airport Road (Refer Note No. 30.28)	4 01.00	-
Prepaid Expenses	1 36.63	81.66
Income Tax Refund Receivable (Net of provisions)	6 20.35	6 50.99
Total	212 97.07	138 65.33

Amount (Rs.in Lakh)

Note 6 : Trade Receivables [Current] Financial Assets	As at 31.03.2020	As at 31.03.2019
Unsecured- Considered Good		
Trade Customers	15 12.25	7 11.19
Less: Trade receivable - credit impaired	(1 59.53)	-
Total	13 52.72	7 11.19

Amount (Rs.in Lakh)

Note 7 : Cash and Cash equivalents [Current]	As at 31.03.2020	As at 31.03.2019
Cash on hand	.40	29.55
Balance with Banks (In current accounts)	12 99.35	91.28
Term Deposits with banks (with maturity period less than twelve months)	1 30.21	2 82.23
Total	14 29.96	4 03.06



Amount (Rs.in Lakh)

Note 8 : Other Bank balances	As at 31.03.2020	As at 31.03.2019
Earmarked Balances with Banks *	33 40.15	85.60
Total	33 40.15	85.60

* Fixed Deposits with banks pledged with MILMA /Department of Telecommunications/Debt Service Reserve Account

Amount (Rs.in Lakh)

Note 9 : Other Financial Assets [Current]	As at 31.03.2020	As at 31.03.2019
Current & Due		
Receivable from Government of Kerala		
- Receivable against the Loan taken from The Kerala State Cooperative Bank (Refer Note No. 30.5 , 30.9 & 30.13)	47 00.00	-
- Interest Receivable towards The Kerala State Cooperative Bank Loan (Refer Note No.30.5, 30.9 & 30.13)	57 34.28	-
Current & Not Due		
Receivable from Government of Kerala		
- Receivable against the Loan taken from The Kerala State Cooperative Bank (Refer Note No. 30.5 , 30.9 & 30.13)	47 00.00	47 00.00
- Interest Receivable towards the The Kerala State Cooperative Bank Loan (Refer Note No. 30.5, 30.9 & 30.13)	10 07.45	10 07.45
- For Preparatory Works (Refer Note. 30.14, 30.23, 30.26 & 30.28)	14 76.62	3 21.13
- State Tax Reimbursement Receivable	11 41.00	167 44.15
- Operating Cash Loss Receivable	3 80.00	53 00.00
UNSECURED, CONSIDERED GOOD, UNLESS OTHERWISE STATED		
- Interest Accrued	12.20	20.17
- Income accrued and due	28.11	3.99
- Security Deposits	13 65.16	1 50.98
- Other Employee Advance	9.45	16.79
- Others (include financial assistance from GoK - Refer Note No. 30.11)	82.80	45.43
Total	206 37.07	283 10.09

Amount (Rs.in Lakh)

Note 10 : Other Current Assets	As at 31.03.2020	As at 31.03.2019
Advance Paid	74 43.18	2 42.76
Prepaid Expenses	2 94.21	64.33
Work Deposits	8.01	5.21
Stock of Tools	2 57.40	18.57
GST Input Credit	3 11.90	27.66
Total	83 14.70	3 58.53

Particulars	As at 31st March 2020		As at 31st March 2019	
	Number of Shares	Amount (Rs. in lakhs)	Number of Shares	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

Particulars	As at 31st March 2020		As at 31st March 2019	
	Number of Shares	Amount (Rs. in lakhs)	Number of Shares	Amount (Rs. in lakhs)
Reconciliation of number of shares and amounts outstanding				
Equity Shares outstanding at the beginning of the year	15 07 46 000	1507 46.00	15 07 46 000	1507 46.00
Add : Shares issued during the year	-	-	-	-
Equity Shares outstanding at the end of the year	15 07 46 000	1507 46.00	15 07 46 000	1507 46.00

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

Name of Shareholder	As at 31st March 2020		As at 31st March 2019	
	Number of Shares	% of holding	Number of Shares	% of holding
President of India	7 53 73 000	50	7 53 73 000	50
Governor of Kerala	7 53 73 000	50	7 53 73 000	50

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

Amount (Rs.in Lakh)

Note 12 : Other Equity	As at 31.03.2020	As at 31.03.2019
Deferred Income		
Monetary Grants		
Interest Free Sub Debt (Refer Note No. 30.5)		
Government Of India	209 63.09	213 24.86
Government Of Kerala	1047 81.50	886 70.82
Government of Kerala - Reimbursement of State Taxes (Refer Note No. 30.6)	221 57.19	171 04.72
	1479 01.78	1271 00.40
Non Monetary Grants		
Government of Kerala - Freehold land (Refer Note No. 30.7)	139 30.43	138 38.52
Surplus in the Statement of Profit and Loss		
Balance as at the beginning of the year	(490 08.71)	(202 10.91)
Add: Changes in accounting policy or prior period errors	20.69	(3 09.37)
Add :Total comprehensive income for the current year	(309 80.19)	(284 88.43)
Balance as at the end of the year	(799 68.21)	(490 08.71)
Other Comprehensive income		
Balance as at the beginning of the year	(27.99)	2.00
Add :Total comprehensive income for the current year	(21.64)	(29.99)
Less : Prior period adjustments to opening balance		
Balance as at the end of the year	(49.63)	(27.99)
Total	818 14.37	919 02.22

Amount (Rs.in Lakh)

Note 13 : Borrowings [Non current]	As at 31.03.2020	As at 31.03.2019
Term Loans (Secured)		
From Banks;		
Canara Bank (Refer Note No. 30.12)	1386 28.86	1116 82.39
The Kerala State Coopertive Bank (Land acquisition) (Refer Note No. 30.13)	219 60.00	256 20.00
The Kerala State Coopertive Bank (Vytilla - Petta land acquisition for road widening) (Refer Note No. 30.9 and 30.13)	62 40.00	72 80.00
Term Loans (Unsecured)		
Pass Through Assistance - Government of India (Refer Note No. 30.15) [from Agence Francaise De Development (AFD)]	1194 39.69	1260 75.23
HUDCO Loan taken towards Preparatory works (Refer Note No. 30.14)	130 00.00	-
Interest Free Sub Ordinate Debt (Unsecured) (Refer Note No. 30.5 and 30.8)		
Government of India	38 86.91	35 25.14
Government of Kerala	197 31.51	145 15.19
Total	3228 86.97	2886 97.95



Amount (Rs.in Lakh)

Note 14 : Other Financial liabilities [Non current]	As at 31.03.2020	As at 31.03.2019
Retention	1 18.98	99.20
Security Deposits	21 54.58	19 07.15
Interest payable on The Kerala State Cooperative Bank loan	60 43.42	70 50.88
Total	83 16.98	90 57.23

Amount (Rs.in Lakh)

Note 15 : Provisions [Non current]	As at 31.03.2020	As at 31.03.2019
Provision for employee benefits (Refer Note No. 30.16 & 30.17)		
Provision for gratuity	4 49.31	2 87.18
Provision for earned leave	5 83.78	3 78.68
Provision for half pay leave	1 86.29	1 20.43
Provision for leave travel concession	21.81	40.63
Total	12 41.19	8 26.92

Amount (Rs.in Lakh)

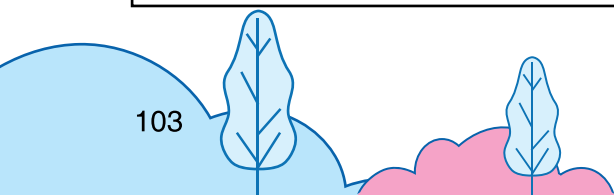
Note 16 : Deferred Tax Liabilities [Non current]	As at 31.03.2020	As at 31.03.2019
Deferred Tax Liabilities (Refer Note No. 30.18)		
On difference between book balance and tax balance of fixed assets	-	-
Deferred Tax Asset (Refer Note No. 30.18)		
Unabsorbed Depreciation and Loss	-	-
Total	-	-

Amount (Rs.in Lakh)

Note 17 : Other Non Current Liabilities	As at 31.03.2020	As at 31.03.2019
Advance received from Customers	5 96.64	1 04.33
Deferred Fair valuation -Gain (Security Deposit)	3 52.76	5 74.70
Total	9 49.40	6 79.03

Amount (Rs.in Lakh)

Note 18 : Borrowings [Current] - Financial Liabilities	As at 31.03.2020	As at 31.03.2019
Working Capital Loan - Canara Bank	85 30.08	-
Total	85 30.08	-



Note 19 : Other Financial Liabilities [Current]	As at 31.03.2020	As at 31.03.2019
Current & Due:		
Current Maturity of Term Loan from Banks;		
The Kerala State Coopertive Bank (Land Acquisition) (Refer Note No.30.9 and 30.13)*	47 00.00	-
Interest payable on The Kerala State Coopertive Bank loan*	57 34.28	-
* The Company has received moratorium for repayment of loan installment		
Current & Not Due:		
Current Maturity of Term Loan from Banks;		
The Kerala State Coopertive Bank (Land Acquisition) (Refer Note No.30.9 and 30.13)	47 00.00	47 00.00
From Others;		
Pass Through Assistance - Government of India (Refer Note No. 30.15) [from Agence Francaise De Development (AFD)]	66 35.54	66 35.54
Interest accrued but not due on borrowing	20 80.88	18 82.47
Unsecured		
- Trade / Security Deposit Received	8 54.53	3 57.66
- Land Acquisition and Structural Valuation	96 91.64	98 58.36
- Others;		
- Project related liabilities	189 19.13	184 62.33
- Government of Kerala**	136 64.33	108 42.39
- PTA amount due and payable to GOI	66 35.54	
- Delhi Metro Rail Corporation	9 27.90	10 38.77
- Others	16 02.31	16 26.47
Total	761 46.08	554 03.99
** Refer note 30.9, 30.20, 30.21, 30.22, 30.23, 30.25, 30.26,30.27 & 30.28.		

Amount (Rs.in Lakh)

Note 20 : Other Current Liabilities	As at 31.03.2020	As at 31.03.2019
Statutory Payments	8 03.10	2 96.76
Advance received from Customers	12 99.67	10 11.29
Deferred Fair valuation Gain (Security Deposit)	1 61.89	1 84.80
Insurance claim received in advance	50 00.00	20 00.00
Total	72 64.66	34 92.85

Amount (Rs.in Lakh)

Note 21 : Provisions [Current]	As at 31.03.2020	As at 31.03.2019
Provision for Employee benefits (Refer Note No. 30.16 and 30.17)		
Provision for Gratuity	19.80	17.69
Provision for earned leave	62.68	28.61
Provision for half pay leave	18.96	9.12
Provision for leave travel concession	25.44	23.80
Total	1 26.88	79.22



Amount (in Rs. Lakh)

Note 22 : Revenue from operations	For the year ended 31.03.2020	For the year ended 31.03.2019
Revenue from Train Operations being Fare Collections	56 77.13	41 03.88
Non fare box revenue	37 25.85	39 05.36
Total	94 02.98	80 09.24

Amount (in Rs. Lakh)

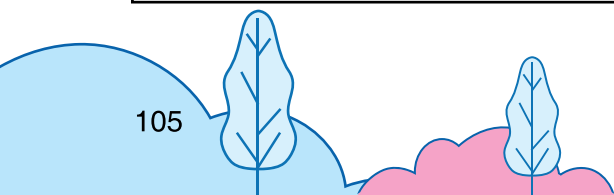
Note 23 : Other Income	For the year ended 31.03.2020	For the year ended 31.03.2019
Government Grants (Benefit against the interest free subordinate Debts from Government of India and Government of Kerala)	20 00.18	15 65.47
Government Grants (Benefit against the reimbursement of state taxes from Government of Kerala)	8 36.90	4 39.87
Consultancy Income	5 38.52	1 08.17
Interest on bank deposits	42.57	33.92
Insurance claim	-	12.96
Other non-operative income (Refer Note 23.1)	1 61.21	1 02.96
Income from Unwinding of security Deposits	5 12.69	1 75.40
Total	40 92.07	24 38.75
23.1 Other Non operating income :		
Application/tender processing fees	14.62	14.62
Other Interest	38.88	38.88
Others	1 07.71	49.46
Total	1 61.21	1 02.96

Amount (in Rs. Lakh)

Note 24 : Operating Expenses	For the year ended 31.03.2020	For the year ended 31.03.2019
Customer Facilitation Expenses	13 93.20	13 15.37
Electricity & water Charges	15 64.80	11 56.66
Security Expenses	10 27.33	4 40.69
Commission	2 67.95	1 93.70
External Project Consultancy	1 51.36	1 21.31
Other Operating Expenses	1 06.45	50.83
Total	45 11.09	32 78.56

Amount (in Rs. Lakh)

Note 25 : Employee Benefits Expense	For the year ended 31.03.2020	For the year ended 31.03.2019
Salaries and wages	36 14.15	31 59.67
Contribution to Provident Fund and other funds	2 79.38	2 46.57
Gratuity Expenses (Refer Note No. 30.16 and 30.17)	1 16.32	82.20
Staff welfare expenses	2 10.53	3 18.22
Total	42 20.38	38 06.66



Amount (in Rs. Lakh)

Note 26 : Finance Costs	For the year ended 31.03.2020	For the year ended 31.03.2019
a) Interest on Pass through Assistance - Government of India (Refer Note No. 30.14)		
Gross Interest (A)	17 67.15	19 19.72
Less: Expense during construction (B)	(38.39)	(5 61.05)
Total transfer to Statement of Profit and Loss (A-B)	17 28.76	13 58.67
b) Interest on Canara Bank loan (Refer Note No. 30.12)		
Gross Interest (A)	124 02.74	89 91.73
Less: Expense during construction (B)	(8 53.32)	(45 84.26)
Total transfer to the Statement of Profit and Loss (A-B)	115 49.42	44 07.47
c) Interest on Union Bank Loan (Refer Note No. 30.12)		
Gross Interest (A)	13.83	-
Less: Expense during construction (B)	(13.83)	-
Total transfer to the Statement of Profit and Loss (A-B)	-	-
d) Interest on Working Capital loan (Refer Note No. 30.12)	3 18.15	-
e) Interest on Subordinate debt (Refer Note No. 30.5)		
Unwinding of Interest expense on subordinate debt (A)	20 00.18	15 65.47
Less: Expense during Construction (B)	-	-
Total transfer to the Statement of Profit and Loss (A-B)	20 00.18	15 65.47
f) Interest on Retention Money Deposit		
Unwinding of Interest Expense on Retention Money Deposit (A)	9.32	14.66
Less: Expense during Construction (B)	(.87)	(7.90)
Less: Payable to GOK (C)	(5.29)	(3.02)
Total transfer to the Statement of Profit and Loss (A-B-C)	3.16	3.74
g) Interest on Security Deposit		
Unwinding of Interest Expense on Security Deposit(A)	4 93.40	1 75.54
Total transfer to the Statement of Profit and Loss (A)	4 93.40	1 75.54
Grand Total- Transfer to the Statement of Profit and Loss	160 93.07	75 10.89

Amount (in Rs. Lakh)

Note 27 : Depreciation and Amortisation Expense	For the year ended 31.03.2020	For the year ended 31.03.2019
Depreciation on tangible assets (Refer Note No.1.13 and 2A)	164 95.18	131 87.35
Amortisation of intangible asset (Refer Note No. 1.13 and 3A)	3 09.79	3 04.57
Total	168 04.97	134 91.92



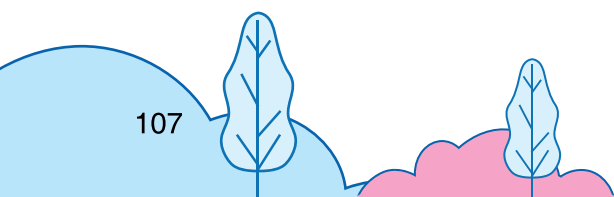
Amount (in Rs. Lakh)

Note 28 : Other Expenses	For the year ended 31.03.2020	For the year ended 31.03.2019
Road Works/Station Oriented Works	39.12	12 09.77
Rent,Rates and taxes	91.53	1 98.27
Expected credit loss on Trade Receivables	1 59.53	-
Repairs and maintenance	4 68.33	2 37.79
Advertisement and Promotional Expenses	2 07.83	1 61.53
Legal and Professional	3 59.40	1 34.50
Travelling and conveyance expenses	1 04.51	89.21
Office and other Miscellaneous expenses	1 81.02	1 43.61
Insurance	8 88.26	1 12.81
Payment to Auditors (Refer Note No. 28.1)	8.74	9.45
Bank charges & Guarnatee Commission	1 46.47	5.55
Post flood restoration expenses	1 90.99	6 46.79
Total	28 45.73	29 49.28

Amount (in Rs. Lakh)

28.1 Payment to Auditors	For the year ended 31.03.2020	For the year ended 31.03.2019
Audit fees	6.49	6.20
Other Services	2.05	3.13
Reimbursement of Expenses	.20	.12
Total	8.74	9.45

Note 29 : Earnings per Equity Share	For the year ended 31.03.2020	For the year ended 31.03.2019
Net Profit/ (Loss) after tax (In Rs. Lakh)	(310 01.83)	(285 18.42)
Number of Equity Shares	1507460 00.00	1507460 00.00
Basic and Diluted Earnings Per Share (EPS) (In Rs.) (Refer Note No. 30.30)	(20.57)	(18.92)



NOTE NO. 30 ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS**30.1 Expenditure in Foreign Currency***Amount (Rs. In Lakhs)*

Particulars	For the year ended 31.03.2020	For the year ended 31.03.2019
Tours and Travels	4.82	8.57
Expenditure by DMRC on contracts (see note below)	43,88.39	25,62.25

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

The Pass Through Assistance (PTA) provided to the company by Government of India, is based on the credit facility agreement for 180 Million Euro between Agence Francaise De Development (AFD), as lender and Government of India(Gol), as the borrower. The PTA funds were released by Gol 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 Gol and repayment obligation of the company is limited to the INR equivalent of the amount of PTA received. Accordingly, the Company did not recognize foreign exchange rate variation losses/gains as at the Balance Sheet date related to the PTA received from Gol.

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, Gol 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 Gol and the amount paid by the company to Gol in INR, shall be borne by GoK, when settlement of exchange variation is carried out by Gol. Accordingly, in the balance sheet the liability under PTA is recognised at Rs 13,27,10.77 lakhs, being the principal amount of PTA received from Gol in INR.

30.3 Capitalization of assets from CWIP

During the year, the company has capitalized operational assets taken over from DMRC valuing Rs.16,02,40.00 lakhs. It is based on the Fixed Asset register and relevant documents handed over by DMRC, as certified by their internal auditors, as per clause 6.1.20 of the Memorandum of Understanding between DMRC and KMRL dated 23rd May 2013.



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

a) Review of contracts and contractors' 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)

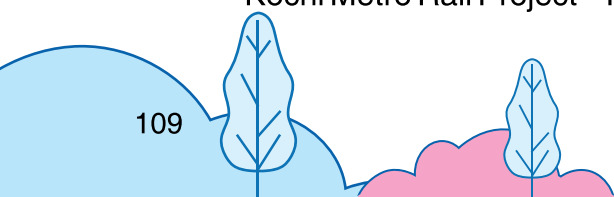
Particulars	Total borrowing cost as at end of the year	Borrowing costs capitalized during the year	Borrowing costs charged off to statement of profit and loss	Borrowing cost grouped under CWIP
Current year	145,01.87	8,74.07	135,96.33	31.47
Previous year	149,00.44	5,55.99	57,66.13	85,78.32

The interest earned on short-term deposits made out of Pass Through Assistance (PTA) funds received from Gol is reduced from the borrowing cost in accordance with Indian Accounting Standard (IND AS) 23. The particulars of the interest earned are given below;

Amount (Rs. In Lakhs)

Interest earned	Current year	Previous year
	0	20.58

The Ministry of Finance, Department of Expenditure, vide their letter F.No.30(03)/PFC.II /2019 dated 15th April 2020 has recommended for implementation the proposal 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 is 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

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 decided 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. The repayment of the loan with payment of interest against the said term loan 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.

Government of Kerala vide order No. G.O (Ms) No.73/2014/Trans dated 17/10/2014 has given administrative sanction for the Extension of Phase I of the metro line from Petta to S N junction for Rs 359,00 lakhs. The revised administrative sanction is issued vide GO. (MS)No.36/2019/Trans dated 15.7.2019 for an amount of Rs. 710,92 lakhs. An amount of Rs 58,11 lakhs was released by GoK directly to Special Thahasildar LA towards land acquisition vide G O (MS) No.63/2018/TRANS dated 23.10.2018.

The amount of Rs. 366,00 lakhs and Rs. 58,11 lakhs of 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 2020, an amount of Rs. 225,92.52 lakhs was released by the State Government towards KVAT and SGST. Out of this, an amount of Rs. 11,00.00 lakhs was released during the year 2017-18. During the year 2019-20, an amount of Rs. 214,92.52 lakhs was received towards state tax reimbursement vide GO(RT) No.241/2019/Trans dated 03.6.2019, GO(RT) No.340/2019/Trans dated 25.07.2019 and GO(RT) No. 531/2019/Trans dated 22.11.2019.

Further, Government order GO(RT) No 114/2020/Trans dated 18.3.2020 was issued for release of Rs 11,41 lakhs which is recognised as receivable from Government of Kerala as on 31.3.2020.

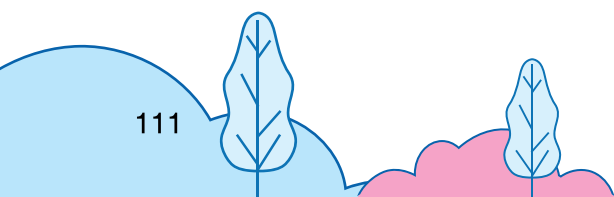
30.7 Transfer of land at Kakkanad

Government of Kerala vide G.O.(Ms) No. 140/2019/RD dated 22nd May 2019 has 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 towards the Cash Loss

Government of Kerala vide G.O.(Rt) No. 128/2019/Trans dated 29thMar 2019 accorded approval to finance the cash loss of the company of the financial year 2017-18. The sum of Rs.53,00.00 lakhs received from the Government of Kerala to finance the said cash loss is recognized as Sub ordinate debt as decided and resolved in the meeting of the Board of Directors held on 09.08.2019. The funds were released by transferring the said sum of Rs.53,00.00 lakhs to the Treasury Savings Bank (TSB) account of KMRL on 20th April 2019.

An amount of Rs. 59,87 lakhs was released to finance the cash loss incurred during the year 2018-19 vide GO (RT) No 531/2019/Trans dated 22.11.2019. Further, Government



order GO(RT) No 114/2020/Trans dated 18.3.2020 was issued for release of balance amount of Rs 3,80 lakhs.

Accordingly, the company has recognized upto March 31, 2020, an amount of Rs 116,67 lakhs as the Subordinate debt from Government of Kerala towards reimbursement of Cash Loss.

30.9 Vytilla-Petta Road widening

Government of Kerala, vide G.O (Ms) No. 13/2015/Trans dated 10/03/2015 accorded administrative sanction for widening of 1.5 KM of Vytilla-Petta Road from Kunnara park to Petta. Government released an amount of Rs. 22,35 lakhs for undertaking these works. An amount of Rs. 2.55 lakhs has been incurred by KMRL during the financial year 2019-20 (during previous year Rs. 330.00 lakhs). The total cost incurred towards this preparatory work till 31.03.2020 is Rs. 19,41.86 lakhs (till 31.03.2019 Rs. 19,35.67 lakhs).

Vide order No. G.O.(Ms)No.24/2015/Trans dated 30.04.2015, the Government of Kerala accorded approval for availing term loan of Rs.104,00 lakhs from The Kerala State Cooperative Bank formerly known as Ernakulam District Co-operative Bank Ltd (EDCB) towards land acquisition for widening of Vytilla- Petta Road. Accordingly, the company entered into term loan agreement with EDCB as approved in its 19th Board meeting held on 9th May, 2014. Consequent to the agreement, the EDCB released an amount of Rs.104,00 lakhs to KMRL during the financial year 2015-16.

Till 31.03.2020, the Company has transferred an amount of Rs.102,53 lakhs to the District Collector as advance towards land acquisition for the road widening works. An amount of Rs. 1,52.17 lakhs was paid to Defence Estate for acquiring the land.

30.10 Edappally Flyover

Government of Kerala vide order No. G.O (Rt) No.714/2013/PWD dated 13/05/2013 entrusted the works of construction of Edappally flyover to KMRL, to be executed through DMRC at an estimated cost of Rs. 108,77 lakhs. An amount of Rs. 25,00 lakhs has been released by Kerala Road Fund Board (KRFB) to KMRL for this work during the financial year 2013-14 and an amount of Rs.8,92.42 lakhs was received during 2018-19. Out of the funds received during the year 2018-19, towards the entrusted work of construction of the Edappally Flyover, an amount of Rs.717.83 lakhs was utilized by the Company for the other construction activities. The Memorandum of Understanding delineating the terms of execution was executed on 23rd May 2016.

Total expenditure (including remuneration), by DMRC towards flyover construction is

Rs. 31,91.21 lakhs (up to previous year Rs. 33, 08.66 lakhs) out of funds transferred by KMRL.



Till 31st March 2020, KMRL incurred an expenditure for an amount of Rs. 3,53.90 lakhs (March 31,2019 Rs. 4,04.71 lakhs) which includes claim towards administrative charges.

The total expenditure on the Edappally flyover amounts to Rs. 35,45.11 lakhs (March 31,2019 Rs. 37,13.37 lakhs) and balance funds are yet to be released by Kerala Road Fund Board.

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

The Company has 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 2020, MoHUA has released an amount of Rs. 1,81.38 lakhs till 31st March 2020. An amount of Rs. 45.35 lakhs is receivable from GoK, being their share of financial assistance.

30.12 Borrowings from Banks

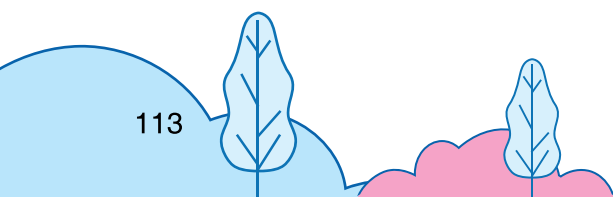
a) For Phase I of Kochi Metro Rail Project

i) Borrowing from Canara Bank.

The Company has 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. Accordingly, the interest so accrued on the term loan was capitalized and the tenure of the term loan was extended from second quarter of 2023-2024 to fourth quarter of 2023-24, under COVID-19 assistance. The loan shall be repaid in fifty-two quarterly installments, ending on third quarter of 2036-37. The rate of interest applicable is one-year MCLR (marginal cost of funds based on lending rates) plus 0.95% with annual resets and secured by paripassu charge on all assets of the company. During the year the company has drawn an amount of Rs.52,99.06 lakhs (previous year Rs. 353,43.10 lakhs) against the term loan.

ii) Additional borrowing from Canara Bank for Phase I of Kochi Metro Rail Project.

The Company has entered into term loan agreement with Canara Bank on 18.7.2019 for an amount of Rs.179,00 lakhs for meeting the cost escalation of Phase I of Kochi Metro Rail Project. Govt of Kerala issued guarantee for repayment of the principal and interest of this loan vide GO (RT) No. 323/2019/Trans dated 18.7.2019. As requested by KMRL, the moratorium for interest servicing was



approved for a period of six months from March 2020 onwards. Accordingly, the interest so accrued on the term loan was capitalized and the tenure of the term loan is extended from second quarter of 2023-2024 to fourth quarter of 2023-24, under COVID-19 assistance allowed to borrowers by RBI. The loan shall be repaid in fifty-two quarterly installments, ending on third quarter of 2036-37. The rate of interest applicable is one-year MCLR (marginal cost of funds based on lending rates) plus 0.95% with annual rests and secured by paripassu charge on all assets of the company and state government guarantee for payment of interest and principal. During the year the company has drawn an amount of Rs.166,34 lakhs (previous year NIL) against the term loan.

The company paid interest of Rs. 122,08.83 lakhs during the year (previous year Rs. 87,07.49 lakhs) and the sum Rs. 318,66.24 lakhs, cumulatively, till 31st March 2020 (till previous year Rs. 196,57.41 lakhs).

b) For Phase IA & IB of Kochi Metro Rail Project

The Company initially entered into a term loan agreement for an amount of Rs. 730 crores 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. During the year the company has drawn an amount of Rs.30,00 lakhs (previous year NIL) against the term loan.

Subsequently, Canara Bank also sanctioned a term loan of Rs. 730.67 crores for funding the Phase IA & IB project. Accordingly, it was decided to form a consortium between Canara Bank and Union Bank of India, with Canara Bank being the Lead Banker, to fund the Phase IA & IB project, with the term loan of 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, at the first consortium meeting held on 05.03.2020. Accordingly, the term loan agreement was entered into on 07.3.2020 with Canara Bank on the same terms as the consortium arrangement until the final consortium loan agreement is signed. The consortium loan agreement was signed on 25.05.2020 with the applicable interest rate of 8.85% p.a

During the year the company has drawn an amount of Rs.49,75 lakhs (previous year NIL) against the term loan and a sum of Rs. 30,00 lakhs was utilized to settle the loan due to Union Bank of India. The interest accrued but not due as on 31.3.2020, is Rs. 17.64 lakhs

c) Fund based and Non fund based working capital facilities from Canara Bank.

Secured Overdraft Limited: The Company entered into a Fund based working capital facility with Syndicate Bank on 17.07.2019 for an amount of Rs.30,00 lakhs. The rate of interest applicable was one-year MCLR (marginal cost of funds based on lending rates) plus 3.50%. Canara Bank, the existing lender, offered to take over the working capital



facility of Rs. 30,00 lakhs with Syndicate Bank and offered a total working capital facility for an amount of Rs. 90,00 lakhs. Accordingly, the Company entered into a Fund based working capital facility with Canara Bank on 30.9.2020 for an amount of Rs.90,00 lakhs and Non Fund based BG limit of Rs 5 crore. The rate of interest applicable is one-year MCLR (marginal cost of funds based on lending rates) plus 1.40% with annual rests and secured by paripassu charge on all assets of the company. Present applicable rate of interest is 9.80% p.a .The working capital loan of Rs. 90,00 lakhs from Syndicate Bank was taken over by Canara Bank and the facility was closed on 19.12.2019.

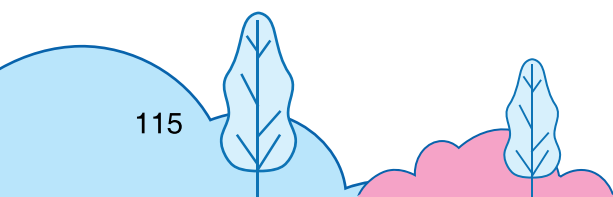
The company has paid interest for an aggregate amount of Rs. 3,18.15 lakhs, during the year (previous year Nil) on the working capital facilities availed from Syndicate Bank initially and subsequently taken over by Canara Bank.

30.13 Borrowings from The Kerala State Cooperative Bank (formerly known as Ernakulam District Cooperative Bank (EDCB))

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. Against this, 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 towards the balance amount of Rs.366,00 lakhs 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 Ernakulam District Co-operative Bank Ltd (EDCB) 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. Total tenure of the loan shall be 12 years with two year 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 i.e @ 9.95% (Floating) per annum. The interest rate shall be reset every three years. The repayment of the loan with interest has been undertaken by the Government of Kerala on back-to-back basis. 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.

Further, 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 Ernakulam District Co-operative Bank Ltd (EDCB) to meet the cost of land acquisition for widening of Vytilla-



Petta road. Accordingly, the company entered into term loan agreement with EDCB 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 the State bank of India compounded on quarterly rest. The interest rate shall be reset every three years. The obligation for the repayment of the loan together with interest has been undertaken by the Government of Kerala on back-to-back basis. 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.

The Kerala State Cooperative Bank has given moratorium for payment of instalment due on 31.3.2020 under COVID-19 assistance. The third instalment was paid in April 2020.

30.14 Borrowings from HUDCO

The Company has 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 for Phase I, Phase IA, Phase IB and Phase II of Kochi Metro Rail Project. Moratorium for repayment of the principal amount is up to February 2022. The loan shall be repaid in fifty-two quarterly installments. The rate of interest applicable is 9.75% p a on the loan amount pertaining to the land acquisition and 9.25% on the loan amount pertaining to preparatory works. The loan is secured by Government guarantee for payment of interest and principal. Govt. of Kerala issued guarantee payment of the loan vide GO (RT) no. 112/2020/Trans dated 17.3.2020. During the year 2019-20, the company has drawn an amount of Rs.130,00 lakhs.

The interest accrued but not due as on 31.3.2020 is Rs. 3.44 lakhs (previous year NIL).

30.15 Pass Through Assistance from Government of India

The Pass Through Assistance (PTA) provided by Government of India is based on the credit facility agreement between Agence Francaise De Development (AFD), a French public funding agency, as lender and Government of India(Gol) as the borrower. The loan is secured by sovereign guarantee by the Gol. The rate of interest applicable is 6 monthly EURIBOR plus the margin of 155 basis point. Interest is due on each payment date i.e. on 15th March and 15th September of each year. Repayment of the principal amount shall be in forty equal half yearly installments after the moratorium period of five years and the first installment is due on 15th September 2019 and the last installment shall be payable on 15th March 2039.

The entire loan proceeds of Euro 180 million have been released by AFD to Gol till 31st March 2020. The funds were disbursed to KMRL in several tranches as per budgetary provisions of Government of India. Gol has released Rs. 1327,10.77 lakhs till 31st March 2020.



During the year 2019-20, Gol has repaid Euro 9 million on the due dates. To the extent of the loan repaid by Gol, the Company's liability towards PTA was reduced by Rs. 66,35.54 lakhs and is shown as payable to Gol as on 31.3.2020.

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

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.

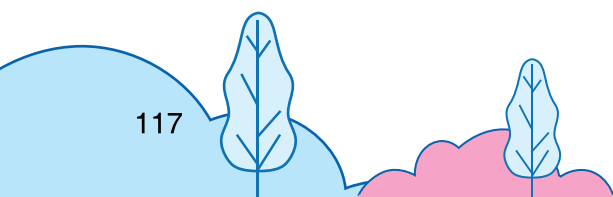
The company's pension scheme is linked with Provident Fund scheme. All eligible employees of the company under provident fund schemes are also covered under Employee Pension Scheme (EPS), except for those employees of the company who became provident fund (PF) member after 1st September 2014 and whose salary is more than Rs. 15,000/- per month. Such employee 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.

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.



30.17 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 2020.

Amount(Rs.in lakhs)

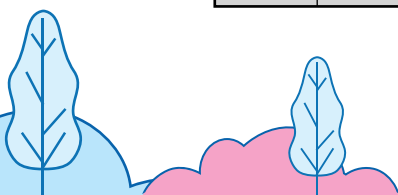
Particulars	Gratuity entitlement (Unfunded)		Earned Leave Encashment (Unfunded)		Half pay Leave Encashment (Unfunded)		Leave travel concession (Unfunded)	
	As at 31/03/2020	As at 31/03/2019	As at 31/03/2020	As at 31/03/2019	As at 31/03/2020	As at 31/03/2019	As at 31/03/2020	As at 31/03/2019
Benefit obligations at the beginning of year	304.87	165.52	407.28	232.20	129.54	76.80	64.43	64.45
Current service cost	121.38	94.33	173.16	137.44	51.20	40.13	24.85	23.81
Interest Cost	21.20	12.55	27.32	16.60	9.07	5.91	4.67	5.00
Benefits paid / provision withdrawn	-3.99	-5.12	-33.98	-33.07	0.00	0.00	-8.50	-8.57
Past service cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Actuarial (gain) /loss from change in Financial Assumptions	40.24	5.42	44.60	2.02	14.20	0.65	0.50	1.26
Actuarial (gain) /loss on obligations - Due to Experience Adjustments	-14.59	32.17	28.08	52.09	1.24	6.05	-38.70	-21.52
Benefit obligations at the end of year	469.11	304.87	646.46	407.28	205.25	129.54	47.25	64.43



The amounts for the year ended March 31, 2020 recognised in the Statement of Profit and Loss under Employee benefit Expense, are as follows:

Amount(Rs.in lakhs)

Particulars	Gratuity entitlement (Unfunded)		Earned Leave Encashment (Unfunded)		Half pay Leave Encashment (Unfunded)		Leave travel concession (Unfunded)	
	As at 31/03/2020	As at 31/03/2019	As at 31/03/2020	As at 31/03/2019	As at 31/03/2020	As at 31/03/2019	As at 31/03/2020	As at 31/03/2019
Current service cost	121.38	94.33	173.15	137.44	51.20	40.13	24.85	23.81
Interest cost	21.20	12.55	27.32	16.60	9.06	5.91	4.67	5.00
Past service cost	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reimbursement Service cost	0.00	(3.88)	0.00	(7.20)	0.00	(3.88)	0.00	0.00
Interest income	(0.72)		(0.43)		(.22)			
Remeasurement			73.11	54.11	15.67	6.70	(38.20)	(20.26)
Total	141.86	103.00	273.15	200.95	75.71	48.86	(8.68)	8.55
Less: Actuarial (Gain)/ Loss transferred to CWIP	25.54	20.80	49.17	40.59	13.63	9.87	(1.56)	1.73
Expenses recognized in statement of profit and loss	116.32	82.20	223.98	160.36	62.08	38.99	(7.12)	6.82



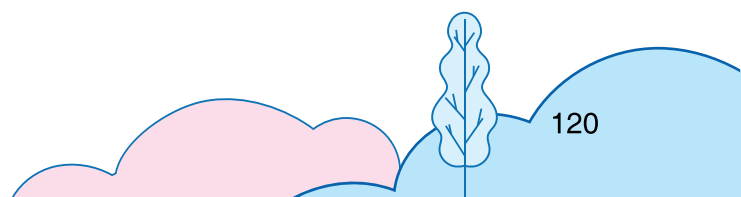
*Amount(Rs.in lakhs)*

The amounts for the year ended March 31, 2020 recognised in the Statement of Other Comprehensive income , are as follows

Particulars	Gratuity entitlement (Unfunded)	
	As at 31/03/2020	As at 31/03/2019
Re measurements of the net defined benefit liability/ (asset)		
Actuarial (gains)/ losses from changes in Financial Assumptions	40.96	5.42
Actuarial (gains)/ losses- Due to Experience Adjustments	-14.59	32.17
Total Re measurements in OCI	26.38	37.59
Less: Actuarial (Gain)/ Loss transferred to CWIP	4.74	7.60
Expenses recognized in statement of OCI	21.64	29.99

The principal assumptions used to determine Gratuity, Earned leave encashment, Half Pay leave Encashment and LTC benefit obligations as of March 31, 2020, March 31, 2019 are as follows :

Particulars	As at 31/03/2020	As at 31/03/2019
Discount rate	7%	7.70%(7.25% for LTC)
Salary escalation rate - First 5 Years	6.00%	6.00%





<i>Amount(Rs.in lakhs)</i>								
Net Asset / Liability recognised in the Balance Sheet								
Particulars	Gratuity entitlement (Unfunded)		Leave Encashment (Unfunded)		Half pay Leave Encashment (Unfunded)		LTC (Unfunded)	
	As at 31/03/2020	As at 31/03/2019	As at 31/03/2020	As at 31/03/2019	As at 31/03/2020	As at 31/03/2019	As at 31/03/2020	As at 31/03/2019
Present value of the obligation	469.11	304.87	646.46	407.28	205.25	129.54	47.25	64.43
Fair value of plan assets		0.00	0.00	0.00	0.00	0.00	0.00	0.00
Difference	469.11	304.87	646.46	407.28	205.25	129.54	47.25	64.43
Unrecognised transitional liability	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Unrecognised past service cost - non vested benefits	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Liability recognized in the balance sheet	469.11	304.87	646.46	407.28	205.25	129.54	47.25	64.43

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

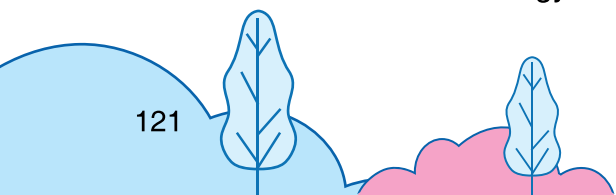
The Company has a deferred tax asset of Rs. 372,56.05 lakhs (previous year Rs. 216,37.06 lakhs) as on 31.03.2020 owing to the existence of unabsorbed depreciation and accumulated losses. The deferred tax liability as on 31.03.2020 is Rs. 230,78.51 lakhs (previous year Rs. 132,45.37 lakhs).

The net deferred tax asset as on 31.03.2020 is Rs. 141,77.54 lakhs (Previous year Rs: 83,91.69 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 01.07.2020 in respect of the Financial Year 2019-20.

30.19 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 has installed 2.67 mw capacity and accordingly, has 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 has been 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 shall be disbursed to the developer on submission of the audited certificate of the project cost. During the year, the company did not release any amount (Previous year Rs. 2,13.65 lakhs) to M/s Hero Solar Energy Private Limited towards their share of the subsidy amount.

30.20 Preparatory works

Preparatory works are undertaken by DMRC as per the Government of Kerala (GoK) order vide G.O.(MS) No. 34/2010/Tran Dated 19-3-2010 and G.O.(MS) No. 110/2013/Trans dated 07-12-2013 with an estimated cost of Rs.242,47 lakhs. The ownership of these assets rests with the Government of Kerala (GoK). After the formation of Kochi Metro Rail Limited (KMRL), the funds for these works are routed through KMRL and hence the entire expenses incurred on this account have been set off against the funds received from the Government of Kerala.

The particulars of preparatory works as stated in the Government Order No.110/2013 dated 07-12-2013, mentioned above are as follows:

Sl. No	Description of the Preparatory Work	Amount Estimated (Rs.in Crores)
1	Rebuilding of Railway Over Bridge near Ernakulam Town Station	83.37
2.	Construction of new Railway Over Bridge near KSRTC Bus Stand and Widening/Improvements to Salim Rajan Road and Mullassery Canal Road	49.00
3	Widening of the station approach road from Jos Junction to Ernakulam South Railway Station	41.37
4	Improvements to the MG Road from Madhava Pharmacy to Thevara	32.36
5	Widening of Banerjee Road from Ernakulam Town ROB to the Madhava Pharmacy	36.37
	TOTAL	242.47

Till 31.03.2020, the GoK released an amount of Rs.220,45.27 lakhs(till 31.03.2019, Rs. 218,67.19 lakhs) towards the preparatory and other miscellaneous works. The total expenditure till 31.03.2020 on these preparatory works including funds transferred to DMRC is Rs. 204,66.59 lakhs (till 31.03.2019, Rs. 202,41.52 lakhs).



30.21 Pachalam Rail Over Bridge (ROB)

Government of Kerala vide order Nos. G.O(Ms) No. 23/2014/Trans dated 05/03/2014 and G.O(Ms) No.56/2014/Trans dated 24/07/2014 entrusted the work of construction of Pachalam ROB to KMRL through DMRC, for reducing the traffic congestion due to civil construction from Aluva to Petta, with an approved cost of Rs. 52,59 lakhs.

Government of Kerala released the entire funds to KMRL. Out of the funds received, an amount of Rs. 8,81.00 lakhs was paid to District Collector towards the cost of land acquisition and an amount of Rs.15,90.68 lakhs to DMRC and others towards project fund till 31st March 2020.

DMRC spent an amount of Rs. 20,02.48 lakhs, including remuneration, (up to previous year Rs. 20,02.48 lakhs) towards construction of the rail over bridge till 31st March 2020.

30.22 Integrated Water Transport system

Government of Kerala (GoK) vide G.O(Ms) No. 73/2015/Trans dated 19/11/2015 has accorded approval for the conception of an Integrated Water Transport system in Kochi with 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 GoK is also funding for the cost of the project to the extent of Rs. 102,30 lakhs. During the year 2016-17, KMRL has entered into a project agreement with the State of Kerala and KfW. KMRL also entered into a separate agreement with KfW in accordance with the loan agreement between GoI and KfW for availing the loan for an amount of 85 million Euros.

During the year 2019-20, GoK did not release any amount (Previous year -Rs 10,00 lakhs) and KfW released an amount of Rs.57,03.88 lakhs (Previous year - Rs. 5,64.49 lakhs). Cumulative fund released up to 31.3.2020 is Rs.87,37.10 lakhs (GoK - Rs 20,00 lakhs and KfW –Rs. 67,37.10 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. Expense for an amount of Rs.49,72.79 lakhs (till previous year Rs. 27,24.50 lakhs) had been incurred till 31.03.2020 on this account. An amount of Rs. 51,70.67 lakhs was paid as advance to contractors as on 31.3.2020.

30.23 Construction of the Chambakkara Bridge (Four Lane)

Government of Kerala, vide G.O(Ms) No. 68/2016/Trans dated 09/11/2016 has accorded administrative sanction for construction of the four lane Chambakkara Bridge as a preparatory work of Kochi Metro Rail Limited for Rs.33,66.44 lakhs. Government has released an amount of Rs.27,00 lakhs upto 31.03.2020 to the Treasury Savings Bank (TSB) Account of KMRL. The work is being executed through DMRC.

Government of Kerala, vide G.O(Ms) No. 64/2018/Trans dated 11/11/2018 has accorded administrative sanction for acquisition of land for the construction of Chambakkara bridge. GoK, vide GO(Rt) No. 112/2020/Trans dated 17.03.2020,



accorded approval for availing loan from HUDCO to meet the cost of land acquisition of this project.

Accordingly, an amount of Rs. 32,43.05 lakhs has been expended for works carried out and the cost of land acquisition (including DMRC remuneration) up to 31.3.2020 (till previous year ended 31.03.2019, Rs. 16,75.90 lakhs).

30.24 Non–Motorized transport (NMT) initiatives in KMRL

GoK vide GO. No. 34/2017/Trans dated 19/04/2017 has accorded administrative sanction for the Non-motorized transport initiatives of KMRL for an amount of Rs.161,00 lakhs. The project shall be funded by the French development agency-“*Agence Francaise De Development (AFD)*”. Revised administrative approval was given for an amount of Rs 239,00 lakhs, vide GO (MS) No.36/2019/Trans dated 15.07.2019, with funding by Gol as PTA of Rs. 202,54.00 lakhs and GoKs share of Rs. 36,46.00 lakhs. NMT plan includes station-oriented development, major junction improvements & 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 on 27.12.2019. The funds shall be made available to the KMRL by Gol in INR 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.

The first drawdown request, being reimbursement of eligible expenses, was sent by KMRL on 26th May 2020 for an amount of Rs 24,46.67 lakhs and the funds were released to GoK through the Department of Economic Affairs and is pending for reimbursement to KMRL by GoK.

30.25 Improvement of Edappally – High Court Road

Government of Kerala, vide G.O(Ms) No. 56/2016/Trans dated 26/08/2016 has accorded administrative sanction for improvement of Edappally –High Court Road from Edappally to JLN Stadium/Kaloor and upgrading the drainage system as a preparatory work of Kochi Metro Rail Limited for Rs.39,41.40 lakhs. Government has till date released an amount of Rs.34,00 lakhs for undertaking these works. An amount of Rs.15,60.85 lakhs was incurred by KMRL up to 31.3.2020 (March 31,2019 Rs. 17,00.57 lakhs).

30.26 Preparatory works for the extension of Kochi Metro Rail Project from Petta to SN Junction, Tripunithura

Government of Kerala, vide G.O(Ms) No. 31/2016/Trans dated 31/03/2016 accorded administrative sanction for preparatory works for the extension of Kochi Metro Rail



Project from Petta to SN Junction, Tripunithura at a total cost of Rs. 123,00 lakhs. Government released an amount of Rs. 50,00 lakhs to the Treasury Savings Bank (TSB) Account of KMRL during the year 2018-19, vide GO(RT) No.518/2018/Trans dated 23.11.2018.

Disbursements of Rs.11,20 lakhs and Rs.40,00 lakhs were made by GoK and KMRL respectively to the Special Tahsildar LA towards the cost of land acquisition.

Cumulative expenditure incurred till 31.3.2020 on account of land acquisition and works carried out Rs. 59,15.76 lakhs (till previous year ended March 31, 2019 ,Rs. 51,21.91 lakhs).

30.27 Preparatory works of the new metro line from Jawaharlal Nehru Stadium to Kakkanad via Info park

Government of Kerala, vide G.O(Ms) No. 13/2016/Trans dated 08/02/2016 has accorded administrative sanction for preparatory works of the new metro line from Jawaharlal Nehru Stadium to Kakkanad via Infopark at a total cost of Rs.189,00 lakhs. Government has released an amount of Rs. 20,00 lakhs during the year vide GO(RT) No.518/2018/Trans dated 23.11.2018.

GoK, vide GO(Rt) No. 112/2020/Trans dated 17.03.2020, has accorded approval for availing loan from HUDCO to meet the cost of land acquisition. Cumulative expenditure till 31.3.2020 is Rs 97,22.00 lakhs (till previous year ended March 31, 2019 - Rs. 50.00 lakhs).

30.28 Widening of Seaport Airport as a preparatory works of the new metro line from Jawaharlal Nehru Stadium to Kakkanad via Info park

Government of Kerala, vide G.O(Ms) No. 73/2018/Trans dated 17/12/2018 accorded administrative sanction for widening of Seaport Airport as a preparatory works of Phase II i.e from Jawaharlal Nehru Stadium to Kakkanad via Info park at a total cost of Rs.74,07.00 lakhs.

GoK, vide GO(Rt) No. 112/2020/Trans dated 17.03.2020, has accorded approval for availing loan from HUDCO to meet the cost of construction and the cost of land acquisition. Accordingly, an amount of Rs. 4,01.00 lakhs was drawn from HUDCO loan and transferred to Special Tahsildar towards land acquisition.

Cumulative expenditure incurred till 31.3.2020 is Rs 7,81.23 lakhs (till previous year ended March 31, 2019 - Nil) including amount paid for land acquisition and advance paid to the contractor.

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

During the year, an amount of Rs.94,52.39 lakhs (previous year Rs.5,55.99 Lakhs) was capitalized out of the borrowing cost and an amount of Rs. 135,96.33 lakhs (previous year Rs.57,66.13 Lakhs) has been charged to revenue in line with the accounting policy on “Borrowing cost”.



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

Particulars	2019-20	2018-19
Net Profit /(Loss) for the year (Rs. in Lakhs)	(310,01.83)	(285,18.42)
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.)	(20.57)	(18.92)
Dilutive Earnings Per Share (Face value of Rs. 100/-per share) (Rs)	(20.57)	(18.92)

30.31 Disclosure in respect of IND AS-1, “Presentation of financial statements”, IND AS,” Accounting policies, Changes in Accounting Estimates and Errors.**a. Capital Management***Amount (Rs. in Lakh)*

Particulars	As at 31st March 2020	As at 31st March 2019
(a) Total Debt	35,40,88.13	30,00,33.49
(b) Total Capital	23,25,60.37	24,26,48.22
(c) Debt/ Equity ratio (a/b)	1.52	1.23

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

There were updations in the value of operational assets taken over from DMRC pertaining to previous years, on account of final settlement of claims of the contractors of DMRC. Due to this, the financial statements of the previous year were restated. The net impact of such restatements are summarized below,

Particulars	Net Impact
(Increase) in Property, Plant and Equipment	73,06.52
(Decrease) in Capital Work-In-Progress	(79,93.57)
(Increase) in Other Intangible Assets	23.59
(Increase) in Depreciation for the year 2017-18	2,68.34
(Increase) in Depreciation for the year 2018-19	3,95.12
(Decrease) in Other Equity	6,63.46
(Decrease) in Earnings per Equity share	0.26



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

30.32.1 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. 41.86 Lakhs (P.Y. Rs. 62.67 Lakhs) and the lease rent so paid is included under the head Expenditure-Salaries & Wages.

Further, the company had entered into an agreement with Kerala State Housing Board for taking office building on lease. This lease agreement was terminated on 31.12.19. During the year the company paid lease rent amounting to Rs.73.73 Lakhs (P.Y. Rs. 124.11 Lakhs) and the lease rent so paid is included under the head Expenditure-Rent, Rates and taxes.

30.32.2 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;

Amount (Rs. in lakh)

Operating Lease	As at 31st March 2020	As at 31st March 2019
Not later than one year	3,79.95	6,44.43
Later than one year and up to five years	17,13.70	32,41.50
Beyond five years	23,17.91	6,85.34

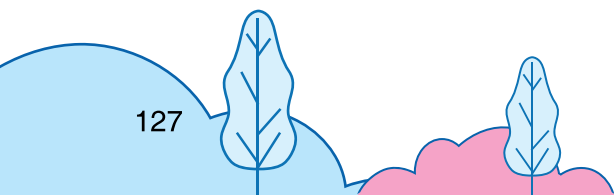
30.33 Disclosure in respect of IND AS-24, “Related Party Disclosures”

30.33.1 Key Management persons:

30.33.1.1 Shri. Alkesh Kumar Sharma (Managing Director) from 25th September, 2019

30.33.1.2 Shri. A P M Mohammed Hanish (Managing Director) upto 25th September, 2019

30.33.1.3 Shri. Kumar K R (Director-Finance)



30.33.1.4 Shri. D K Sinha (Director- System)

30.33.1.5 Shri. Thiruman Archunan(Director-Projects)

30.33.1.6 Shri. Anil Kumar B (Company Secretary) (upto to 1st July 2019)

30.33.1.7 Shri Shyam Sunder Agrawal (Company Secretary) (from 29th July 2019)

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

Amount (Rs. in lakh)

Sl.No	Particulars	2019- 20	2018- 19
1	Salaries & Allowances	1,62.58	1,54.55
2	Contributions to Provident Fund and others	17.23	11.84
3	Other benefits	14.72	20.06
	Total (included in employee cost)	1 94.53	186.45

- The Managing Director, Shri. A P M Mohammed Hanish was on the payroll of KMRL till 25.09.2019.
- The Managing Director, Shri. Alkesh Kumar Sharma is on the payroll of KMRL from 25.09.2019.
- 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, leave travel concession as ascertained on actuarial valuation. However, the actual payments made during the year are included in other benefits.

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

Impairment loss on asset is recognized for an amount of Rs. NIL (previous year Rs. 78,99.11 lakhs) during the year (also refer note no. 30.41).

30.35 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 01.04.2019	Additions/transfer / utilization during the year	Closing balance as on 31.03.2020
Provisions	25,24.54	(20,95.92)	428.62
Contingent liabilities			
● Towards Kochi Metro Rail Project	511,31.36	(338,81.50)	172,49.87
● Towards preparatory works under taken by KMRL on behalf of Government of Kerala (GoK)	21,31.52	77,00.15	98,31.67
● Bank Guarantee	86.40	55.55	141.95
● Statutory Authorities	73.84	NIL	73.84
Contingent Asset	NIL	NIL	NIL



As on 31st March 2020, 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. 110,48.54 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. 97,08.70 lakhs is also included under Contingent liabilities.

For the remaining cases, the claim statements are yet to be filed by the petitioners and hence KMRL 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.

30.36 Corporate Social Responsibility (CSR)

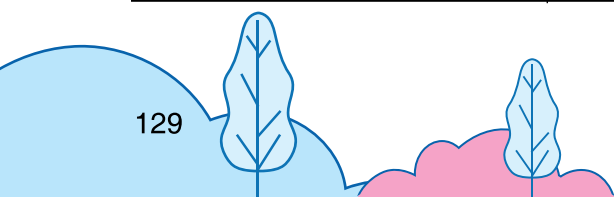
Companies Act 2013 mandates companies fulfilling criteria to spend /earmarked amount out of profits towards CSR expenses with effect from 01.04.2014. CSR provisions are also applicable to KMRL. The company did not spend any amount on CSR, owing to the losses incurred during the current year.

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

30.37.1 Financial Instruments by categories

Amount (Rs. in lakh)

Particulars	As at 31st March 2020			As at 31st March 2019		
	Amortized cost	FVTPL	FVOCI	Amortized cost	FVTPL	FVOCI
Financial Assets						
Other financial assets (refer note no. 4 & 9)	550,17.67	-	-	684,01.91	-	-
Trade receivables	13,52.72	-	-	7,11.19	-	-
Total	563,70.39	-	-	691,13.10	-	-
Financial Liabilities						
Borrowings (refer note no. 13 & 18)	3,314,17.05	-	-	2,886,97.95	-	-
Other financial liabilities (refer note no. 14 & 19)	844,63.06	-	-	644,61.22	-	-
Total	4,158,80.11	-	-	3,531,59.17	-	-



30.37.2 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;

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. KMRL has not recognized any amount, as foreign exchange rate variation, because, any exchange rate variation, on foreign currency, shall be borne by GoK.

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.

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 & 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.

Credit risk management

Trade Receivables

The company has outstanding trade receivables (gross) amounting to Rs.15,12.25 Lakhs and Rs. 7,11.19 Lakhs as of March 31, 2020 and March 31, 2019, 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.

The impact of COVID-19 on the Company's financial statements may differ from that estimated as at the date of approval of these financial statements. The company is continuously monitoring any material changes in future economic conditions, since the impact assessment of COVID-19 is a continuing process given the uncertainties associated with its nature and duration.

Other financial assets

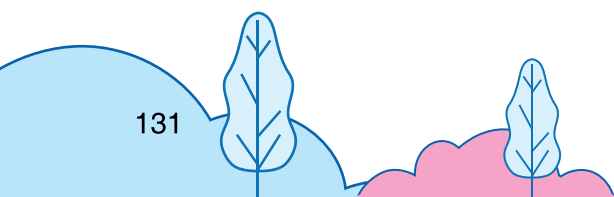
Other financial asset, which includes loans and advances to employees and others are measured at amortized cost.

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.159.53 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 2020		As at 31st March 2019	
	Gross	Impairment	Gross	Impairment
Not past due	2,99.27	-	89.15	-
Past due less than three months	4,89.16	-	4,65.66	-
Past due more than three months not more than six months	4,23.22	-	44.20	-
Past due more than six months	3,00.60	1,59.53	1,12.18	-
Total	15,12.25	1,59.53	7,11.19	-

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.159.53 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.

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

The Company has only one reportable business segment, which is implementing the construction and operation of a Metro Rail Project in the city of Kochi. Other operating revenues including consultancy income, 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.

Accordingly, the amounts appearing in the financial statements are related to the Company's single business segment.



30.39 Disclosure in respect of Capital and other commitments

Amount (Rs. in lakh)

Capital and other commitments	As at 31.03.2020	As at 31.03.2019
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.	192,71.80	431,07.98
Estimated amount of contracts entered into by KMRL contracts (net of advances) remaining to be executed and not provided for		
a. Tangible asset	289,20.16	33,22.14
Total	481,91.96	464,30.12

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

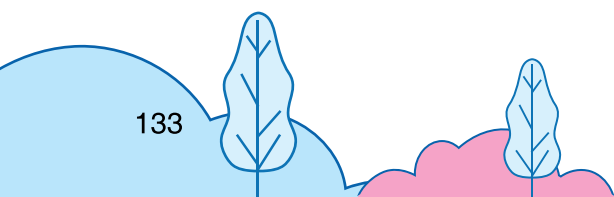
30.40 Dues to micro enterprises and small enterprises

As at March 31, 2020, an amount of Rs. 7,19.44 lakhs is outstanding but not due to micro and small enterprises. There are no interests due or outstanding on the same.

Amount Payable To Micro, Small and Medium Enterprises

Amount (Rs. in lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
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	201.00
Interest due on above	NIL	NIL
	NIL	201.00
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.

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

During the period 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, during 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, are 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, which have been restored are capitalized in the books during the current year, pending finalization of the claim settlement, KMRL has received an interim payment of Rs. 30,00 lakhs from the insurance company during the current year (previous year Rs. 20,00 lakhs), totaling the amount to Rs.50,00 lakhs as at March 31, 2020. Pending the settlement of the claim by the Insurance company, the sum of Rs.50,00 lakhs received by KMRL as on March 31, 2020 is treated as a liability, shown under Note No. 20 'Other Current Liabilities' in the Balance Sheet.

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.

30.42 Recent accounting pronouncements.

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards. There is no such notification which would have been applicable from 1st April 2020.

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

In terms of our report of even date attached.

For K.Venkatachalam Aiyer & Co*
Chartered Accountants
FRN: 004610S
UDIN: 20232723AAAABQ3007

For and on behalf of the Board of Directors*

Sd/-
Alkesh Kumar Sharma
Managing Director

Sd/-
Vishnu Mohan
Partner

Sd/-
Kumar K. R
Director (Finance)

Sd/-
Shyam Sunder Agrawal
Company Secretary

Membership No.: 232723

Place: Kochi
Date : 28.07.2020

Place: Thiruvananthapuram
Date : 28.07.2020

