

ANNUAL REPORT

F.Y. 2018 - 19

Gujarat Metro Rail Corporation
(GMRC) Ltd.





“Hon’ble Prime Minister Shri Narendra Modi inaugurated Priority Reach-1 of Ahmedabad Metro Rail Project Phase-1 on 4th March 2019 at Vastral Gam Station in Ahmedabad.”

GUJARAT METRO RAIL CORPORATION (GMRC) LIMITED

9th Annual Report 2018-19

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GUJARAT METRO RAIL CORPORATION (GMRC) LIMITED

[Formerly Known as Metro-Link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited]

(A Joint Venture of Government of India and Government of Gujarat)

CORPORATE INFORMATION**Present Board of Directors:**

- | | |
|--|--|
| 1. Shri Durga Shanker Mishra, IAS | <i>Ex-officio</i> Chairman & Secretary, Ministry of Housing & Urban Affairs (MoHUA) , Govt. of India |
| 2. Shri Shyam Sunder Dubey | Nominee Director (Govt. of India) |
| 3. Shri Rajeev Narayan Dwivedi | Nominee Director (Govt. of India) |
| 4. Shri Sanjay Kumar Garg | Nominee Director (Govt. of India) |
| 5. Shri Arvind Agarwal, IAS | Nominee Director (Govt. of Gujarat) |
| 6. Shri Mukesh Puri, IAS | Nominee Director (Govt. of Gujarat) |
| 7. Shri Ashwini Kumar, IAS | Nominee Director (Govt. of Gujarat) |
| 8. Shri S. S. Rathore, Retd. Addl. Chief Secretary (R&B), Govt. of Gujarat | Managing Director |
| 10. Shri Biren Parmar, IAAS | Whole Time & Functional Director (Finance) |
| 11. Shri Sahadeva Singh | Whole Time & Functional Director (Proj. & Planning) |
| 12. Shri Prashant Rao | Whole Time & Functional Director (Systems, Electrical & Rolling Stock) |

Statutory Auditors:

M/s. Manubhai & Shah LLP (FRN: 106041W/W100136)
Chartered Accountants
G-4, Capstone, Chirag Motors Cross Roads,
Nr. Parimal Garden, S M Road,
Ellisbridge, Ahmedabad-380006. Gujarat

Internal Auditors:

M/s. T. R. Chadha & Co. LLP (FRN: 06711N/N500028)
Chartered Accountants
301, 3rd Floor, Indraprashta Corporate,
Opp. Shell Petrol Pump,
Anandnagar Road
Prahladnagar
Ahmedabad: 380015

Secretarial Auditors:

M/s. Hitesh Buch & Associates
Practicing Company Secretaries
310, Aditya Plaza, Nr. Karnavati Appartments,
Jodhpur, Satellite,
Ahmedabad: 380015

Bankers:

State Bank of India
Axis Bank
ICICI Bank Ltd
Bank of India

Company Secretary

Shri Hiteshkumar Bhamare

Registered Office:

Block No.1, First Floor, Karmayogi Bhavan, Sector 10/A, Gandhinagar, Gujarat-382010
Tele: +91-79-23248572 Fax No: +91-79-26859766 ,Website: www.gujaratmetrorail.com,

CIN: U60200GJ2010SGC059407

1. Major Events During the Year

1.1 Inauguration of Ahmedabad Metro Rail Project- Phase-1 (Priority Reach)

Hon'ble Prime Minister inaugurated the Priority Reach 1 of 6.5 Kms from Vastral Gam to Apparel Park on East – West Corridor on 04th March, 2019.



The commercial operations were commenced from 4th March 2019 on Priority Reach-1 between Vastral Gam Station and Apparel Park Stations, covering up a total route length of 6.5 km. The test runs were conducted on test tracks from January itself, then onwards the trial runs were conducted for smooth functioning for commercial run. Joy rides were operated between 4th to 11th March, 2019 for the citizens.

1.2 Approval of Ahmedabad Metro Rail Project Phase-2.

Ministry of Housing and Urban Affairs, Government of India have accorded approval for implementation of Ahmedabad Metro Rail Project Phase-II on 9th March, 2019.

As a part of metro rail commissioning program Foundation stone for Phase-2 metro was also laid by Hon'ble PM of a total route length of 28.26 km starting from Motera Stadium to Mahatma Mandir-Gandhinagar.



Ahmedabad Metro Rail Project, Phase-II aims to connect the twin cities Ahmedabad & Gandhinagar. It spans over 28.524 Kms with completion cost of Rs. 5384.17 crores. The stretch between GNLU to GIFT City will be executed on a PPP basis.

Ahmedabad Metro Rail Project Phase-II – Route Map



1.3 Approval of Surat Metro Rail Project

Ministry of Housing and Urban Affairs, Government of India have accorded its approval for implementation of Surat Metro Rail Project on 6th March, 2019.

Surat Metro Rail Project traverses through following two corridors having route length of 40.35 kms with completion cost of 12020.32 Crores.

- i. Sarthana – Dream City (21.61 Kms) – 20 Stations
- ii. Bhesan - Saroli (18.74 Kms) – 18 Stations

Surat Metro Rail Project – Route Map



1.4 Launch of 'One Nation One Card'



During inauguration of Ahmedabad City's new metro train service on 4th March 2019 Hon'ble Prime Minister launched National Common Mobility Card (NCMC) as One Nation One Card at the same event.

The indigenously developed card will enable users to pay for multiple kinds of charges including transport, metro services, toll tax, parking charges, retail shopping as well as to withdraw money across the country.

2. Other Events

2.1 Review of Underground Works by Hon'ble Chief Minister

Shri Vijay Rupani, Hon'ble Chief Minister of Gujarat visited Kalupur site for reviewing the launch of TBM-4 on 23rd August 2018. He inspected the ongoing underground construction work of Ahmedabad Metro Rail project.



2.2 Inauguration of Mock Coach

Inauguration of Metro Mock-up coach at Sabarmati Riverfront by Hon'ble Chief Minister of Gujarat on 6th October, 2018. The Mayor of Ahmedabad and other dignitaries were also present on the occasion. The mock-up coach was put on display for the first-hand experience of 'Ahmedabad Metro Rail' for the citizens of Ahmedabad. Hon'ble Chief Minister Shri Vijay Rupani, Ahmedabad Mayor Smt. Bijal Patel, Ex-Managing Director Dr. I.P. Gautam, IAS (Retd) and other dignitaries were present on the occasion.



2.3 Fastest arrival of Metro Coach

The first 3 car trainset of Ahmedabad Metro was dispatched from Korea on 08.12.2018 and arrived a Mundra port, Gujarat on 29th December, 2018. The first trainset reached at Apparel Park Depot on 1st January, 2019.



Test-runs of trainset were conducted on test tracks in Apparel Park Depot, which commenced from January itself, then after trial runs were conducted for smooth functioning for commercial run on priority reach 1.

2.4 Break Through of Under Ground Tunnel

Breakthrough of TBM1 & TBM2 was done simultaneously on 25th February 2019, which is one of the rare event in history of Metros in India.



2.5 Gujarat Metro Stall at Vibrant Gujarat Summit 2019.

GMRCCL Participated in the Vibrant Gujarat Summit 2019 held during 11th to 15th January, 2019 at Gandhinagar. An experience zone with virtual tour of Ahmedabad Metro Rail was created to provide glimpses of Gujarat Metro for the citizens.



Shri Durga Shanker Mishra, IAS, Secretary-MoHUA, GoI & Ex-Officio Chairman, GMRCCL visited the stall of Ahmedabad Metro Rail Project during the Vibrant Gujarat Summit-2019 as well as reviewed the Apara Park Depot facility.

3. Features of Ahmedabad Metro Rail Project.

3.1 Interchange Metro Stations with BRTS & GSRTC

Ahmedabad Metro integrates with BRTS, AMTS & Future Transit System i.e Mumbai-Ahmedabad High speed bullet train at various locations on both East-West as well as North-South corridors of Phase-1.

Metro connectivity with BRTS is provided at 9 stations of which 5 stations are Integrated directly by skywalks & lifts for commuters.

Metro connectivity with Gujarat State Road Transport Corporation (GSRTC) nodes is provided at 3 metro station-Ranip, Paldi & APMC. High Speed Rail passes through 2 metro stations in North-South as well as East-West corridors.



Metro Interchange station at Ranip with BRTS and GSRTC

3.2 Green Initiatives by GMRC

The metro will yield multiple environmental benefits for Ahmedabad. Broadly, they are:

Reduced Vehicular Pollution

As people shift from private modes to the metro and also other modes like BRTS and AMTS (due to multimodal integration), it is envisaged that, proportion of private vehicles in the overall transport system will decrease. Therefore, emissions from private vehicles will also reduce and thereby it will result in easing the problems of congestion, less waiting time, less exhaust emissions and less vehicular air pollution.

Carbon Credits

GMRC has applied for registration of the Ahmedabad Metro Project in the CDM (Clean Development Mechanism) Program to the UNFCCC. DMRC have been appointed as consultants for registration of Ahmedabad Metro Rail Phase I as a CDM project.

Solar Energy

Solar panels are to be installed on the roofs of structures in the depot and the stations to generate power. 200 KW Rooftop Grid connected solar photovoltaic plant on roof of Administration building in Apparel Park Depot is functional. Similarly, a solar photovoltaic plant would be installed in Gyaspur Depot area of North-South corridor of the metro project.



Figure 19 Solar Photovoltaic plant installed on roof of Admin Building in Apparel Park Depot

Tree Plantation

GMRC has deposited the advance amount @ Rs.2500/- per tree for 10 trees against one tree cutting to Ahmedabad Municipal Corporation towards tree plantation and other misc. work which is carried out by Ahmedabad Municipal Corporation to facilitate metro project.

Till date total 9750 trees are planted by Ahmedabad Municipal Corporation in lieu of trees cut to facilitate metro project. Further plantation is in progress with Ahmedabad Municipal Corporation.

Energy efficient Lighting & Rain Water Harvesting

LEDs will be used for lighting throughout the metro project to reduce power consumption as far as possible. The viaduct, depot and stations will also be designed to harvest as much rainwater as possible and to ensure proper groundwater recharge.

NOTICE

NOTICE IS HEREBY GIVEN THAT THE NINTH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF **GUJARAT METRO RAIL CORPORATION (GMRC) LIMITED** WILL BE HELD ON FRIDAY, THE 8TH DAY OF NOVEMBER, 2019 AT 11.30 A.M AT CONFERENCE ROOM NO. 123-C MINISTRY OF HOUSING AND URBAN AFFAIRS (MOHUA), GOVERNMENT OF INDIA, NIRMAN BHAWAN, MAULANA AZAD ROAD, NEW DELHI – 110011 AT A SHORTER NOTICE.

TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

- 01. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended on March 31, 2019 and Reports of the Board and the Independent Auditors thereon and Comments of the Comptroller and Auditor General of India.**

“RESOLVED THAT, the Audited Financial Statements of the Company for the financial year ended March 31, 2019 along with, Independent Auditors report and Comments of Comptroller & Auditor General of India and the Board’s Report, for the financial year 2018-19 thereon as placed before the meeting be and are hereby received, considered and adopted.”

- 02. To consider the appointment & fixing of remuneration of Independent Auditor for F.Y. 2019-20.**

“RESOLVED THAT pursuant to the provisions of Section 139,141,142, 144 and other applicable provisions, if any, of the Companies Act, 2013, read with the underlying rules viz. Companies (Audit and Auditors) Rules, 2014, M/s Manubhai & Shah LLP., Chartered Accountants, Ahmedabad (FRN No. W106041/W100136), appointed as Independent Auditors of the Company, by the office of Comptroller and Auditor General of India for the F.Y. 2019-20 vide letter no CA.V/COY/GUJARAT, GUJMET (1)/1553 dated 23/08/2019 and a written certificate in respect to the same, having been received from the said Auditor, be and is hereby appointed as the Independent Auditors of the Company under Section 139 of the Companies Act, 2013 for the F.Y. 2019-20 to hold office from the conclusion of this meeting until the conclusion of the next Annual

General Meeting of the Company on a remuneration as may be decided by the Board of Directors or any committee thereof and agreed upon by M/s. Manubhai & Shah LLP.”

SPECIAL BUSINESS:

03 Ratification of following Sanction Orders and Authorising the Managing Director of the Company to sign Tripartite Agreement / Memorandum of Understanding.

- A. K-14011/5/2017-UT-II dated 9th March, 2019 of MoHUA, GoI for approval of Ahmedabad Metro Rail Project Phase-II comprising two corridors, viz. (i) Motera Stadium to Mahatma Mandir and (ii) GNLU to GIFT City.
- B. K-14011/3/2018-MRTS-III dated 9th March, 2019 of MoHUA, GoI for approval of Surat Metro Rail Project comprising of two corridors, viz (i) Sarthana to Dream City and (iii) Bhesan to Saroli

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**.

“**RESOLVED THAT**, the shareholders of the Company do hereby ratify the sanction orders issued by Ministry of Housing and Urban Affairs (MoHUA), GoI for approval of following Metro Rail Projects to be implemented by Gujarat Metro Rail Corporation (GMRC) Limited;

- A. K-14011/5/2017-UT-II dated 9th March, 2019 for approval of Ahmedabad Metro Rail Project Phase-II comprising two corridors, viz. (i) Motera Stadium to Mahatma Mandir and (ii) GNLU to GIFT City.
- B. K-14011K-14011/3/2018 -MRTS-III dated 9th March, 2019 for approval of Surat Metro Rail Project comprising of two corridors, viz (i) Sarthana to Dream City and (ii) Bhesan to Saroli,

RESOLVED FURTHER THAT, the Managing Director of the Company be and is hereby authorised to sign and execute Tripartite Agreement / Memorandum of Understanding on behalf of Gujarat Metro Rail Corporation (GMRC) Limited and carry out all other necessary acts and deeds as may be required for the aforesaid purpose.”

04. Amendment in Object Clause of Memorandum of Association.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **SPECIAL RESOLUTION**.

RESOLVED THAT pursuant to provisions of Section 4, Section 13 and other applicable provisions, if any, of the Companies Act, 2013, (“Act”) including any statutory modifications

or re-enactment thereof for the time being in force and rules made thereunder and subject to such other requisite approvals, if any, in this regard from appropriate authorities and terms(s), condition(s), amendment(s), modification(s), as may be required or suggested by any such appropriate authorities, and agreed to by the Board of Directors of the Company (hereinafter referred to as "Board" which term shall include any Committee or one or more Directors), the consent of the members of the Company be and is hereby accorded for alteration of the Objects Clause of the Memorandum of Association ("MOA") of the Company such that the existing Clause III A (1), Clause III A (4) (L) [newly inserted] and Clause III B (9) of the MOA of the Company be altered by replacing and substituting the same with the following new clauses as under:

Clause III A(1)

'To carry on the business to set up, manage, operate and maintain a rail based mass rapid transport system within the State of Gujarat and to provide the General public with a fast reliable, convenient, efficient, modern and economical mode of public transport.'

Insert Clause III A(4) (I)

'To set up and operate Central Clearing House System for payment instruments of any description whatsoever. These payment instruments will facilitate purchase of goods and services at any payment instrument accepting merchant location.'

Clause III B(9)

To carry out acts of planning, designing, development, construction, maintenance, operating and financing of Mass Transit and other Urban Transport and Public Mover Systems of all types and description within in the State of Gujarat, either individually or in association with Central Government and/or State Government or local bodies, authorities or other undertakings, companies, body corporates, societies, agencies, organizations. or persons in India and /or abroad but not limited to;;

RESOLVED THAT pursuant to the provisions of section 13, 15 and other applicable provisions, if any, of the Companies Act, 2013 (Act) read the relevant rules thereto (including any statutory modification(s) or re-enactment thereof for the time being in force), the amendment / alteration in the object clause of the company be and is hereby approved and adopted;

RESOLVED FURTHER THAT Shri S. S. Rathore, Managing Director and Shri Hitesh Bhamare, Company Secretary of the Company be and are hereby jointly and severally authorized to perform all acts, deeds and things, execute documents, and make all filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to the above resolution."

05. Increase in Authorised Share Capital of the Company

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**

“RESOLVED THAT Pursuant to the provisions of sections 13 and 61 of the Companies Act, 2013 (the ‘Act’) and any other applicable provisions of the Companies Act and the relevant rules thereto, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) the Authorized Share Capital of the company be increased from 4000,00,00,000 (Rupees Four Thousand Crores) divided into 400,00,00,000 (Four Hundred Crores) Equity Shares of Rs.10 each to Rs. 8000,00,00,000 (Rupees Eight Thousand Crores only) divided into 800,00,00,000 (Eight Hundred Crores) Equity Shares of Rs. 10 each (Rupees Ten only) each ranking pari passu with the existing equity shares in the Company;

RESOLVED FURTHER THAT Shri S. S. Rathore, Managing Director and Shri Hitesh Bhamare, Company Secretary of the Company be and are hereby jointly and severally authorised to perform all acts, deeds and things, execute documents, and make all filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to the above resolution.”

06. Alteration of Clause No. V of the Memorandum of Association.

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**

“RESOLVED THAT Pursuant to the provisions of section 13, 61 and 64 of the Companies Act, 2013 (the ‘Act’) and any other applicable provisions of the Companies Act and the relevant rules thereto, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), the Clause V of the Memorandum of Association (existing and new) & of the Company be altered and substituted by the following new Clause:

V: The Authorized Share Capital of the Company consists of Rs. 8000,00,00,000 (Rupees Eight Thousand Crores only) divided into 800,00,00,000 (Eight Hundred Crores only) Equity Shares of Rs. 10/- (Rupees Ten only) each.:

RESOLVED FURTHER THAT Shri S. S. Rathore, Managing Director and Shri Hitesh Bhamare, Company Secretary of the Company be and are hereby jointly and severally authorized to perform all acts, deeds and things, execute documents, and make all filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to the above resolution.”

07. Amendment in Articles of Association of the Company.

To consider and if thought fit to pass the following resolution with or without modification(s), as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions of the Companies Act, 2013 (“Act”) and Rules made thereunder (including any statutory modification (s) or re-enactment thereof, for the time being in force), and subject such terms, conditions, amendments or modifications if any, as may be required or suggested by the Registrar of Companies and any other appropriate authorities, following clauses of Articles of Association (“AOA”) of the Company be altered by replacing and substituting the same with the following new clauses as under:

Addition of following para in Clause 1 Table F

“Unless specifically decided by the shareholders in the General Meeting by way of ordinary resolution, Notwithstanding anything contained in the Articles of Association all the clauses stated herein shall always be subject to privileges and exemptions being conferred to Government Companies, explicitly and from time to time by way of notification or otherwise, and for this purpose Government Company shall mean a Company fulfilling the norms as enunciated under the provisions of Section 2 (45) of the Companies Act, 2013.”

Clause: 2(xxii)

In the definition of “Local Bodies” the sub-clauses a.) and c.) be amended/alterd as under:

- a.) Municipality and Municipal Corporation constituted under Bombay Municipalities Act, 1949 or Gujarat Municipalities Act, 1963 as amended from time to time including Ahmedabad Municipal Corporation, Gandhinagar Municipal Corporation, Surat Municipal Corporation or any other municipalities having its jurisdiction and falling within the Metro Rail Project Area;
- b.) Notified area committee/authority constituted under Gujarat Town Planning and Urban Development Act, 1976 including Ahmedabad Urban Development Authority, Gandhinagar Urban Development Authority, Surat Urban Development Authority or any other authority falling within the Metro Rail Project Area.

Clause: 4 SHARE CAPITAL be altered / amended as under:

The Authorized Share Capital of the Company consists of Rs.8000,00,00.000 (Rupees Eight Thousand Crore only) divided into 800,00,00,000 (Eight Hundred Crore only) Equity Shares of Rs.10/- (Rupees Ten only) each.

RESOLVED FURTHER THAT Shri S. S. Rathore, Managing Director and Shri Hitesh Bhamare, Company Secretary of the Company be and are hereby jointly and severally authorized to

perform all acts, deeds and things, execute documents, and make all filings, as may be necessary to give effect to the above resolution and to take all such steps for giving any such direction as may be necessary or desirable and to settle any questions or difficulties whatsoever that may arise for the purpose of giving effect to the above resolution.”

08. Approval for increase in Borrowing Powers of the Company in excess of paid-up capital and free reserves of the Company up to Rs. 21000 Crores.

To consider and if thought fit to pass the following resolution with or without modification(s), as a Special Resolution:

“RESOLVED THAT in supersession of the special resolution passed by the members at their 5th Annual General Meeting held on 21st December 2015 and in accordance with the provisions of Section 180 (1)(c) of Companies Act, 2013 together with rules and regulations made there under (including statutory modification(s) or re-enactments thereof) or any other act/law for the time being in force / likely to be in force , consent of the shareholders of the company be and is hereby accorded to borrow and raise such sum or sums of money from time to time from banks, financial institutions, international agencies, Central and State Governments or any combination thereof, as may be required for the purposes of the business of the Company, in excess of the aggregate of paid-up capital and free reserves of the Company, that is to say, reserves not set apart for any specific purpose, subject to the proviso that such borrowing shall not exceed Rs. 21000 crore (Rupees Twenty One Thousand Crore only) and shall exclude all temporary loans, working capital loans obtained by the Company from its bankers in the ordinary course of its business, on such terms and conditions as the Board may consider necessary and expedient in the best interest of the Company;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred, to any Committee of Directors or any Director or Officer to give effect to the resolution hereof.”

**By order of the Board of Directors
Gujarat Metro Rail Corporation (GMRC) Limited.**

**Sd/-
Hitesh Bhamare
Company Secretary**

Date: 01.11.2019

Place: Gandhinagar

Notes:

1. A member entitled to vote at the meeting is also entitled to appoint a proxy in his/her place who need not be a member of the Company.
2. Proxy Form duly filled in must be lodged with the Company at its registered office at least 48 hours before the date of the meeting.
3. A Statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013 forms part of this notice and is annexed with the notice.

To:

1. All Members of GMRCL
2. Directors of GMRCL
3. Statutory Auditors
4. Internal Auditors
5. Secretarial Auditors

Statement Setting out Material facts

Statement setting out the material facts pursuant to Section 102(1) of the Companies Act, 2013

General Information

This Statement of material facts has been prepared for the shareholders of the Company in connection with the Ninth Annual General Meeting of the Company. The purpose of this Statement of material facts is to provide shareholders with information that the Board believes to be material to shareholders in deciding whether or not to approve the above resolutions detailed in the Notice and other information to enable shareholders to understand the implications of decision taken.

ITEM No.03

As you are aware Gujarat Metro Rail Corporation (GMRC) Limited is a 50: 50 SPV of Government of India and Government of Gujarat. It is entrusted with the responsibility of implementation of the fast reliable, convenient, efficient, modern and economical mode of public transport. Mass Rapid Transit System within the State of Gujarat.

The Ministry of Housing and Urban Affairs, Government of India have vide the sanction orders nos' K- 14011/5/2017-UT-II and K-14011/03/2018-MRTS-II both dated 09th March, 2019 have approved implementation of Ahmedabad Metro Rail Project Phase-II and Surat Metro Rail Project through GMRC.

The Ahmedabad Metro Rail Project Phase II envisages total length of 28.254 km in two corridors viz. Motera Stadium to Mahatma Mandir (22.838 km) and Gujarat National law University (GNLU) to GIFT city (5.416 km), at a total completion cost of Rs. 5384.17 crore.

Surat Metro Rail Project comprises of two corridors of a total length of 40.35 Km, (a) Sarthana to Dream City for length of 21.61 km and (b) Bhesan to Saroli for a length of 18.74 Km at a total completion cost of Rs.12,020.32 Crore .

The Board of Directors at their meeting held on 20.06.2019 took note of the above mentioned sanction orders and recommended the same for ratification by the Shareholders of the company at the ensuing Annual General Meeting.

Accordingly, the Board of Directors recommends the resolution set out at item no. 3 relating to ratification of the sanction orders no. K- 14011/5/2017-UT-II and K-14011/03/2018-MRTS-II both dated 09th March, 2019 pertaining to Ahmedabad Metro Rail Project Phase II and Surat Metro Rail Project.

None of the Directors and Key Managerial Personnel of the Company and their relative are concerned or interested financial or otherwise in the resolution set out at item no.3.

ITEM No.04

Pursuant to the approval of Ahmedabad Metro Rail Project Phase- II and Surat Metro Rail Project and amendment in the Companies Act, 2013 the object clause of the Memorandum of Association is required to be altered in a manner to reflect the activities and enshrined in both sanction orders dated 09th March, 2019.

Accordingly, following clauses relating to the main object to be pursued by the company in incorporation i.e Clause IIIA of the Memorandum of Association are required to be altered/amended suitably:

- Clause III A (1), Clause III A (4) (L) [newly inserted] and Clause III B (9)

Accordingly, the Board of Directors recommends the resolution set out at item no 04 relating to Amendment of Memorandum of Association of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relative are concerned or interested financial or otherwise in the resolution set out at item no.4.

ITEM No.05

In continuation to the earlier decisions as set out in the present notice, the Sanction order of Ahmedabad Metro Rail Project Phase-II and Surat Metro Rail Project envisages that GMRCCL shall function as a Special Purpose Vehicle (SPV) for implementation of both the projects along with the Ahmedabad Metro Rail Project Phase-I.

At present the Company's Authorised Capital is Rs.4000 Crores and the paid up capital is Rs. 2301.21 Crores. As per the funding pattern of the project, both GoG and GoI will jointly own the project and infuse equity in equal proportion in the SPV Company.

Considering the quantum of estimated cost of Project and the anticipated equity contribution by the Government of India and Government of Gujarat towards Ahmedabad Metro Rail Project Phase-I, Phase-II and Surat Metro Rail Project, it is considered necessary to increase the Authorised capital of the company from 4000 crores to 8000 crores.

Brief details of anticipated equity contribution of Govt. of India and Government of Gujarat is as given below:

Project	EQUITY CONTRIBUTION (Rs.in Crores)	
	Government of India	Govt. of Gujarat
Ahmedabad Metro Rail Project Phase-I	1412	1412
Ahmedabad Metro Rail Project Phase-II	757.11	757.11
Surat Metro Rail Project	1487.53	1487.53
TOTAL	3656.64	3656.64
GRAND TOTAL	7313.28	

Your Board of Directors accordingly recommended the resolution set out at item no. 05 of accompanying notice for approval of the shareholders

None of the Directors and Key Managerial Personnel of the Company and their relative are concerned or interested financial or otherwise in the resolution set out at item no.5.

ITEM No.06

The Clause V of the Memorandum of Association contains the details of the Authorised Share Capital of the Company. However, consequent upon increase in the Authorised Share Capital, the Company is also required to amend Clause V of the Memorandum of Association.

Therefore, in accordance with the decision of shareholders at item no. 5 corresponding alteration is required to be carried out in clause V of Memorandum of Association of the Company.

Your Board of Directors accordingly recommended the resolution set out at item no. 06 of accompanying notice for approval of the shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relative are concerned or interested financial or otherwise in the resolution set out at item no.6.

ITEM No.07

In accordance to the decisions of the accompanying notice, following clauses of Articles of Association are required to be amended in a manner to reflect the activities as enshrined in both sanction orders dated 09th March 2019 as well as the Companies Act, 2013.

Addition of following para in Clause 1 Table F

“Unless specifically decided by the shareholders in the General Meeting by way of ordinary

resolution, Notwithstanding anything contained in the Articles of Association all the clauses stated herein shall always be subject to privileges and exemptions being conferred to Government Companies, explicitly and from time to time by way of notification or otherwise, and for this purpose Government Company shall mean a Company fulfilling the norms as enunciated under the provisions of Section 2 (45) of the Companies Act, 2013.”

Clause 2(xxii)

In the definition of “Local Bodies” the sub-clauses a.) and c.) be amended/alterd as under:

- a.) Municipality and Municipal Corporation constituted under Bombay Municipalities Act, 1949 or Gujarat Municipalities Act, 1963 as amended from time to time including Ahmedabad Municipal Corporation, Gandhinagar Municipal Corporation, Surat Municipal Corporation or any other municipalities having its jurisdiction and falling within the Metro Rail Project Area;
- b.) Notified area committee/authority constituted under Gujarat Town Planning and Urban Development Act, 1976 including Ahmedabad Urban Development Authority, Gandhinagar Urban Development Authority, Surat Urban Development Authority or any other authority falling within the Metro Rail Project Area.

Clause: 4 SHARE CAPITAL be altered / amended as under:

The Authorized Share Capital of the Company consists of Rs.8000,00,00,000 (Rupees Eight Thousand Crore only) divided into 800,00,00,000 (Eight Hundred Crore only) Equity Shares of Rs.10/- (Rupees Ten only) each.

Accordingly the Board of Directors recommends the resolution set out at item no 04 relating to Amendment of Memorandum of Association of the Company.

None of the Directors and Key Managerial Personnel of the Company and their relative are concerned or interested financial or otherwise in the resolution set out at item no.7.

ITEM No.08

The present borrowing powers of the Company are up to Rs. 8000 Crores as approved by the shareholders of the Company during the 5th Annual General Meeting of the Company held on 21st December, 2015 considering the requirement of loan fund from Japan International Cooperation Agency (JICA) and contribution of Subordinate debt from Government of India and Government of Gujarat for Ahmedabad Metro Rail Project Phase-I. The estimated borrowing funds of the Company pursuant to approval of Ahmedabad Metro Rail Project Phase-II and Surat Metro Rail Project is as under:

Project	Ahmedabad Metro Rail Project Phase-I	Ahmedabad Metro Rail Project Phase-II	Surat Metro Rail Project
Subordinate Debt for Central Taxes (GOI +GOG)	1156	702.09	815.42
Loan from Bilateral or Multilateral Agency	6,066	2739.38	5434.25
Subordinate Debts for Lands Including R&R Cost by GoG	727	262.48	1234
SD for Sales Taxes by Govt. Of Gujarat	-	-	677.59
PPP Component	-	92	452
IDC to be borne by Government of Gujarat	-	74	182
TOTAL	7949	3869.95	8795.26
GRAND TOTAL	20,614		

The total borrowings of Rs. 20614 crore for Ahmedabad Metro Rail Project Phase-I & Phase-II and Surat Metro Rail Project is in excess of the existing borrowing limit of Rs.8000 Crore. Hence there is a requirement of shareholders approval for increase in the borrowing limits in excess of paid up capital and free reserves in compliance to section 180 (1) (c) of the Companies Act, 2013.

Considering the above and keeping in view a long term perspective, the amount of maximum borrowing limit is required to be enhanced up to Rs. 21000 Crore (rounded off).

The Board of Directors at their meeting held on 08.11.2019 have accorded their approval for increase in Borrowing limit of the Company in excess of paid up capital and free reserves of the Company within the maximum limit of Rs. 21000 crores subject to the approval of shareholders at the ensuing Annual General Meeting.

Accordingly, the Board recommends the resolution in relation to increase in the borrowing powers of the Company, over and above the aggregate of the paid up capital and free reserves, up to a maximum limit of Rs. 21000 crore at any point of time.

None of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financial or otherwise, in the resolution set out at Item No. 8.

By order of the Board of Directors

Gujarat Metro Rail Corporation (GMRC) Limited.

**Sd/-
Hitesh Bhamare
Company Secretary**

Date: 01.11.2019

Place: Gandhinagar

Form No. MGT - 11

PROXY FORM

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and administration) Rules, 2014]

Name of the Member (s):	
Registered Address :	
Email ID :	
Folio No / Client ID	
DP ID: (N.A. for held in physical Mode)	

I / We, being the Member(s) of _____ shares of the above named Company, hereby appoint

Name	Address	E-mail ID	Signature

Or failing him

Name	Address	E-mail ID	Signature

As my / our proxy to attend and vote (on poll) for me / us and on my/our behalf at the 9th Annual General Meeting of the Company to be held on Friday, 8th November, 2019 at 11:30 AM at Conference Room No. 123-C Ministry of Housing and Urban Affairs (MoHUA), Government of India, Nirman Bhawan, Maulana Azad Road, New Delhi - 110011 and at any adjournment thereof in respect of such resolutions as given in the notice of Annual General Meeting of the Company.

___ day of November, 2019

Signature of Shareholder

Signature of Proxy Holder(s)

Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

ATTENDANCE SLIP

This attendance slip duly filled in is to be handed over at the entrance of the meeting venue.

Regd. Folio No. _____

No. of shares held : _____

Full Name of the member attending: _____

Full name of the first joint-holder: _____
(To be filled in if first named joint-holder does not attend the meeting.)

Name of Proxy: _____
(To be filled in if Proxy Form has been duly deposited with the Company.)

I hereby record my presence at 9th Annual General Meeting being held at "CONFERENCE ROOM NO. 123-C MINISTRY OF HOUSING AND URBAN AFFAIRS (MOHUA), GOVERNMENT OF INDIA, NIRMAN BHAWAN, MAULANA AZAD ROAD, NEW DELHI – 110011" on Friday, 8th November, 2019 at 11.30 AM.

Member's/Proxy's Signature
(To be signed at the time of handing over of this slip)

NOTE: Persons attending the 9th Annual General Meeting are requested to bring their copies of Annual Report.

FORM NO. 22-A
THE COMPANIES ACT, 2013

Consent of Shareholder for shorter notice
[Pursuant to section 101(1)]

To,
The Board of Directors,
Gujarat Metro Rail Corporation (GMRC) Limited
[Formerly Known As Metro-Link Express For Gandhinagar And Ahmedabad (MEGA) Company Limited]
[50:50 Spv Of Govt. Of India & Govt. Of Gujarat]
Block No.1, First Floor,
Karmayogi Bhavan,
Sector 10/A, Gandhinagar,
Gujarat-382010.

I, _____ son / daughter of
_____ resident of _____ holding
_____ Equity Share(s) of Rs.10/- each in the Company in my own name/joint name,
hereby give consent, pursuant to section 101(1) of the Companies Act, 2013, to hold the
Annual General General Meeting on 8th November, 2019 at a shorter notice.

Signature:_____

Name:_____

(In Block Letters)

Date:

Place:

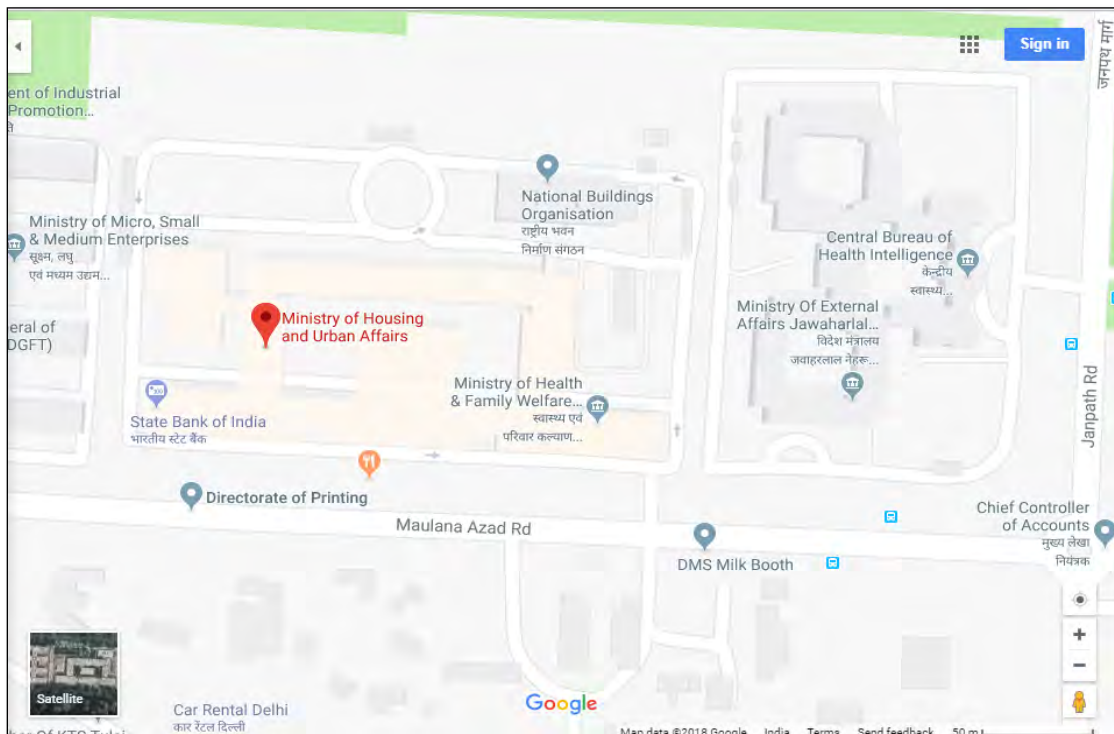
ROUTE MAP FOR REACHING THE VENUE OF 9TH ANNUAL GENERAL MEETING

Date: 08/11/2019

Time of 9th Annual General Meeting: 11.30.AM

VENUE

“CONFERENCE ROOM NO. 123-C MINISTRY OF HOUSING AND URBAN AFFAIRS (MOHUA),
GOVERNMENT OF INDIA, NIRMAN BHAWAN, MAULANA AZAD ROAD, NEW DELHI – 110011”



BOARD'S REPORT FOR THE FINANCIAL YEAR 2018-19

Dear Shareholders,

Your Directors take pleasure in presenting the 9th Annual Report on performance of Gujarat Metro Rail Corporation (GMRC) Limited (50:50 SPV of Government of Indian and Government of Gujarat) along with the audited Financial Statement, Auditor Reports for the financial year ended 31st March 2019.

I. SUMMARISED FINANCIAL HIGHLIGHTS

During the F.Y. 2018-19 your Company has made substantial progress towards the effective implementation of the Project.

Your company have commenced the commercial operations on priority reach 1 section of 6.5 KM's on the East-West Corridor between Vastral Gam to Apparel Park Stations in March 2019.

Following are the key financial highlights for the year under review:

Particulars	(Rs. In Lakhs)	
	As per Ind. AS	
	2018-19	2017-18
Gross Income / Turnover	2247.34	1700.17
Profit /(Loss) Before Finance Cost and Depreciation	300.63	(10140.19)
Finance Cost	20.88	-
Depreciation	197.87	-
Profit / (Loss) Before Tax	81.88	(10,140.19)
Less: Tax Expense	247.62	307.83
Profit / (Loss) after Tax	(165.74)	(10,448.02)
Add: Balance brought forward from the previous year	(6643.40)	3804.62
Balance Profit / (Loss) C/F to the next year	(6809.14)	(6,643.40)

Additional Financial Information

Particulars	(Rs. In Lakhs)	
	As per Ind. AS	
	2018-19	2017-18
Capital Work in Progress	297940.59	207745.54
Other Fixed Asset	137,386.80	33892.94
Intangible Assets	44,011.86	41944.92

II. OPERATIONAL PERFORMANCE

Your company commenced its commercial operations with effect from 04th March, 2019 on the priority reach section between Vastral Park to Apparel Park on East-West Corridor. In order attract ridership, it was felt important to set fare levels which are comparable to the existing travel costs of the people in this section. With low income levels and high trip dependency on two-wheelers and desired shift sought from this mode, it was necessary to have competitive fare levels with other modes of transport available on priority reach.

Accordingly, during the initial operations following economic and affordable fare structure has been fixed for the commuters:

Distance Range (km)	Fare	Cost per KM(Rs/km)
0 - 2.5	5	2.00
2.5 - 7.5	10	1.33
7.5 - 12.5	15	1.20
12.5 - 17.5	20	1.14
17.5 - 22.5	25	1.11
>22.5	30	1.00

Revenue from Operations

Total revenue from operations for F.Y. 2018-19 was Rs.3,81,439 (15 days of operation). Cumulative revenue till 31.08.2019¹ is Rs.21,49,439 including non-fare box revenue.

The average ridership is likely to increase with enhancement in route length and hours of operation in the coming years.

III. DIVIDEND

During the year, Company have commenced commercial operations on Priority Reach 1. However, no operational profits were earned during the year. Hence, your Board of Directors is not recommending any dividend for the year ended 31st March, 2019.

IV. GLIMPSES OF PROJECT PROGRESS

A. AHMEDABAD METRO RAIL PROJECT PHASE- I

East-West Corridor (Thaltej Gam to Vastral Gam)

1.1 Viaduct Progress from Vastral Gam to Apparel Park

The construction of Ahmedabad Metro Rail Project Phase-1 had commenced with the award of contract for Construction of Elevated viaduct from Vastral Gam to Apparel Park on 4th February, 2015. During the year, construction of viaduct work has been

¹ The as on date figures are up to 31.08.2019

completed on Reach 1 that is from Vastral Gam to Apparel Park Depot of East –West Corridor.

Station Progress Vastral Gam to Apparel Park

Priority Reach section traverses through 6(six) Station viz. Vastral Gam, Nirant Cross Roads, Vastral, Rabari Colony, Amraiwadi and Apparel Park stations

The construction progress of the stations is given below:

Sr. NO.	STATION	CURRENT STATUS
1	Vastral Gam Station	Station operations commenced.
2	Nirant Cross Road Station	Station operations commenced.
3	Vastral Station	Roof Structure and other finishing works under progress.
4	Rabari Colony Station	Roof Structure and other finishing works under progress.
5	Amraiwadi Station	Station operations commenced.
6	Apparel Park Station	Station operations commenced.



Figure 1: Apparel Park Station Platform

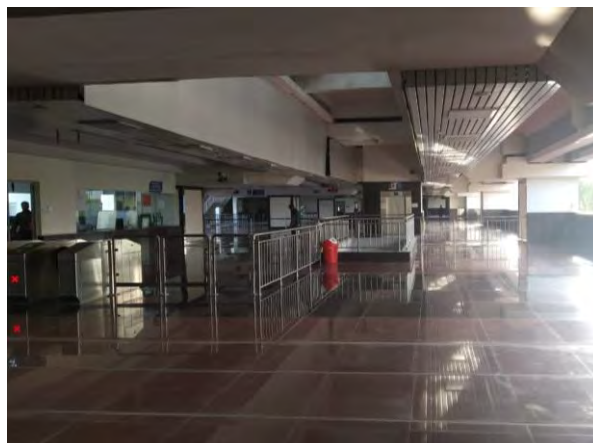


Figure 2: Interior view Apparel Park Station

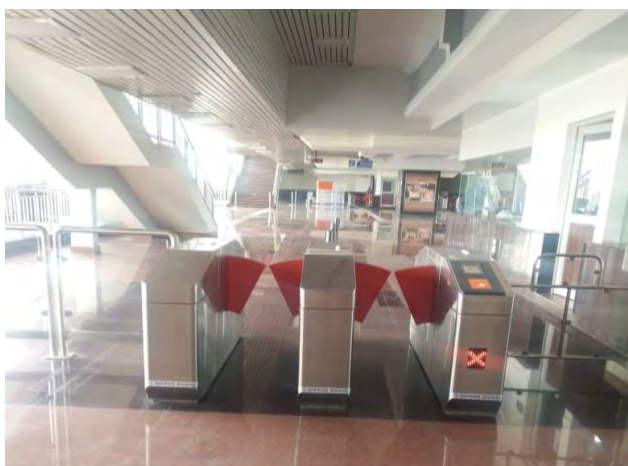


Figure 3: Vastral Gam station interior view-
AFC gates



Fig 4: Amraiwadi Platform Station

2.1 Viaduct Progress from Reach 2 (Thaltej Gam to SP Stadium)

Construction works of Elevated Viaduct from Thaltej Gam to End of Western Ramp in East West Corridor Reach-2 including Bridge over Sabarmati river and 7 Stations Thaltej Gam, Thaltej, Doordarshan Kendra, Gurukul, Gujarat University, Commerce Six Road and Stadium Circle and excluding Interchange Old High Court Station is progressing in fast pace.

As on date, the viaduct construction work for pile is 75%, pile cap is 79%, pier is 72%, pier cap is 57.4 %, portal beam is 60%, segment casting is 53% and segment erection is 40%, parapet casting is 34% completed.



Fig 5: Viaduct from Gurukul to Doordarshan Kendra



Fig 6 : Viaduct from Stadium to Thaltej

2.2 Station Progress of Reach 2 (Thaltej Gam to Sardar Patel Stadium),

The construction of viaduct from Thaltej Gam to Sardar Patel Stadium is at advance state of completion.



Fig 7 : Station construction at Gurukul Road



Fig 8 : Doordarshan Kendra station construction

Sabarmati River Bridge is being constructed for connecting Old High Court to Shahpur Ramp, consisting of total 6 spans which are 42.3 meters each. As on date about 61% of pile foundation is completed. The total length of bridge is 260 meters.



Fig 9 & 10 : Sabarmati River Bridge

3.0 Under Ground Section From Apparel Park to Shahpur

Your company have taken a challenging work of constructing a 6.5 Kms underground tunnel beneath the old Ahmedabad city on East-West Corridor wherein various historically significant heritage monuments are located. Utmost care has been exercised while tunneling through this area.



Fig 11 : Underground Route

3.1 Underground Package 1 (Kankaria East to Kalupur)

Contract for construction of Underground Stations and Tunnel including finishes and excluding PHE, Electrical and HVAC from Kalupur to Apparel Park was awarded in March, 2017.

As on date, full tunneling work by two TBM machines of 1.7 Km each has been completed through dense populated area of Gomtipur, Sarangpur and Saraspur of Old City, where TBM 1 and TBM 2 were launched from Apparel Park Launching Shaft on 5th April 2018 and 20th June 2018 respectively and reached at Kalupur Station within duration of 10 months. Breakthrough of both TBM was done simultaneously on 25th February 2019, which is also one of the rare event in history of Metros in India.

Status of Underground stations:

- 1). Kalupur Station
- 2). Kankaria East Station

At Kalupur Station all Utilities of Railway and Ahmedabad Municipal Corporation has been shifted for construction of Underground Station. Substantial works of roof slab and concourse slab construction has been completed and base slab construction is under progress. NATM work from Kalupur Station to balance tunneling work has also initiated. MMIP (Multi Modal Integration Plan) at Kalupur Station between Metro and High Speed rail is also under discussion with NHRCL.

Progress Of Tunnel						
Sr. No	Description	UOM	Total Scope	Till Date Completed	Balance Erection	% Completed
1	TBM-1 (East Bound)	Rmt	1702.4	1702.4	0	100%
2	TBM-2 (West Bound)	Rmt	1722	1722	0	100%



Figure12: Tunnel completion from Apparel Park to Kalupur



Figure 13: Twin Tunnel Breakthrough marking completion from Apparel Park to Kalupur



Figure 14: Kalupur station concourse slab

3.2 Underground Package 2 (Gheekanta to Shahpur)

Tunneling works for two TBMs i.e TBM 1 and 2 are briskly progressing towards completion. The construction work of diaphragm wall at Gheekanta station is completed and the works of roof slabs, concourse slab and base slab casting is underway. At Shahpur station the construction diaphragm wall and other works have gained significant momentum.



Figure 15: Underground tunnel of pkg 2- TBM1



Figure 16: Underground tunnel of Pkg 2- TBM2

4.0 Apparel Park Depot

The Apparel Park Depot is the main yard on East-West corridor and it is capable of meeting the stabling needs of trains of Ahmedabad Metro Rail Project. It is spread in an area of 5.6 hectares located near the Apparel Park Station in Khokhara and is a hub of Operations and Maintenance of trains along with full work shop facility. It has a covered stabling shed facility for 18 train sets of 6-car length.

The depot houses fully functional Operation Control Centre, Depot Control Centre, BTU, Signaling equipment's, Telecom Equipment's, Uninterruptible Power Supply (UPS), Conference Rooms, Officers' rooms, Training Centre and Cafeteria.

The Apparel Park depot is fully operational along with test track. The works of Automatic wash plant and repair bay workshop is going on and will soon be completed. As on date, total 6 trains have been received and are at various stage of commissioning.



Fig17 : Apparel Park depot for East-West Corridor.



Fig18 : Stabling Shed at Apparel Park depot



Fig 19 & 20: OCC monitoring room and video-wall display system at Apparel Park depot.

North – South Corridor (APMC to Motera Stadium)

5.1 Viaduct Progress from Ranip to Motera (Viaduct only), Package 4A

The contract for Construction of Elevated viaduct from Ranip to Motera (package 4A) was awarded in January 2016. As on date, substantial work on this stretch is on the verge of completion.



Fig 21: Segment Launching near RTO



Fig 22 : Segment Launching near Motera



Fig 23 & 24 : Viaduct near Sabarmati station in North-South Corridor.

5.2 Station Progress of from Ranip to Motera (Station only), Package 4B

The contract for construction of five stations including Viaduct portion within the Stations (Motera, Sabarmati, AEC, Sabarmati Railway Station and Ranip) of East-West Corridor was awarded in February, 2017. As on date the package 4B has achieved physical progress of 100% of pile, pile cap. Pier up to concourse level is completed for three stations namely Ranip, AEC and Sabarmati station. whereas Ranip Station and Motera stations are progressing at steady speed.



Fig 25 : Construction of Sabarmati station in North-South Corridor



Fig 26 : Construction of AEC station in North-South Corridor.

6.1 Viaduct Progress from APMC to Shreyas , Package 1

The Construction of Elevated viaduct and Station from APMC to Shreyas (package 1) is in full swing. As on date, the physical progress for Package 1 viaduct from APMC to Shreyas includes completion of 98% of pile, 96.4% of pile cap, 91.4 % of pier, 89% of pier cap, 69.7% of segment erection.

6.2 Station Progress of Package 1

As on 31st August 2019, the physical progress for Package 1 that stretches from APMC to Shreyas includes completion of 100% of pile, 100% of pile cap, 96% of pier upto concourse level, 96% pier construction up to platform, 46.72% of I-girders casting.



Fig 27 : Viaduct construction work Gyaspur Depot Interface point to Shreyas



Fig 28: Construction work at Jivraj station in N-S Corridor

7.1 Viaduct Progress from Shreyas to Ranip, Package 2

Construction of Elevated viaduct and Station from Shreyas to Ranip (package 2) is majorly running along the Ahmedabad-Bhavnagar Railway line. As on date the physical progress for Package 2 includes completion of 84.9% of pile, 69.2% of pile cap, 53.8 % of pier, 42% of pier cap, 35% of segment erection.



Fig 29 & 30 : Viaduct Construction work from Shreyas to Ranip

7.2 Station Progress from Shreyas to Ranip, Package 2

The Construction of Elevated viaduct and Station from Shreyas to Ranip (package 2) has an overall physical progress of 89% of pile, 63% of pile cap, 37% of pier, 41% of pier upto concourse level, 31% pier construction upto platform, 29.7% of I-girders casting.



Fig 31 & 32 : Station Construction work at Vijaynagar and Gandhigram in N-S Corridor

8.0 Gyaspur Depot Progress

In order to meet the stabling needs for the North-South Corridor, it is planned to construct a depot at Gyaspur on 20 hectares of land. The possession of 20 hectares of land for

Gyaspur Depot has already been taken by GMRCL. The works of Gyaspur depot is going on as per schedule.



Fig 33 & 34 : Construction work at Admin building and Inspection Bay at Gyaspur Depot

9.0 Other System and S&T work details:

The systems contracts for Signalling, Rolling Stock, Telecommunications, Traction, Automatic Fare Collection (AFC) are already awarded and work is progressing along with civil works. During the year 2018-19 2 trains were received and 4 more trains have been received till the date of report. Works of Telecommunications, Traction and E&M were commissioned in the stations opened for public and works of signaling are progressing for final commissioning. Operations Control Centre and Security Control Centre at Apparel Park Depot were made operational for train movement and Security monitoring.

B. AHMEDABAD METRO RAIL PROJECT PHASE –II.

During the year under review, Ministry of Housing and Urban Affairs, Government of India have approved implementation of Ahmedabad Metro Rail Project Phase-II (Motera Stadium to Mahatma Mandir, Gandhinagar) on 9th March, 2019. Phase-II aims to connect the twin cities- of Ahmedabad & Gandhinagar. It spans over 28.524 Kms with completion cost of Rs. 5384.17 crores. The stretch between GNLU to GIFT City will be executed on a PPP basis.

The placement of the stations has been done considering Right of way, land availability, location, proximity to the Institutions for better ridership and connectivity. To attract maximum pedestrian traffic, station locations are finalised at the traffic nodal points.

Preparatory works for implementation of Phase-II have been undertaken by the Company. The Economic Impact Assessment (EIA) and Social Impact Assessment (SIA) study is on the verge of completion. Pile testing works throughout the corridor is in progress.

C. SURAT METRO RAIL PROJECT PHASE – I

During the year under review, Ministry of Housing and Urban Affairs, Government of India have approved implementation of Surat Metro Rail Project Phase-I on two corridors (Sarhana to Dream city and Bhesan to Saroli) on 9th March, 2019 through your company. The total route length of the project is 40.35 Kms and the project completion cost is 12020.32 Crores

The routes are planned in such a way that it integrates with BRTS, City bus service, Railways and passes through major nodes of city centre in Surat. Preparatory works for implementation of Surat Metro have been undertaken by the Company. The Economic Impact Assessment (EIA) and Social Impact Assessment (SIA) study is on the verge of completion.

V. FINANCIAL PROGRESS

JICA Loan:

As per approved financing plan, the Japan International Cooperation Agency (JICA) has sanctioned ODA loan of Rs. 5968 crore (1,12,816 million JPY) to be disbursed in two tranches. In first tranche the loan amounting to 82434 million JPY i.e. Rs. 4361 crore approx.(as per the exchange rate dated 27/7/2015) would be disbursed. Out of 82434 million JPY 22388.28 million (1371.70 cr) have been disbursed till now.

Sub-ordinate Debt:

As per Project Sanction letter, the Government of India and Government of Gujarat shall provide sub-ordinate debt to the Company towards the central and state taxes. State will also give subordinate for land.

During the year under review, sub-ordinate debt released by Government of India and Government of Gujarat is as under:

Government of India Sub-ordinate Debt for Central Taxes	Rs. 150.00 Crores
Government of Gujarat Additional Subordinate Debt	Rs. 388.79 Crore
TOTAL	Rs. 538.79 Crores

Up to 31st August 2019 Financial Progress of Ahmedabad Metro Rail Project is INR 5979.17 cr. (Provisional)

VI. HUMAN RESOURCE MANAGEMENT

The Human Resources management at GMRCL aims to build an inclusive and empowering work environment focused on enhancing employee experiences. Our people processes, policies and practices are aligned with the strategic intent of the stakeholders.

Our people strategies are geared to create learning opportunities, build careers, and foster an empowering and inclusive culture where our employees find meaning in what they do while they create value for GMRCL.

As on date, the Human Capital of GMRCL consist of officials appointed through open advertisement process or drawn on deputation from Central/State Government or PSU's. Regular trainings are conducted for the employees through in bound or out bound programs to enhance knowledge and upskilling of the officials. At the end of financial year there were total 484 employees in the company.

In line with pay structure of other Metro organizations, GMRCL has also revised the pay structure on the basis of IDA pay scales for the Project as well as O&M staff during the year under review.

The company invests considerable time, efforts and resources to attract and retain talent. The company's resources operate under two wings mainly viz. (i) The project Wing (ii) The O&M Wing.

Human Resources – Project Wing

The company's manpower strength for Phase-1 as on 1st April, 2018 was 163 and as on 31st March, 2019 it was 176, consisting of 3 Functional Directors. Further various employees at middle management from DGM to CGM level were appointed. The company has conducted Campus Placement Drive in SVNIT, Surat for upcoming new projects i.e Ahmedabad Metro Rail Project - Phase – II and Surat Metro Rail project.

Human Resources – Operations & Maintenance (O&M) Wing

The manpower in O&M wing consist of experienced staff as well as Trainees appointed on Contract basis. As on 31st March, 2019 the employee strength of O&M wing is 308. The recruitment of O&M Trainees has been carried out in two batches. The first batch joined in July 2018 consisted of 55 Trainee Station Controllers / Train Operators (SC/TOs), 59 Trainee Junior Engineers and 41 Trainee Maintainers, The O&M staff successfully underwent training in BRMCL for a duration of 6 months, 3 months and 1.5 months respectively. The second batch consisting of 14 trainees- JEs and 76 Trainee - Maintainers joined in March 2019. First Aid Training by St. John's Ambulance was conducted in GMRC premises for total no. of 211 employees in February 2019.

VII. ENTERPRISE RESOURCE PLANNING

Company has implemented SAP Enterprise Resource Planning (ERP) system to integrate various applications to manage the business and automate many back office functions. It subsumes core business processes of the Company into one single application, eliminating avoidable costs and redundancies.

SAP has been implemented in your company for finance, material management, human resource management, payroll, performance management and project systems. The Financial Accounting & Controlling Module has the capability of meeting all the accounting and financial needs of an organization.

Besides SAP following other systems have been effectively implemented in the core of the Project Management of Gujarat Metro Rail Corporation that enables decision-making based on information that is visible and transparent across all levels:

- Bentley (Staad Pro) - Structural Engineering Analysis and Design
- MIDAS Rail Track - Rail Track analysis, Bridge Analysis
- ARCGIS - Geographic Information system, creating and using maps, compiling geographic data, analyzing mapped information.

VIII. CHANGES IN SHARE CAPITAL

During the Financial Year 2018-19, the Authorised Share Capital of the Company was Rs.4000 Crores.

During the year, the paid up share capital of the Company has been increased from Rs.1851.21 Crore to Rs.2101.21 Crore on account of contribution of additional equity by the Government of India.

IX. INTERNAL CONTROL SYSTEM

GMRC has in place adequate internal financial control system commensurate with the size of its operations. Internal control systems comprising of policies and procedures which are designed to ensure sound management of GMRC's operations, safe keeping of its assets, optimal utilisation of resources, reliability of its financial information and compliance. Systems and procedures are periodically reviewed to keep pace with the growing size and complexity of operations.

The Company's internal control system comprises of audit and compliance by in-house team from Finance & Accounts department supplemented by independent internal audit checks from T R Chadha & Co. LLP, Chartered Accountants for F.Y. 2018-19.

The internal auditors independently evaluate adequacy of internal controls through 100% pre-audit process. Independence of the audit and compliance is ensured by the direct reporting to the Audit Committee of the Board. During the year under review, no material or serious observation has been received from the Auditors citing inefficiency or inadequacy of such controls.

X. RISK MANAGEMENT / FRAUD PREVENTION

Your company being in the business of implementation Metro Rail Project within the State of Gujarat. Various risks are integral part of the business of your company because we work in a dynamic environment where new risks may arise or previously identified risks may have a different impact. Effectively managing risks is the responsibility of officials of GMRCCL at all levels.

Therefore, a mechanism of pre-emptive checks on all possible risk prone areas from time to time is in place at GMRCCL to foresee and gauge such imminent or potential risks. Constant efforts are being made to contain the risk before it arises. The risk management mechanism of the organization is monitored through 3 (Three) layered risk defence mechanism consisting of in-house Finance Team, Internal Auditors, Management which is accountable to the Audit Committee of the Board.

As far as risk to assets and certain liabilities are concerned, these are mitigated by obtaining insurance cover for adequate value for the assets from Insurance Company. As regards financial risks, adequate internal control measures are adopted by the Company by engaging the external firm of Chartered Accountants as internal auditors on concurrent basis apart from regular audit by Statutory Auditors as well as C&AG of India from time to time. In order to implement internal financial control, all the invoices are pre-audited by the team of internal auditor and cleared after their authorization.

XI. GENERAL INFORMATION

ORGANIZATIONAL SET-UP

As you are aware your Company is a 50:50 basis jointly owned Special Purpose Vehicle (SPV) of Government of India and Government of Gujarat.

Government of India and Government of Gujarat appoint Five (5) Directors each with Secretary, Ministry of Housing & Urban Affairs (MoHUA), Government of India appointed as Chairman of the Company. The Managing Director is the nominee of Government of Gujarat with prior concurrence of Government of India and appointed by the Board of Directors. Managing Director is the Chief Executive Officer of the Company and assisted by Functional Directors, Chief Financial Officer, General Managers, Company Secretary and other officers on deputation / contract basis.

Progress made in implementation of the project is reported to the Board of Directors from time to time and corrective steps are taken wherever necessary.

XII. DIRECTORS & KEY MANAGERIAL PERSONNEL (KMP)

As on date, the Board of Directors of GMRC Limited is comprised of Twelve (12) Directors out of maximum fifteen (15) as provided in the Articles of Association of the Company.

The following changes among the Directors took place during the year under review:

Government of Gujarat Nominee Directors

- Shri Arvind Agrawal, IAS, Additional Chief Secretary, Finance Department, Government of Gujarat has joined the Board of Directors with effect from 07/05/2018 as a Nominee Director of Government of Gujarat against the vacant position due to cessation of Shri Anil Mukim, IAS.
- Dr.I.P.Gautam,IAS (Retd.), Managing Director, Gujarat Metro Rail Corporation (GMRC) Limited has resigned from the position of Managing Director pursuant to his appointment as Member of Lokpal, Government of India with effect from 26.03.2019.
- Shri Mukesh Puri, IAS, Additional Chief Secretary, Urban Development & Urban Housing Department, Government of Gujarat was assigned the charge of Managing Director of the Company with effect from 26.03.2019 vice Dr.I.P. Gautam, IAS (Retd).

FUNCTIONAL DIRECTORS

Shri Prashant Rao, has been appointed as a Whole Time Director (Systems, Electrical and Rolling Stock) on the Board of Directors of the Company with effect from 18/05/2018.

The Board welcomes the new Directors and places on record its deep sense of appreciation for the valuable contribution made by all the outgoing Directors during their tenure on the Board of the Company.

Pursuant to the provisions of section 203 of the Act, the Key Managerial Personnel of the Company are –

MANAGING DIRECTOR

- Dr. I. P. Gautam, IAS (Retd) (up to. 25.03.2019)
- Shri Mukesh Puri, IAS (w.e.f 26.03.2019 to 31.07.2019)
- Shri S. S. Rathore (w.e.f 01.08.2019)

CHIEF FINANCIAL OFFICER (CFO)

- Shri Shabbir Saifuddin Sabuwala (up to 31.08.2019)

COMPANY SECRETARY

- Shri Hiteshkumar Bhamare

Following changes among the Directors took place during the current financial year i.e 2019-20 (updated up to the date of Annual General Meeting)

Government of India Nominee Directors

- Shri Mukund Kumar Sinha, OSD (U.T.) & EO JS – Ministry of Housing & Urban Affairs and Nominee Director- Government of India, ceased to be the Director of the Company with effect from 20/06/2019, pursuant to reliving from services of Government of India.
- Shri Shyam Sunder Dubey, Joint Secretary & Financial Advisor have joined the Board of Directors of the Company with effect from 30th July, 2019 as a Nominee Director of Government of India vice Smt. Jhanja Tripathy.

Government of Gujarat Nominee Directors

- Shri S. S. Rathore, Additional Chief Secretary R&B Department, Retd., Government of Gujarat has been nominated as the Managing Director of the Company by Government of Gujarat with effect from 01st August, 2019.
- Smt. Sunaina Tomar, IAS Principal Secretary, Ports & Transport Department, Government of Gujarat has have joined the Board of Directors of the Company with effect from 25th October, 2019 as a Nominee Director of Government of Gujarat.

Key Managerial Personnel

- Shir Shabbir Saifuddin Sabuwala ceased to be the Chief Financial Officer of the Company with effect from 31.08.2018 pursuant to superannuation from the services of Government of Gujarat.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors.

Ministry of Corporate Affairs vide the notification no. G.S.R. 839(E) dated 5th July, 2017 have notified the Companies (Appointment and Qualification of Directors) Amendment Rules, 2017, wherein Unlisted Public Companies in the nature of 'Joint Venture' are exempted from the requirements of compliances as provided in section 149(4) of the Companies Act, 2013. In view of the aforementioned notification your company is exempted from the requirement of appointment of Independent Directors on the Board of Directors.

XIII. NUMBER OF BOARD MEETINGS HELD DURING THE YEAR

The Board of Directors met five (5) times during the financial year from 1st April, 2018 to 31st March, 2019. The dates on which the meetings were held are – 06th June 2018, 23rd July, 2018, 14th September, 2018, 08th January 2019 and 28th February, 2019 during the period under review.

XIV. COMMITTEES OF THE BOARD

The following Committees were constituted by the Board of Directors':

Committee	Members as on 31/03/2019	Members as on date of Report	
Audit Committee	Shri. Arvind Agarwal, IAS	Shri. Arvind Agarwal, IAS	Chairman
	Shri Mukund Kumar Sinha	Vacant	Member
	Shri Sanjay Kumar Garg	Vacant	Member
	Shri Ashwini Kumar, IAS	Shri Ashwini Kumar, IAS	Member
Project Committee	Vacant	Shri S.S. Rathore	Chairperson
	Shri. Arvind Agarwal, IAS	Shri. Arvind Agarwal, IAS	Member
	Shri Ashwini Kumar, IAS	Shri Ashwini Kumar, IAS	Member
	Shri Rajeev N Dwivedi	Shri Rajeev N Dwivedi	Member
Nomination and Remuneration Committee	Shri S. S. Rathore	Shri S. S. Rathore	Chairperson
	Dr. I. P. Gautam, IAS (Retd)	Vacant	Member
	Shri Rajeev N Dwivedi	Shri Rajeev N Dwivedi	Member
	Shri Ashwini Kumar, IAS	Shri Ashwini Kumar, IAS	Member
Corporate Social Responsibility (CSR) Committee	This committee is under reconstitution		Chairman
			Member
			Member
			Member

XV. MEETINGS OF THE AUDIT COMMITTEE

Pursuant to the requirements of the Companies Act, 2013, your Board of Directors have constituted an Audit Committee. The Audit Committee presently comprises of total Two nominee Directors of Government of Gujarat namely Shri Arvind Agarwal, IAS, and Shri Ashwini Kumar, IAS as members. Two positions of nominee directors of Government of India is vacant.

During the period under review, Three (3) meeting of the Audit Committee were duly held on 04, May 2018, 16th July 2018 and 12th February, 2019 respectively. There were no instances of any recommendations of the Audit Committee, which were not accepted by Board.

XVI. MEETINGS OF THE NOMINATION AND REMUNERATION COMMITTEE

Pursuant to the requirements of the Companies Act, 2013, your Board of Directors have constituted a Nomination and Remuneration Committee. The Nomination and Remuneration Committee presently comprises of total four nominee Directors of Government of India and Government of Gujarat namely Shri S. S. Rathore, Shri Rajeev N Dwivedi and Shri Ashwini Kumar, IAS as members. At present one position of member is vacant.

During the period under review, Two (2) meeting of the Nomination and Remuneration Committee was held on 16th November, 2018 and 12th February, 2019.

XVII. COMMITTEES FORMED BY STATE GOVERNMENT

Following Committees have been constituted by the State Government for Ahmedabad-Gandhinagar Metro Rail Project:

- (a) High Power Committee under the Chairmanship of the Hon'ble Deputy Chief Minister, Government of Gujarat. (Reconstituted vide order no. Project/102011/S.F.22 /DHA dated 25-04-2017).
- (b) High Power Committee under the Chairmanship of Chief Secretary, Government of Gujarat. (constituted pursuant to clause 6(ii) of the Project Sanction Letter dated 17.11.2014).

XVIII. MEETING OF THE HIGH POWER COMMITTEES

The High Power Committee under the chairmanship of Chief Secretary, Government of Gujarat met during the year under review on 15th April, 2018 and 23rd October, 2018 respectively, and has given various decisions / directions for smooth and speedy implementation of Ahmedabad Metro Rail Project Phase-1.

XIX. DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- (a) That in the preparation of the annual accounts for the period ended 31st March, 2019, the applicable accounting standards, read with the requirements set out under schedule III to 'the Act' have been followed along with proper explanation relating to material departures;
- (b) That 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 the company at the end of the financial year and of the profit or loss of the company for the year;
- (c) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) That the directors have prepared the accounts for the financial year ending 31st March, 2019, on a going concern basis;
- (e) That the directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

XX. AUDITORS**A. Statutory Auditors**

Your Company being a Government Company, the Statutory Auditors are appointed by the Comptroller and Auditor General of India as per the provisions of Section 139(5) of the Companies Act, 2013. Accordingly, M/s Manubhai & Shah LLP (FRN: No.W106041/W100136), Chartered Accountants, having their office at Ahmedabad were appointed as Statutory Auditors of the Company for the financial year 2018-19. The Independent Auditors' Report on the accounts of the company for the financial year ended March 31, 2019 is placed with the Board Report of the Company.

The comments of the Comptroller and Auditor General of India received vide their Letter No. OAD-IV/S-2/Comments/GMRCL/2018-19OW no. 415 dated 10.10. 2019 under Section 143(6)(b) of the Companies Act, 2013 and the management reply thereon is annexed herewith at **Annex-1**.

B. Secretarial Auditor

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has re-appointed M/s. Hitesh Buch & Associates, Practicing Company Secretaries, Ahmedabad (CP No.8195) to undertake the secretarial audit of the Company. The Secretarial Audit Report issued by the Secretarial Auditor for the financial year 2018-19 is placed at **Annex-2** of this report.

C. Internal Auditor

M/s. T R Chadha & Co. LLP, Chartered Accountants, Ahmedabad were appointed as Internal Auditors of the Company for the Financial Year 2018-19 to conduct the internal audit. The scope of the internal audit and the reports of the auditors were reviewed by the Audit Committee from time to time.

XXI. EXTRACT OF ANNUAL RETURN

Pursuant to section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of Annual Return is attached herewith as **Annexure - 3**.

XXII. CORPORATE SOCIAL RESPONSIBILITY

As per the requirements of section 135 of the Companies Act, 2013, your Board of Directors has constituted a Corporate Social Responsibility (CSR) Committee.

Your Company has not earned operational profit in the preceding years. Considering the absence of operational profits, your management has not spent any amount on account of Corporate Social Responsibility for the period under review.

XXIII. PUBLIC DEPOSITS:

During the year under review, your Company has not accepted any deposits from the public within the meaning of Section 73 of the Companies Act, 2013.

XXIV. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

The particulars as required under section 134(3) (m) of the Companies Act, 2013, read with the Companies (Accounts) Rules, 2014, are as below:-

(a) Conservation of energy:

Metro Rail Operation being an energy intensive in nature. Conservation of energy is one of the core elements of the operational planning of the Project.

❖ Following measures have been adopted by GMRC for energy conservation:

- i. Lighting the stations and depots with LED lights to save energy.
- ii. Promoting the use of natural lighting for lighting the stations.
- iii. Use of modern rolling stock with 3-phase variable voltage variable frequency (VVVF) drive and lightweight stainless steel coaches are proposed due to the benefit of low specific energy consumption and unity power factor.
- iv. Rolling stock has regeneration features and it is expected that around 10-12% of total traction energy will be regenerated and fed back to 750 V dc third rail to be consumed by nearby trains.
- v. Machine-room less type lifts with gearless drive have been proposed with 3-phase VVVF drive. These lifts are highly energy efficient.
- vi. The proposed heavy-duty public services escalators will be provided with 3-phase VVVF drive, which is energy efficient & improves the power factor. Further, the escalators will be provided with infrared sensors to automatically reduce the speed (to idling speed) when not being used by passengers.
- vii. The latest state of art and energy efficient electrical equipment (e.g. transformers, motors, light fittings etc.) have been incorporated in the system design.
- viii. Implementation of SCADA for managing energy efficiency by way of maximum demand and power factor control.

❖ Other Measures:

- i. The Company has installed the Grid connected roof top solar power plant of 200KW capacity at Apparel Park depot OCC building.
- ii. During the year the Board of Directors of your company have decided to establish a solar park of 25 MW Solar Plant for which a formal request for allotment of land has been sent to the State Government.

The Company has not undertaken any activity wherein any specific measures of conservation of energy, technology absorption are involved. Hence the particulars are

not applicable for the period under review. However, the planning of Ahmedabad Metro Rail Project is being done taking into account various aspects of energy conservation.

(b) Technology Absorption:

Emphasis is laid on use of indigenous products over imported products while procuring any machineries or other technological products for Ahmedabad Metro Rail Project. Wherever possible, efforts are being made for technology absorption.

(c) Foreign Exchange earnings or outgo in Foreign Exchange during the period:

The particulars relating to Foreign Exchange Earnings or out go in foreign exchange incurred during the period are as under:

- i) There were no foreign exchange earnings (inflows) during the period.
- ii) Expenditure in Foreign Currency (On Accrual basis).

Particulars	2018-19 (Rs. in Lacs)	2017-18 (Rs. in Lacs)
(a) Technical Advisory Services	22725.72	21400.53
(b) Travelling Expenses	13.45	8.01
TOTAL	22739.17	21408.54

XXV. DISCLOSURES UNDER SECTION 134 (3) (I) OF THE COMPANIES ACT, 2013:

Except as disclosed elsewhere in this report, there have been no material changes and commitments which can affect the financial position of the Company between the end of the financial year of the Company and date of this report.

XXVI. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Directors further states that, during the year under review, there were no cases reported pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

XXVII. ACKNOWLEDGEMENTS:

Your Directors place on records its gratitude for the valuable co-operation, advice and support received from the various Ministries of Government of India especially the Ministry of Housing and Urban Affairs, Ministry of Railways, Commissioner of Railway Safety and the various Ministries / Departments of Government of Gujarat including the Urban Development and Urban Housing Department, Finance Department etc, the Multi-

lateral lending agencies viz. JICA & other Financial Institutions & Commercial Banks and Ahmedabad Municipal Corporation.

Your Directors wish to acknowledge their deep sense of appreciation and sincere thanks to all Government Agencies, Departments, Bankers, Comptroller & Auditor General of India, Statutory Auditors, Internal Auditors, Secretarial Auditors and each and every stakeholder for their wholehearted and continued support, guidance, advice, assistance and co-operation from time to time during the year and hope to receive the same kind of co-operation in the future as well.

Your Directors thank Company's Consultants, Advisors, Contractors for their valuable advice and guidance and all others who are associated with the implementation of the Project.

Your Board of Directors wish to place on record their sincere appreciation for the valuable services, advise, Co-operation and support given by Members of the Board during their respective tenure as Directors.

Your Directors place on record their appreciation for the co-operation extended by all the Officers and Employees of the Company in the progress of the project and for the smooth conduct of the operations by the Company during the Year

For and on behalf of the Board of Directors of Gujarat Metro Rail Corporation (GMRC) Limited [Formerly Known as Metro-Link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited].

**Sd/-
S. S. RATHORE
MANAGING DIRECTOR**

**Sd/-
DIRECTOR**

**Sd/-
HITESH BHAMARE
COMPANY SECRETARY**

**Sd/-
S. S. SABUWALA
C.F.O**

**DATE: 08.11.2019
PLACE: New Delhi**

Annex-1

REPORT OF THE C&AG

के. जे. पोस्ट
श्रीराम-डाक-द्वारा



सेवा में,
प्रबंध निदेशक,
Gujarat Metro Rail Corporation Limited,
Block - 1, 1st Floor, Karmayogi Bhavan,
Behind Nirman Bhavan, Sector 10/A,
Gandhinagar-382010

संख्या: OAD-IV/S-2/Comments/GMRCL/2018-19/OW No. 415
कार्यालय प्रधान महालेखाकार (सामान्य एवं सामाजिक क्षेत्र लेखा परीक्षा)
एनेक्सी भवन, रेस कोर्स मार्ग, पोस्ट बैग सं. 27, राजकोट - 360001
दूरभाष: +91 - 281 - 2446836-37, फैक्स: +91 - 281- 2476921
ई-मेल: agauGujarat2@cag.gov.in
दिनांक: 14/10/2019



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विषय:- कंपनी अधिनियम 2013 की धारा 143 (6) (b) के अंतर्गत Gujarat Metro Rail Corporation Limited, Gandhinagar के 31 March 2019 को समाप्त वर्ष के लिए भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणी।

महोदय,

31 मार्च 2019 को समाप्त हो रहे वर्ष के लिए Gujarat Metro Rail Corporation Limited, Gandhinagar के लेखों के संदर्भ में कम्पनी एक्ट 2013 के धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखा परीक्षक की टिप्पणी, जो संलग्न हैं, को कम्पनी की वार्षिक सामान्य बैठक के सम्मुख प्रस्तुत करने के लिए कृपया अवलोकन करें।

कम्पनी एक्ट 2013 के धारा 143(6)(b) के अंतर्गत भारत के नियंत्रक एवं महालेखा परीक्षक की टिप्पणियों को वार्षिक सामान्य बैठक के सम्मुख उस समय पर और उस तरीके से प्रस्तुत करना अनिवार्य हैं, जैसे कि कम्पनी के लेखा परीक्षक के प्रतिवेदन को। वार्षिक सामान्य बैठक के सम्मुख भारत के नियंत्रक एवं महालेखा परीक्षक की टिप्पणियों को प्रस्तुत करने की तिथि आगामी पत्राचार के माध्यम से इस कार्यालय को सूचित करें।

मुद्रित लेखों की छः प्रतियां हमारे प्रयोग और अभिलेख में दर्ज करने के लिए इस कार्यालय को आगामी पत्राचार के द्वारा भेजे। इस पत्र और इसके संलग्नक की प्राप्ति होने पर कृपया पावती भेजे।

In respect of Draft Comment No. 1 on "Intangible assets of 440.11 cr / Right of use 439.79 cr" issued vide this office letter dated 12/09/2019, it is to state that the draft comment is dropped, however, the Management of GMRCL may please seek Expert Opinion of the Institute of Chartered Accountants of India on the issue raised in the said draft comment (annexure A) before finalization of the next year's financial statements.

भवदीय,



उप महालेखाकार (एस एस-2)

संलग्नक- यथोपरि



COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF GUJARAT METRO RAIL CORPORATION, GANDHINAGAR FOR THE YEAR ENDED 31 MARCH 2019

The preparation of financial statements of the Gujarat Metro Rail Corporation (GMRC) Limited, Gandhinagar for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the Management of the Company. The Statutory Auditors 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 14th August 2019.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under Section 143(6)(a) of the Act of the financial statements of Gujarat Metro Rail Corporation (GMRC) Limited, Gandhinagar (the Company) for the year ended 31 March 2019. 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. Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6)(b) of the Act, which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related Audit Report:

A. Comments on Financial Position:

Equity and Liabilities

Liabilities

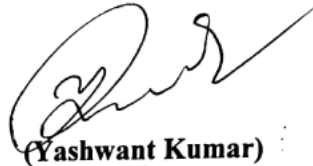
Current Liabilities

1 Other Financial Liabilities (Schedule No. 13) ₹ 1027.65 crore

The Company's Significant Accounting Policy forming part of Financial Statements stated that the claims including Price Variation (PV) are accounted for on acceptance. This policy is not in accordance with the Ind AS-37.

The Company did not make any provision of ₹ 43.35 crore on accrual basis for the obligation pertaining to the financial year 2018-19 instead it has decided to recognize the obligation and accounting for it on acceptance basis in the year 2019-20 as per its Accounting Policy. This has resulted in understatement of Other Current Liabilities and corresponding understatement of Capital Work in Progress by ₹ 43.35 crore.

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



**(Yashwant Kumar)
Pr. Accountant General (G&SS Audit)
Gujarat, Rajkot.**

**Place: RAJKOT
Date: 10/10/2019**

Annex-1B

MANAGEMENT RESPONSE ON THE COMMENTS OF C&AG ON THE FINANCIALS STATEMENTS ON GUJARAT METRO RAIL CORPORATION (GMRC) LIMITED FOR FINANCIAL YEAR 2018-19

Management Reply

Price variation is a claim against inflation impact. It may be negative or positive. The contract provides for broad provision but actual modalities are incidental which are to be seen before deciding admissibility of the claim. Following aspects are required to be considered for price variation;

1. Indices
2. Amount of work done
3. Normalization
4. City Factors

Thus, admissibility of the claim can be made as and when the claim is actually examined. Theoretically assumed value may lead to over or under estimation of provision. Further, provision of claim in the books may be construed as admissibility of the claim and later on it may be produced as evidence before arbitrator, if such dispute is raised.

In the said reporting period, company has the process of intimation to the Engineers for providing the amount of provision pertaining to the relevant Financial Year 2018-19 before finalization of books of account. In the absence of approval of claim of the contractor, non-availability of relevant indices and consequential non-quantification of such claim amount, question of making the provision does not arise at all.

As per para 14 of Ind AS 37, Provisions, Contingent Liabilities and Contingent Assets, a provision shall be recognized when:

- a) an entity 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; and
- c) A reliable estimate can be made of the amount of the obligation. If these conditions are not met, no provision shall be recognized.

According to Ind AS 37, the provision can be recognized in case all the above three conditions are met. Considering the facts given above, price variation cannot be considered as provision as there is no present obligation as a result of past event as at the reporting date.

The project being under execution stage and amount of provision being capital in nature does not affect the Profit/Loss for the Financial Year 2018-19. Therefore, provision of price adjustment is not required.

The Accounting policy to that effect has been appropriately disclosed in the Financial Statement Note-1.

This being industry practice to account for price variation on acceptance basis, similar policy has been adopted by GMRCL.

Furthermore as per Ind AS 10 “Events after the Reporting Period” the events after the reporting period are those events, favourable and unfavourable, that occur between the end of the reporting period and the date when the financial statements are approved by the Board of Directors in case of a company, and, by the corresponding approving authority in case of any other entity for issue.

Two types of events can be identified

- a) those that provide evidence of conditions that existed at the end of the reporting period (adjusting events after the reporting period); and
- b) those that are indicative of conditions that arose after the reporting period (non-adjusting events after the reporting period).

In the given case, accounting policy of the company states that Claims including price variations are accounted for on acceptance. So acceptance of claim is an event for which no evidence was available as on balance sheet date and it is non adjusting subsequent event. Considering Ind AS 10 also, company is not required to provide for the Price Variation.

For and behalf of the Board of Director

Place: Gandhinagar

Date: 18.10.2019

Sd/-
(Biren Parmar)
Director Finance

Annex-2**SECRETARIAL AUDITORS REPORT**

Hitesh Buch & Associates
Company Secretaries

SECRETARIAL AUDIT REPORTFOR THE FINANCIAL YEAR ENDED 31ST MARCH 2019

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

To,
The Members,
Gujarat Metro Rail Corporation (GMRC) Limited
Registered office:
Block No. 1, First Floor, Karmayogi Bhavan,
Sector 10/A,
Gandhinagar - 382010

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **GUJARAT METRO RAIL CORPORATION (GMRC) LIMITED** [Formerly Metro-Link Express For Gandhinagar And Ahmedabad (MEGA) Company Limited] (hereinafter called the Company). 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 our verification of the 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 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; - Not Applicable
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - Not Applicable
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') were not applicable to the Company during the year under review:

Hitesh Buch & Associates
Company Secretaries

- (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (iv) The Securities and Exchange Board of India (Share based Employee Benefits) Regulations, 2014;
 - (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (vi) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
 - (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.
3. As informed to us, the following other laws are specifically applicable to the Company:
 - A. The Sexual Harassment of the Women at Work place Act, 2013;
 - B. The Environment (Protection) Act, 1986 and The Environmental (Protection) Rules, 1986 as amended;
 - C. The Indian Railway Act, 1989;
 - D. The Metro Railway (Construction of Work) Act, 1978;
 - E. The Metro Railway (Operation and Maintenance) Act, 2002.
4. We have also examined the compliance with the applicable clauses of the Secretarial Standards issue by the Institute of Company Secretaries of India. During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except in respect of circulation of notice/agenda papers of some meetings of board of directors and committees.

We further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Subject to our comments in clause (4) above, adequate notices are 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. All the decisions were carried out unanimously and were recorded as part of the minutes.

Hitesh Buch & Associates
Company Secretaries

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

We further report that during the audit period, the name of the Company was changed from Metro-Link Express For Gandhinagar and Ahmedabad (MEGA) Company Limited to Gujarat Metro Rail Corporation (GMRC) Limited.

We further report that during the audit period there were no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws except those which are reported in annual report.

For, **Hitesh Buch & Associates**

Sd/-

Hitesh D. Buch

Proprietor

FCS No.: 3145

C P No.: 8195

Place: Ahmedabad

Date : 08/11/2019

Hitesh Buch & Associates
Company Secretaries

To,
The Members,
Gujarat Metro Rail Corporation (GMRC) Limited
Registered office
BLOCK NO. 1, FIRST FLOOR, KARMAYOGI BHAVAN,
SECTOR 10/A GANDHINAGAR,
Gandhinagar GJ 382010

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial records 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 the test basis to ensure that correct facts are reflected in the secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever 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 and standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

Place: Ahmedabad
Date: 08/11/2019

Sd/-
Hitesh Buch
For, Hitesh Buch & Associates
FCS No.: 3145
C P No.: 8195

Annex-3
FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U60200GJ2010SGC059407
2.	Registration Date	04/02/2010
3.	Name of the Company	GUJARAT METRO RAIL CORPORATION (GMRC) LIMITED [FORMERLY KNOWN AS METRO-LINK EXPRESS FOR GANDHINAGAR AND AHMEDABAD (MEGA) COMPANY LIMITED]
4.	Category/Sub-category of the Company	METRO RAILWAY TRANSPORT SERVICES
5.	Address of the Registered office & contact details	BLOCK NO.1, FIRST FLOOR, KARMAYOGI BHAVAN, SECTOR-10-A, GANDHINAGAR- 382010
6.	Whether listed company	NO
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NOT APPLICABLE

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)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Urban & suburban Metro Railway Transport Services	99641112	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

S. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/SUBSIDIARY /ASSOCIATE	% of Shares Held	Applicable Section
1	Nil	Nil	Nil	Nil	Nil

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 01-April-2018]				No. of Shares held at the end of the year[As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter s									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt / President of India	-	75.121 Crore	75.121 Crore	40.58 %	-	100.121 Crore	100.121 Crore	47.65%	7.07%
c) State Govt(s)	-	110 Crore	110 Crore	59.42 %	-	110 Crore	110 Crore	52.35%	(-7.07%)
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A)	-	185.121 Crore	185.121 Crore	100%	-	210.121 Crore	210.121 Crore	100%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-

f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	-	-	-	-	-	-	-	-
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-

Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Public Shareholding (B)=(B)(1)+(B)(2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
C. Shares held by Custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	-	185.121 Crore	185.121 Crore	100%	-	210.121 Crore	210.121 Crore	100%	-

(ii) Shareholding of Promoters-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding 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	Government of Gujarat	110,00,00,000	59.42%	Nil	110,00,00,000	52.35%	Nil	(-7.07%)
2	President of India	75,12,10,000	40.58%	Nil	100,12,10,000	47.65%	Nil	7.07%

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

SN	Particulars	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
I.	GOVERNMENT OF GUJARAT				
	At the beginning of the year	110 Crore	59.42%	110 Crore	59.42%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Decrease in percentage of shareholding due to allotment of shares to H.E the President of India (GoI)			

		7.5 crore on (06/06/2018)	(-2.31%)		57.11%
		7 Crore on (14/09/2018)	(-2.01%)		55.10%
		10.50 Crore on (28/02/2019)	(-2.75%)		52.35%
A	At the end of the year	110Crore	52.35%	110 Crore	52.35%
II.	PRESIDENT OF INDIA				
	At the beginning of the year	75.121 Crore	40.58%	75.121 Crore	92.93%
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	Increase in shareholding due to further allotment of equity shares.			
		7.5 crore on (06/06/2018)	2.31%	82.621 crore (as on 06.06.18)	95.24%
		7 Crore on (14/09/2018)	2.01%	89.621 Crore (as on 14.09.18)	97.25%
		10.50 Crore on (28/02/2019)	2.75%	100.121 Crore (as on 28.02.2019)	100%
B	At the end of the year	100.121 Crore	47.65%	100.121 Crore	100.00%
Grand Total (A+B)		185.121 Crore	100%	210.121 Crore	100%

(iv) **Shareholding Pattern of top ten Shareholders (Other than Directors, Promoter s and Holders of GDRs and ADRs): - Not Applicable**

SN	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	NOT APPLICABLE			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for				

	increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	
	At the end of the year	

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year		Reason for Change (e.g. allotment / transfer / bonus/ sweat equity etc.):
		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	Shri Durga Shankar Mishra, IAS, Secretary MoHUA & Ex-officio Chairman [On behalf of H.E the President of India]	10	0.00%	10	0.00%	NIL
2	Smt. Jhanja Tripathy, Joint Secretary & Financial Advisory, MoHUA [On behalf of H.E the President of India]	10	0.00%	10	0.00%	
3	Shri Mukund Kumar Sinha, , OSD(UT) & Joint Secretary, MoHUA [On behalf of H.E the President of India]	10	0.00%	10	0.00%	
4	Dr. I. P. Gautam, IAS(Retd) Managing Director [On behalf of Hon'ble Governor of Gujarat]	10	0.00%	10	0.00%	
5	Shri S. S. Rathore, Retd. Addi. Chief Secretary (Roads & Building), Govt. of Gujarat[On behalf of Hon'ble Governor of Gujarat]	10	0.00%	10	0.00%	

6	Shri Biren Parmar, IAAS - Director (Finance) - Whole Time Director	Nil	Nil	Nil	Nil	
7	Shri Sahadeva Singh, Director (Projects) - Whole Time Director	Nil	Nil	Nil	Nil	
8	Shri S. S. Sabuwala - Chief Financial Officer	Nil	Nil	Nil	Nil	
9	Shri Hitesh Bhamare - Company Secretary	Nil	Nil	Nil	Nil	
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	N.A	N.A	N.A	N.A	
	At the end of the year					
1	Shri Durga Shanker Mishra, IAS, Secretary MoHUA & Ex-officio Chairman [On behalf of H.E the President of India]	10	0.00%	10	0.00%	NIL
2	Smt. Jhanja Tripathy, Joint Secretary & Financial Advisory, MoHUA [On behalf of H.E the President of India]	10	0.00%	10	0.00%	
3	Shri Mukund Kumar Sinha, OSD(UT) & Joint Secretary, MoHUA [On behalf of H.E the President of India]	10	0.00%	10	0.00%	

4	Dr. I. P. Gautam, IAS(Retd) Managing Director [On behalf of Hon'ble Governor of Gujarat][ceased to be Managing Director w.e.f: 26.03.2019]	10	0.00%	10	0.00%	
5	Shri S. S. Rathore, Retd. Addi. Chief Secretary (Roads & Building), Govt. of Gujarat[On behalf of Hon'ble Governor of Gujarat]	10	0.00%	10	0.00%	
6	Shri Mukesh Puri, IAS Principal Secretary, Urban Development & Urban Housing Department, Government of Gujarat & Managing Director (w.e.f 26-03-2019)	Nil	Nil	Nil	Nil	
7	Shri Biren Parmar, IAAS - Director (Finance) - Whole Time Director	Nil	Nil	Nil	Nil	
8	Shri Sahadeva Singh, Director (Projects) - Whole Time Director	Nil	Nil	Nil	Nil	
9	Shri Prashant Rao Director (SER)- Whole Time Director (w.e.f. 18.05.2018)	Nil	Nil	Nil	Nil	
10	Shri S. S. Sabuwala - Chief Financial Officer	Nil	Nil	Nil	Nil	
11	Shri Hiteshkumar Bhamare - Company Secretary	Nil	Nil	Nil	Nil	

V. INDEBTEDNESS (AS PER IND AS)

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year (GoI + GoG)				
i) Principal Amount	-	1578.42 Crore	-	1578.42 Crore
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	Nil	1578.42 Crore	Nil	1578.42 Crore
Change in Indebtedness during the financial year				
* Addition (GoI + GoG)	-	903.82 Crore	-	903.82 Crore
* Reduction	-	-	-	-
Net Change	Nil	903.82 Crore	Nil	903.82 Crore
Indebtedness at the end of the financial year				
i) Principal Amount	-	2482.24 Crore	-	2482.24 Crore
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	Nil	2482.24 Crore	Nil	2482.24 Crore

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount
		Dr. Indrajeet Prasad Gautam Managing Director (up to 26/03/2019)	Shri Mukesh Puri, IAS Managing Director (w.e.f: 26/03/2019)	Shri Biren Parmar, IAAS Whole Time Director (Finance)	Shri Sahadeva Singh Whole Time Director (Projects and Planning)	Shri Prashant Rao Whole Time Director (SER)	
1	Gross salary	Rs.13,89,962	Nil	Rs.39,52,947	Rs.48,67,362	Rs.42,73,985	Rs.1,44,84,256
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs.13,89,962	Nil	Rs.39,52,947	Rs.48,67,362	Rs.42,73,985	Rs.1,44,84,256
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil	Nil	Nil	Nil
4	Commission - as % of profit - others,	Nil	Nil	Nil	Nil	Nil	Nil
5	Others, please	Nil	Nil	Nil	Nil	Nil	Nil
	Total (A)	Rs.13,89,962	Nil	Rs.39,52,947	Rs.48,67,362	Rs.42,73,985	Rs.1,44,84,256
	Ceiling as per as per the Act	NOT APPLICABLE					

B. Remuneration to other directors

S N.	Particulars of Remuneration	Name of Directors										Total Amount (Rs.)
		Shri Mukesh Puri, IAS	Shri Durga Shanker Mishra, IAS	Shri Sanjay Kumar Garg	Smt. Jhanja Tripathi, IRAS	Shri Mukund kumar Sinha	Shri Rajeev N Dwivedi	Shri Anil Mukim, IAS	Shri Arvind Agarwal, IAS	Shri Ashwini Kumar, IAS	Shri S. S. Rathore	
1	Independent Directors	-	-	-	-	-	-	-	-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-	-	-	-	-	-	-
	Commission	-	-	-	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-	-	-	-
	Total (1)	-	-	-	-	-	-	-	-	-	-	-
2	Other Non-Executive Directors	-	-	-	-	-	-	-	-	-	-	-
	*Fee for attending board/ committee meetings	Rs. 10000	-	Rs.24000	-	-	Rs.8000	-	Rs. 14000	Rs. 20000	Rs. 26000	Rs. 102000
	Commission	-	-	-	-	-	-	-	-	-	-	-
	Others, please specify	-	-	-	-	-	-	-	-	-	-	-
	Total (2)	Rs. 10000	-	Rs.24000	-	-	Rs.8000	-	Rs. 14000	Rs. 20000	Rs. 26000	Rs. 102000
	Total (B)=(1+2)	Rs. 10000	-	Rs. 24000	-	-	Rs. 8000	-	Rs. 14000	Rs. 20000	Rs. 26000	Rs. 102000
	Total Managerial Remuneration	-	-	-	-	-	-	-	-	-	-	-
	**Overall Ceiling as per the Act	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

*Sitting fees payable to the Non-Executive Directors (Nominee of Government of Gujarat) has been paid in the Account of Bureau of Public Enterprises, Government of Gujarat.

**As per the notification dated 5th June, 2015 of Ministry of Corporate Affairs, Government of India, Section 197 of the Companies Act, 2013 is not applicable to Government Companies. In view of the same, the overall ceiling of managerial remuneration is not applicable to Gujarat Metro Rail Corporation (GMRC) Limited.

C. Remuneration to key managerial personnel other than MD/MANAGER/WTD

SN	Particulars of Remuneration	Key Managerial Personnel		
		Shri S. S. Sabuwala, CFO	Shri Hitesh Bhamare Company Secretary	Total
1	Gross salary	Rs. 20,46,002	Rs. 12,69,434	Rs.33,15,436
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Rs. 20,46,002	Rs. 12,69,434	Rs.33,15,436
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2	Stock Option	Nil	Nil	Nil
3	Sweat Equity	Nil	Nil	Nil
4	Commission	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil
	others, specify...	Nil	Nil	Nil
5	Others, please specify	Nil	Nil	Nil
	Total	Rs.20,46,002	Rs. 12,69,434	Rs. 33,15,436

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-

Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

INDEPENDENT AUDITOR'S REPORT

To the Members of
Gujarat Metro Rail Corporation (GMRC) Limited
(Formerly Known as Metro-link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited)

Report on the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Gujarat Metro Rail Corporation (GMRC) Limited (Formerly Known as Metro-link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited)** ("the Company"), which comprise the Balance Sheet as at 31st March 2019, and the Statement of Profit and Loss including the statement of Other Comprehensive Income, the Cash Flow Statement and statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information (herein referred to as 'Financial Statements').

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 ("The Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed 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, 2019, its loss, total 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 Statement in accordance with the Standards on Auditing 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 (ICAI) together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report and Corporate Governance Report but does not include the Financial Statements and our Auditor's Report thereon. The Board's Report and Corporate Governance Report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not and will 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 identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the Board's Report and Corporate Governance Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance as required under SA 720 'The Auditor's responsibilities Relating to Other Information'.

Management's Responsibility 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. 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 of 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 Statement 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.

Auditor's 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system 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 auditor's 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 evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit 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 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 account.
 - d) In our opinion, the aforesaid Financial Statements comply with the Ind AS specified under Section 133 of the Act.
 - e) As the company is a Government Company, in terms of notification no. G.S.R. 463(E) dated 5th June 2015 (as amended), issued by the Ministry of Corporate Affairs, the sub-section (2) of section 164 is not applicable to the company.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “**Annexure A**”. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.
- g) In our opinion and according to the information and explanations given to us, the Company by virtue of the provisions of notification no. G.S.R. 463 (E) dated 5 June, 2015 (as amended) of the Ministry of Corporate Affairs, Government of India, is exempt from the provisions of section 197 read with Schedule V to the Act.
- h) With respect to the other matters to be included in the Auditor’s 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 its Financial Statements – Refer Note 23 to 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 has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor’s Report) Order, 2016 (“the Order”) issued by the Central Government in terms of Section 143(11) of the Act, we give in “**Annexure B**” a statement on the matters specified in paragraphs 3 and 4 of the Order.
3. In terms of section 143 (5) of the Act, we give in “**Annexure C**” a statement on the directions and sub directions issued under the aforesaid section by the Comptroller and Auditor General of India.

For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Regn.No.106041W/W100136

Sd/-
(G. R. Parmar)
Partner

Place: Ahmedabad
Date: 14-08-2019

Membership No. 121462
UDIN:19121462AAAADP3119

ANNEXURE – A**TO INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 (f) under "Report on Other Legal and Regulatory Requirements" section of our Independent Auditor's Report, of even date, to the members of Gujarat Metro Rail Corporation (GMRC) Limited (Formerly Known as Metro-link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited) on Financial Statements for the year ended 31st March, 2019)

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 Gujarat Metro Rail Corporation (GMRC) Limited (Formerly Known as Metro-link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited) ("**the Company**"), as of 31st March, 2019 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 Board of Directors of the are 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 control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). 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 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.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and 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, both applicable to an audit of Internal Financial Controls and, both 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 was 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 controls over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 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 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.

Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 to future periods are subject to the risk that the internal financial control 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, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Regn.No.106041W/W100136**

**Place: Ahmedabad
Date: 14-08-2019**

**Sd/-
(G. R. Parmar)
Partner
Membership No. 121462
UDIN:19121462AAAADP3119**

ANNEXURE – B**TO INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our Independent Auditor's Report, of even date, to the members of Gujarat Metro Rail Corporation (GMRC) Limited (Formerly Known as Metro-link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited) on Financial Statements for the year ended 31st March 2019)

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation, of fixed assets.
- (b) All the fixed assets have been physically verified by the Management during the year which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies have been noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company as at 31st March 2019 except in respect of a freehold land situated at survey no. 525 at Kathvada, Vastral, Ahmedabad admeasuring 18,000 square meters having book value of Rs. 16,82,50,000/- as at 31.03.2019 where documents of title were not available.
- (ii) The Company possess capital items, stores and tools as inventories, which have been physically verified by the management during the year. As per the explanation provided to us, no material discrepancies were noted during such verification.
- (iii) The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liabilities Partnerships or other parties covered in the register maintained under Section 189 of the Act. Therefore, the provisions of Clause 3 (iii) [(a) to (c)] of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not given any loan or made any investments covered u/s 185 and 186 of the Act. Therefore, the provision of Clause 3 (iv) of the Order is not applicable to the Company.
- (v) In our opinion and according to the information and explanation given to us, the company has not accepted deposits, within meaning of sections 73 to 76 or any

ANNEXURE – B

TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our Independent Auditor's Report, of even date, to the members of Gujarat Metro Rail Corporation (GMRC) Limited (Formerly Known as Metro-link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited) on Financial Statements for the year ended 31st March 2019)

other relevant provisions of the Act and the rules framed thereunder. No order has been passed by the company law board or National Company Law Tribunal or Reserve bank of India or any court or any other Tribunal.

- (vi) The Central Government has not specified maintenance of cost records under section 148(1) of the Act.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, goods and service tax, cess, duty of customs and other material statutory dues, as applicable, with the appropriate authorities.

According to the information and explanations given to us and the records of the Company examined by us, in our opinion, no undisputed amounts payable were in arrears as at 31st March 2019 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, goods and service tax, service tax, duty of excise and customs duty which have not been deposited on account of any dispute.

The particulars of dues of value added tax as at 31st March 2019 which have not been deposited on account of dispute, are as follows:

Name of statute	Nature of dues	Amount (in Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Gujarat Value Added Tax Act, 2003	Value Added Tax (VAT)	885.85	Financial Year 2012-13	Commissioner Appeals (Gandhinagar)

ANNEXURE – B

TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our Independent Auditor's Report, of even date, to the members of Gujarat Metro Rail Corporation (GMRC) Limited (Formerly Known as Metro-link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited) on Financial Statements for the year ended 31st March 2019)

Gujarat Value Added Tax Act, 2003	Value Added Tax (VAT)	55.35	Financial Year 2013-14	Commissioner Appeals (Gandhinagar)
		941.20		

- (viii) The Company has not defaulted in repayment of loans or borrowing to financial institution, bank, government or dues to debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or by way of further public offer (including debt instruments). The money raised by way of term loans have been applied for the purpose for which those are raised during the year.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud on or by the Company or by its officers or employees has been, noticed or reported during the year, nor we have been informed of any such case by the Management.
- (xi) In our opinion and according to the information and explanations given to us, the Company by virtue of the provisions of notification no. G.S.R. 463 (E) dated 5 June, 2015 (as amended) of the Ministry of Corporate Affairs, Government of India, is exempt from the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and Company being a government company, transactions with other government companies are exempt for the compliance of Section 188 of the Act, in terms of notification no. G.S.R 463(E) dated 5th June 2015 (as amended), issued by Ministry of Corporate Affairs. Details of such

ANNEXURE – B**TO INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under "Report on Other Legal and Regulatory Requirements" section of our Independent Auditor's Report, of even date, to the members of Gujarat Metro Rail Corporation (GMRC) Limited (Formerly Known as Metro-link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited) on Financial Statements for the year ended 31st March 2019)

transactions have been disclosed in the financial statements as required by the applicable Indian Accounting Standard.

- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Regn.No.106041W/W100136

Place: Ahmedabad
Date: 14-08-2019

Sd/-
(G. R. Parmar)
Partner
Membership No. 121462
UDIN: 19121462AAAADP3119

ANNEXURE – C

TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3 under "Report on Other Legal and Regulatory Requirements" section of our Independent Auditor's Report, if even date, to the members of Gujarat Metro Rail Corporation (GMRC) Limited (Formerly Known as Metro-link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited) on Financial Statements for the year ended 31st March 2019)

Directions / Sub-Directions Issued by Comptroller and Auditor General of India	Responses to the Directions / Sub-directions based on the information and explanation given to us and based on examination of records of the company:
Whether the Company has clear title / lease deeds for freehold and leasehold respectively? If not please state the area of freehold or leasehold land for which title / lease deeds are not available?	The title deeds of immovable properties are held in the name of the Company as at 31st March 2019 except in respect of one freehold land situated at survey no. 525 at Kathvada, Vastral, Ahmedabad, admeasuring 18,000 square meters having book value of Rs. 16,82,50,000/- as at 31.03.2019, in respect of which documents relating to title were not made available to us.
Whether there are any cases of waiver / write offs of debts/loans/interest etc., if yes, the reasons therefore and the amount involved.	There are no cases of any waiver/write off of loan / debt / interest during the year.
Whether proper records are maintained for inventories lying with third parties & assets received as gift / grant(s) from Govt. or other authorities?	The company has maintained proper records for inventories lying with third parties. Further, the company has received confirmations for inventories lying with the third parties as at the year end. During the year company has not received any assets as gifts / grant(s) from Government or other authorities.
Whether the company has taken adequate measures to prevent encroachment of idle land owned by it. Whether any land of the company is encroached, under litigation, not put to use or declared surplus? Details may be provided.	The company has taken adequate measures to prevent encroachment of idle land owned by it. Further, there is no land of the company which is encroached, under litigation, not put to use or declared surplus.

ANNEXURE – C

TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3 under "Report on Other Legal and Regulatory Requirements" section of our Independent Auditor's Report, if even date, to the members of Gujarat Metro Rail Corporation (GMRC) Limited (Formerly Known as Metro-link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited) on Financial Statements for the year ended 31st March 2019)

Directions / Sub-Directions Issued by Comptroller and Auditor General of India	Responses to the Directions / Sub-directions based on the information and explanation given to us and based on examination of records of the company:
Whether the system in vogue for identification of projects to be taken up under Public Private Partnership is in line with the guidelines / policies of the government? Comment on deviation, if any.	The Company has not undertaken any projects under Public Private Partnerships and therefore this direction is not applicable to the company.
Whether the system of monitoring the execution of works vis-à-vis the milestones stipulated in the agreement is in existence and the impact of cost escalation, if any, revenues/losses from contracts, etc, have been properly accounted for in the books.	The system of monitoring the execution of works vis-à-vis the milestones stipulated in the agreement is in existence and the impact of cost escalation, if any, revenues/losses from contracts, etc, have been properly accounted for in the books.
Whether funds received / receivable for specific schemes from Central/ State agencies were properly accounted for / utilized? List the cases of deviations.	The funds received from Government of India and Government of Gujarat were properly accounted.
Whether the bank guarantees have been revalidated in time.	The bank guarantees have been revalidated on time by the Company.
Comment on the confirmation of balances of trade receivables, trade payables , term deposits , bank accounts and cash obtained.	The Company has a policy and procedure for obtaining confirmation of year end accounts balances of trade payables, terms deposits, advance given to suppliers / contractors and bank accounts. In our opinion and considering the size and nature of business of the Company, the extent of confirmations called for and its

ANNEXURE – C

TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3 under "Report on Other Legal and Regulatory Requirements" section of our Independent Auditor's Report, if even date, to the members of Gujarat Metro Rail Corporation (GMRC) Limited (Formerly Known as Metro-link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited) on Financial Statements for the year ended 31st March 2019)

Directions / Sub-Directions Issued by Comptroller and Auditor General of India	Responses to the Directions / Sub-directions based on the information and explanation given to us and based on examination of records of the company:
	responses received by the company are sufficient.
The cost incurred on abandoned projects may be quantified and the amount actually written off shall be mentioned.	There are no abandoned projects by the company.
Are there any established norms for processing of tariff fixation? The cases of under recovery of cost shall be highlighted.	<p>The Company has commenced its 1st leg of operations on the stretch of 6.5 kms route i.e. from Vastral Gam to Apparel Park from 4th March 2019 out of the total project size of 42 kms length. The initial tariff has been fixed in the 41st Meeting of Board of Director held on 28th February 2019. As per the decision of the Board of Director during initial period of 10 days the company has not charged any tariff and has provided free of cost rides on promotional basis. The tariff levied from 15th March 2019 has been fixed by the Board of Directors.</p> <p>The company has commenced collection of tariff for a stretch of 6.5 kms from 15th March 2019 only which</p>

ANNEXURE – C

TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3 under "Report on Other Legal and Regulatory Requirements" section of our Independent Auditor's Report, if even date, to the members of Gujarat Metro Rail Corporation (GMRC) Limited (Formerly Known as Metro-link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited) on Financial Statements for the year ended 31st March 2019)

Directions / Sub-Directions Issued by Comptroller and Auditor General of India	Responses to the Directions / Sub-directions based on the information and explanation given to us and based on examination of records of the company:
	covers 15 days period in financial year 2018-19. This period is not sufficient to determine recovery of cost and hence we are unable to comment on the under recovery of cost for the given period.
Does the company have a set of operational norms? Has the management measured its performance against the norms and taken suitable action in case of deviation.	Operation and Maintenance Manual has been reviewed and approved by the Committee of Directors. As the commercial operations, for a stretch of 6.5 kms out of total 42 kms, have commenced in the month of March 2019 only, the measurement of performance against the norms and taking suitable action in case of deviation is not relevant.
The system for monitoring the recovery of lease rent obtained from contractors for Operation and Maintenance (O & M) for bus stands shall be examined and the non-recoverable may be quantified.	There are no bus stands given on lease by the company to the contractor. However, lease rent for other movable and immovable properties given on rent to contractors have been recovered as per lease agreement.
Cases of diversion and surrender of unutilized funds received from center and state	As the Company is under project implementation phase this sub-direction is not applicable.

ANNEXURE – C

TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 3 under "Report on Other Legal and Regulatory Requirements" section of our Independent Auditor's Report, if even date, to the members of Gujarat Metro Rail Corporation (GMRC) Limited (Formerly Known as Metro-link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited) on Financial Statements for the year ended 31st March 2019)

Directions / Sub-Directions Issued by Comptroller and Auditor General of India	Responses to the Directions / Sub-directions based on the information and explanation given to us and based on examination of records of the company:
government or it's agencies under different schemes be reported.	
Details of works completed during the year and delay in ongoing works, if any, may be reported.	The Company is under the project implementation stage and out of total 42 kms stretch, 6.5 kms stretch is commenced during the financial year 2018-19.

For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Regn.No.106041W/W100136

Sd/-
(G. R. Parmar)
Partner

Membership No. 121462
UDIN: 19121462AAAADP3119

Place: Ahmedabad
Date: 14-08-2019

Balance Sheet as at March 31, 2019

		(₹ Lakhs)	
Particulars	Note	As at March 31, 2019	As at March 31, 2018
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	2	1,37,386.80	33,892.94
(b) Capital work-in-progress	2	2,97,940.59	2,07,745.54
(c) Intangible assets	3	44,011.86	41,944.92
(d) Financial assets			
(i) Other financial assets	4	158.16	97.15
(e) Other non-current assets	5	84,806.84	67,603.26
Total non-current assets		5,64,304.25	3,51,283.81
II. Current assets			
(a) Inventory	6	2.28	-
(b) Financial assets			
(i) Trade Receivable	4	0.12	-
(ii) Cash and cash equivalents	4	4,754.25	1,098.86
(iii) Loans	4	35,180.67	16,411.12
(iv) Others financial assets	4	885.33	711.70
(c) Other current assets	5	670.17	46.75
Total current assets		41,492.82	18,268.43
Total Assets		6,05,797.07	3,69,552.24
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	7	2,10,121.00	1,85,121.00
(b) Instrument entirely equity in nature	8	46,700.00	46,700.00
(c) Other equity	9	-6,809.14	-6,643.40
Total equity		2,50,011.86	2,25,177.60
LIABILITIES			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	10	1,46,820.33	60,093.25
(b) Provisions	11	217.72	116.03
(c) Government grants	12	1,03,854.26	51,979.37
Total non-current liabilities		2,50,892.31	1,12,188.65
II. Current liabilities			
(a) Financial liabilities			
(i) Trade payables	10		
Total Outstanding dues of			
(ia) Micro enterprises and small enterprises		140.60	26.41
(ib) Other than micro enterprises and small enterprises		446.83	315.11
(ii) Other financial liabilities	10	1,02,765.12	31,260.52
(b) Other current liabilities	13	1,482.54	558.17
(c) Provisions	11	57.81	25.78
Total current liabilities		1,04,892.90	32,185.99
Total Liabilities		3,55,785.21	1,44,374.64
Total equity and liabilities		6,05,797.07	3,69,552.24

The accompanying Notes 1-35 form an integral part of the Financial Statements

For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration
No.106041W/W100136

For and on behalf of the board of directors of
Gujarat Metro Rail corporation (GMRC) Limited

Sd/-
G.R.Parmar
Partner
M.No.121462

Sd/-
S.S.Rathore
Managing Director
DIN:00128987

Sd/-
Ashwinikumar Yadav
Director
DIN:06581753

Sd/-
S.S.Sabuwala
Chief Financial Officer

Sd/-
Hiteshkumar Bhamare
Company Secretary
ACS: 33182

Place : Ahmedabad
Date : 14.08.2019

Place : Gandhinagar
Date : 13.08.2019

Statement of profit and loss for the year ended March 31, 2019

		(₹ Lakhs)	
Particulars	Note	2018-19	2017-18
Income			
Revenue from Operations	14	3.91	-
Other income	15	2,243.43	1,700.17
Total income		2,247.34	1,700.17
Expenses			
Operating expenses	16	289.98	-
Employee benefits expenses	17	501.09	-
Finance costs	18	20.88	-
Depreciation and amortisation expenses	19	197.87	-
Other expenses	20	125.52	256.15
Total expenses		1,135.34	256.15
Profit before exceptional items and tax		1,112.00	1,444.02
Exceptional items	21	1,030.12	11,584.21
Profit/(Loss) before tax		81.88	(10,140.19)
Tax expense			
Current tax	22	247.62	307.83
Total tax expense		247.62	307.83
Profit/(Loss) for the year		(165.74)	(10,448.02)
Other comprehensive income			
a) Items that will not to be reclassified to profit or loss in subsequent periods			
Re-measurement gains / (loss) on defined benefit plans		(15.26)	37.92
Less: Re-measurement gains / (loss) on defined benefit plans capitalised and transferred to Incidental Expenses Pending Capitalisation	2.A.1	15.26	(37.92)
b) Items that will be reclassified to profit or loss in subsequent periods		-	-
Other comprehensive income, net of tax		-	-
Total comprehensive income for the period		(165.74)	(10,448.02)
Earning Per Equity Share			
Basic and diluted earning per equity share of ₹ 10	26	(0.0085)	(0.6163)

The accompanying Notes 1-35 form an integral part of the Financial Statements

For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration No.106041W/W100136

Sd/-
G.R.Parmar
Partner
M.No.121462

Place : Ahmedabad
Date : 14.08.2019

For and on behalf of the board of directors of
Gujarat Metro Rail corporation (GMRC) Limited

Sd/-
S.S.Rathore
Managing Director
DIN:00128987

Sd/-
Ashwinikumar Yadav
Director
DIN:06581753

Sd/-
S.S.Sabuwala
Chief Financial Officer

Place : Gandhinagar
Date : 13.08.2019

Sd/-
Hiteshkumar Bhamare
Company Secretary
ACS: 33182

Statement of changes in Equity for the year ended March 31, 2019
A. Equity share capital (₹ Lakhs)

Particulars	Amount
As at March 31, 2017	1,55,121.00
Issue of Equity Share capital	30,000.00
As at March 31, 2018	1,85,121.00
Issue of Equity Share capital	25,000.00
As at March 31, 2019	2,10,121.00

B. Instrument entirely equity in nature (₹ Lakhs)

Particulars	Amount
As at April 1, 2015	-
Change during the year	-
As at March 31, 2017	31,200.00
Change during the year	15,500.00
As at March 31, 2018	46,700.00
Change during the year	-
As at March 31, 2019	46,700.00

State Government has issued GR No.MIS-112014-1100-1-DH Dated 4th July, 2016 vide which additional subordinate debt of ₹ 46,700 Lakhs is sanctioned for expenditure incurred on other than phase-I of the project. The expenditure incurred are to be maintained in Balance sheet as CWIP. As and when these assets will be utilised for other phases, amount of ₹ 46,700 Lakhs (P.Y.: ₹ 46,700 Lakhs) lying as additional subordinate debt will be converted as Equity from GOG. This conversion of additional subordinate debt into equity will be on face value. Hence, Company has classified such convertible instrument as Instrument entirely equity in nature and presented below the share capital and above the other equity head.

C. Other equity (Reserves & Surplus) (₹ Lakhs)

Particulars	Amount
Balance as at April 1, 2017	3,804.62
(Loss) for the year	(10,448.02)
Other comprehensive income for the year	-
Total Comprehensive income for the year	(10,448.02)
Movement during the year	-
Balance as at March 31, 2018	(6,643.40)
Balance as at April 1, 2018	(6,643.40)
(Loss) for the year	(165.74)
Other comprehensive income for the year	-
Total Comprehensive income for the year	(165.74)
Movement during the year	-
Balance as at March 31, 2019	(6,809.14)

For, Manubhai & Shah LLP
Chartered Accountants

ICAI Firm Registration
No.106041W/W100136

Sd/-
G.R.Parmar
Partner
M.No.121462

For and on behalf of the board of directors of
Gujarat Metro Rail corporation (GMRC) Limited

Sd/-
S.S.Rathore
Managing Director
DIN:00128987

Sd/-
S.S.Sabuwala
Chief Financial Officer

Sd/-
Ashwinikumar Yadav
Director
DIN:06581753

Sd/-
Hiteshkumar Bhamare
Company Secretary
ACS: 33182

Place : Ahmedabad
Date : 14.08.2019

Place : Gandhinagar
Date : 13.08.2019

Statement of Cashflow for the year ended March 31, 2019

(₹ Lakhs)

Particulars	For the year ended 31-03-2019	For the year ended 31-03-2018
(A) Cash Flow From Operating Activities		
Net Profit/(Loss) before Tax	81.88	(10,140.19)
Adjustments For:		
Exceptional items	1,030.12	11,584.21
Add/(Less) Interest Income	(2,174.01)	(1,457.73)
Add/(Less) Grant Income	(33.21)	-
Add/(Less) Interest Expense	20.88	243.03
Add/(Less) Profit on Sale of Assets	(1.65)	(1.46)
Operating Profit Before Working Capital Changes	(1,075.99)	227.86
Changes in Working Capital	(2.40)	-
Direct taxes paid (net of refund)	(507.90)	(307.83)
Net Cash Flow From/(Used in) Operating Activity (Total A)	(1,586.29)	(79.97)
(B) Cash Flow From Investing Activities		
Purchase of Fixed Assets including Capital Works in Progress	(1,60,473.40)	(1,11,876.40)
Disposal of assets	2.47	2.04
Interest Received	2,098.31	1,457.73
Net Cash Flow From/(Used in) Investing Activity (Total B)	(1,58,372.62)	(1,10,416.63)
(C) Cash Flow From Financing Activities		
Proceeds from Share Capital	25,000.00	30,000.00
Increase/Decrease in Long Term Debt	1,38,635.18	55,379.85
Proceeds from Instrument entirely in Equity nature	-	15,500.00
Finance Cost	(20.88)	(243.03)
Net Cash Flow From/(Used in) Financing Activity (Total C)	1,63,614.30	1,00,636.82
(D) Net Changes in Cash & Cash Equivalents (A) + (B) + (C)	3,655.39	(9,859.78)
(E) Cash & Cash Equivalents at the beginning of the year	1,098.86	10,958.64
(F) Cash & Cash Equivalents at the end of the year (D) + (E)	4,754.25	1,098.86
Components of Cash & Cash Equivalents comprise (Ref. Note - 4 (c))		
Balances with Banks		
On Current Accounts	3,288.74	911.37
On Auto Sweep FD	1,465.00	187.49
Cash on hands	0.51	-
Total Cash & Cash Equivalents	4,754.25	1,098.86

Statement of Cashflow for the year ended March 31, 2019
Notes to Cash Flow Statement

- (a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Ind AS - 7.
- (b) Purchase of Fixed Assets are stated inclusive of movements of Capital Work in Progress, Assets under development.
- (c) Purchase of Fixed Assets including Capital W.I.P. Fixed Assets is ₹ 1,60,473.40 Lakhs (PY ₹ 1,11,876.40 Lakhs) out of that non cash is ₹ 1,650.45 Lakhs (PY ₹ 1,777.99 Lakhs) and cash is ₹ 1,58,822.13 Lakhs (PY ₹ 1,00,955.87 Lakhs) and impact of working capital change thereon is ₹ 35,283.27 Lakhs (PY ₹ (10,920.53) Lakhs) (as below)

Particulars	Current Year	Previous Year
Impact of Change in working capital related to CWIP	35,283.27	-10,920.53
-Increase/(Decrease) in Long Term Provisions	101.69	7.97
-Increase/(Decrease) in Trade Payables	245.91	139.69
-Increase/(Decrease) in Short Term Provisions	32.03	-26.62
-Increase/(Decrease) in Other Current Liabilities	72,428.97	14,564.20
-(Increase)/Decrease in Long Loans & Advances	(18,294.71)	-35,530.60
-(Increase)/Decrease in Short Term Loans & Advances	(18,867.48)	8,756.65
-(Increase)/Decrease in Other Current Assets	(363.14)	1,168.18

- (d) Cash Flow from Financing activities includes increase in long term debt due to foreign exchange translation loss of ₹ 1,618.47 Lakhs (PY ₹ 2,877.33 Lakhs) and Interest of ₹ 1,038.55 Lakhs (PY ₹ 213.68 Lakhs) as of 31st March 2019.

For, Manubhai & Shah LLP
Chartered Accountants
 ICAI Firm Registration No.106041W/W100136

Sd/-
 G.R.Parmar
Partner
M.No.121462

Place : Ahmedabad
Date : 14.08.2019

For and on behalf of the board of directors of
Gujarat Metro Rail corporation (GMRC) Limited

Sd/-
 S.S.Rathore
Managing Director
DIN:00128987

Sd/-
 Ashiwinikumar Yadav
Director
DIN:06581753

Sd/-
 S.S.Sabuwala
Chief Financial Officer

Sd/-
 Hiteshkumar Bhamare
Company Secretary
ACS: 33182

Place : Gandhinagar
Date : 13.08.2019

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2019

Reporting Entity

Gujarat Metro Rail Corporation (GMRC) Limited (Formerly Known as Metro-Link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited) ('the Company') (CIN: U60200GJ2010SGC059407) is domiciled and incorporated in India with equal equity participation of Government of India and Government of Gujarat. Name of the company has been changed to Gujarat Metro Rail Corporation (GMRC) Limited vide certificate of incorporation pursuant to change of name w.e.f. 31-12-2018. The company is executing Phase I of Ahmedabad Metro, Phase II of Ahmedabad Metro connecting Ahmedabad and Gandhinagar and Phase I of Surat Metro which has been approved by Government of India & Government of Gujarat. The registered office of the company is situated at Block No.1, First Floor, Karmayogi Bhawan, Sector 10/A, Gandhinagar 382010. The Company carries on the business to set up, manage, operate and maintain a rail based mass rapid transport system in Gujarat to provide the general public with a fast reliable, convenient, efficient, modern and economic mode of public transport. The company is executing Phase I of Ahmedabad Metro, Phase II of Ahmedabad Metro connecting Ahmedabad and Gandhinagar and Phase I of Surat Metro which has been approved by Government of India & Government of Gujarat. During the year, the Company had commissioned Priority Reach 1 of 6.5 Kms of East West Corridor from Vastral Gam to Apparel Park out of total 42 kms of Phase I of Ahmedabad Metro Rail Project.

Note 1: Significant Accounting Policies

The note provide a list of the significant Accounting Policies adopted by the company in preparation of the Financial Statements. The Accounting policies have been consistently applied to all the years presented, unless otherwise stated.

A) Basis of preparation

The financial statements of the company have been prepared in accordance and comply in all material aspects with Indian Accounting Standards (Ind AS) notified under section 133 of the Companies Act 2013 read with rule 3 of the the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter and other applicable provisions and other accounting principles generally accepted in India. Further, Guidance Note/ Announcement issued by The Institute of Chartered Accountant of India (ICAI) are also considered wherever applicable. The company has uniformly applied the accounting policies during the period presented.

The financial statements have been prepared on a historical cost basis, except for the followings:

- Certain financial assets and liabilities measured at fair value
- Defined benefit plans – plan assets measured at fair value

The financial statements are presented in ₹ and all values are rounded to the nearest lakhs (₹ 1,00,000), except when otherwise indicated.

The financial statements were authorised for issue in accordance with a resolution of the meeting of Board of Directors dated 9th Aug 2019.

B) Use of Estimates and Management Judgement

The preparation of the financial statements are in conformity with Ind AS which requires the management to make estimates, judgements and assumptions that affect the reported amounts of revenues and expenses during the reported period and the reported amount of assets and liabilities (Including contingent liabilities) as on the date of financial statement.

Management believe that the estimate used in preparation of financial statements are prudent and reasonable. Future results could differ from these estimates. Difference between actual results and estimates are recognised in the period in which results are crystallised.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to estimates and assumptions turning out to be different than those originally assessed. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the financial statements.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes:

Note 22 Current/deferred tax expense
Note 23 Contingent liabilities and assets
Note 25(B) Measurement of defined benefit obligations

C) Foreign currencies

Functional and Presentation Currency

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

Transactions and balances

Foreign currency transactions are translated into functional currency using the exchange rates at the dates of transactions. Foreign exchange gain / (loss) resulting from the settlement of such transactions and from the translations of monetary assets and liabilities denominated in foreign currencies at the year end exchange rates are the Gain / Loss resulting from such translation are included in the profit & loss. Foreign exchange differences regarded as an adjustment to borrowing costs are presented as borrowing costs. All other foreign exchange [gain] / (loss) are presented in the statement of profit and loss account on a net basis either as other expense / other income.

Non-monetary items that are measured at fair value in a foreign currency are translated using exchange rates at the date when fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain / (loss).

D) Fair value measurement

The company measures certain financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability
Or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. The company's management determines the policies and procedures for both recurring fair value measurement and for non-recurring measurement. External valuers are involved for valuation of significant assets. Involvement of external valuers is decided upon by the management after discussion with and approval by the company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. Valuers are normally rotated every three

years. The management decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the management analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the company's accounting policies. For this analysis, the management verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The management, in conjunction with the company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable on yearly basis.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy, as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for valuation methods, Significant accounting judgements, estimates and assumptions
- Quantitative disclosures of fair value measurement hierarchy
- Financial instruments (including those carried at amortised cost)

E) Property, Plant and Equipment

Property, plant and equipment is stated at cost of acquisition / construction, net of accumulated depreciation and impairment losses, if any. Cost directly attributable to acquisition are capitalized until the property, plant and equipment are ready for use, as intended by management.

Borrowing cost relating to qualifying assets are also included to the extent they relate to the period till such assets are ready to be put to use.

Expenditure incurred on enabling assets viz utility diversion, rehabilitation and resettlement which is compulsorily required to be incurred and directly attributable to the construction of MRTS (Metro Rapid Transport System) is capitalised with the respective identifiable assets.

Capitalisation of project assets of Priority Reach 1 of East West Corridor has been done as per Capitalisation Policy wherein all the assets which have been put to use have been capitalised.

Amount Paid for acquisition of private land is capitalised upon receiving original title after registration or upon issuance of award by the competent authority. Any enhanced compensation demanded by the land owners shall only be accounted based on actual decision of courts or the decision of the private negotiation committee accepted by the management.

Subsequent expenditure, including replacement costs where applicable, incurred for an item of property plant and equipment are added to cost of assets only if they increase the future benefits from the existing asset beyond its previously assessed standard of performance and the cost of the item can be measured reliably. The carrying amount of any assets or component of assets accounted for as a separate asset is de-recognised when replaced. All other repairs and maintenance expenditure are charged to profit or loss during the reporting period in which they are incurred.

Component accounting of assets:

Components having different useful life as compared to main assets and having its carrying value more than 10% in relation to the overall carrying value of the assets or Rs.10,00,000 whichever is lesser are depreciated separately. The Company has identified, reviewed, tested and determined the componentisation of the all assets purchased as well as capitalised during the year.

Remaining components or insignificant parts have been combined together with the main assets.

Capital Work in Progress:

Capital Work in Progress includes expenditure incurred on assets, which are yet to be commissioned and also includes capital inventory. The expenditure will be kept as Capital Work-in-Progress (CWIP) till the defined project phase is completed after which the same will be transferred / allocated to the identifiable Fixed Assets.

All the directly identifiable and ascertainable expenditure, incidental and related to construction incurred during the period of construction on a project, till it is commissioned,

is kept as Capital work in progress (CWIP) as Incidental Expenditure pending capitalisation and after commissioning the same is transferred / allocated to the respective "Property, Plant and Equipment".

Claims including price variations are accounted for on acceptance.

Income pertaining to Sale of tender documents is netted-off adjusted against expenditure incurred during construction period. Liquidated damages (LD) recovered is adjusted netted-off against expenditure incurred during construction period. No income tax provision has been made on liquidated damages as the same has been considered as capital receipt.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date are classified as capital advances under other non- current assets.

The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset.

De recognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is derecognised.

F) Depreciation

Depreciation on property, plant and equipment is provided on the straight-line method over useful lives of the assets as prescribed under Schedule II to the Companies Act 2013 except for the assets mentioned hereunder. Based on the management estimates the residual value of the assets has been considered as 5% in case of capitalised assets of Priority Reach 1 of East West Corridor and rest of the assets as Nil.

In case of following assets, depreciation has been provided based on technical estimation of the useful life of the assets:

Nature of Assets	Useful Life
Viaduct	60 Years
Rolling Stock	35 Years
Component of Rolling Stock: Current collector set complete (CCD), Traction Motor with half coupling, Inverter (VVVF), Auxiliary Converter with battery charger, High Speed Circuit Breaker with Control Box, Battery cell for 3 car unit with inter connectors, All Electrical monitoring, control and protection panels etc including pneumatic gauges, sensors as applicable, Disc Break Complete Set, Break Control Unit, Complete PA / PIS Set and Saloon Air Conditioning Unit.	18 Years
Permanent Way	30 Years
Containers and Security Cabins	5 Years
Signage	3 Years
Solar Systems, Power Generator Set, Motors & GPS Instrument	5 Years
Barricading	5 Years
Mobile Handset costing more than Rs.5000 provided to employees	2 Years

Library Books, CD and Assets costing Rs.5000 or less (excluding immovable assets) are not capitalised and recognised as an expense in the statement of profit and loss account in the year of acquisition.

Components are depreciated over their useful life.

In case of leased assets other than lease hold land, depreciation has been provided considering either the tenure of agreement or 5 Years whichever is less.

Nature of Assets	Useful Life
Leasehold Improvement	5 Years

In case the leasehold asset is vacated earlier than 5 years the total unamortized balance will be written off to the Statement of Profit & Loss in the year in which the premise is vacated.

The management believes that the useful life as given above best represent the period over which management expects to use these assets. Hence the useful lives for these

assets are different from the useful lives as prescribed under Schedule II to the Companies Act 2013 on the basis of technical estimation.

Depreciation on assets purchased/sold during a period is proportionately charged for the period of use with reference to date of addition / disposal.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Intangible assets including software which is not an integral part of related hardware are amortised on Straight Line Method over a period of legal right to use or 5 years whichever is earlier.

G) Leases

At the inception of the lease, a lease is to be classified either as a finance lease or operating lease. A lease that transfer substantially all the risks and rewards incidental to ownership to the company is classified as finance lease. Lease in which the company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating lease. Substance of the lease arrangement is also important factor while determining whether lease is finance lease or operating lease.

Company as lessee:

Finance Lease

Lease of property, plant and equipment where the Company, as lessee, has substantially all the risks and rewards incidental to ownership are classified as finance leases.

At the commencement of the lease term, the Company recognises finance leases as assets in its balance sheet at amounts equal to the fair value of the leased property or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease. The corresponding rental obligations, net of finance charges, are included in borrowings or other financial liabilities as appropriate. The discount rate used in calculating the present value of the minimum lease payments is the interest rate implicit in the lease, if this is practicable to determine. If not, the Company's incremental borrowing rate is used. Any indirect costs of the Company are added to the amount recognised as an asset.

Minimum lease payments is apportioned between the finance charge and the reduction of the outstanding liability. The finance cost is charged to the profit or loss over the lease

period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Operating lease

Leases in which a significant portion of the risks and rewards incidental to ownership is not transferred to the Company as lessee are classified as operating leases. Lease payments under an operating lease are recognised as an expenses on a straight-line basis over the lease term unless either:

- another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

Company as lessor:

Finance Lease

When substantially all of the risks and rewards of ownership transfer from the Company to the lessee then it is classified as finance lease. Amounts due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

Operating Lease

Lease income from operating lease (excluding amount for services such as insurance and maintenance) is recognised in the statement of profit or loss on a straight-line basis over the lease term, unless either:

another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the Company are not on that basis; or

the payments to the Company are structured to increase in line with expected general inflation to compensate for the Company's expected inflationary cost increases. If payments to the Company vary because of factors other than general inflation, then this condition is not met.

H) Borrowing cost

Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs. Borrowing cost that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the assets for its intended use or sale. Borrowing cost of the funds utilized generally for acquisition, construction or production of qualifying assets is allocated to the qualifying assets by applying a capitalization rate to the expenditures made during year to that assets. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. Other borrowing cost are expensed in the period in which they are incurred. Investment income earned on the temporary investment of specific borrowing pending their expenditure on qualifying assets is deducted from the borrowing cost eligible for capitalisation.

I) Intangible Assets

Intangible assets are stated at cost less accumulated amortisation and impairment. Intangible assets are amortized over their respective individual estimated useful life on straight line basis, from the date they are available for use. Amortisation method and useful lives are reviewed at the end of each financial year.

The useful life of Computer software is considered as five years for the purpose of amortisation.

J) Impairment of non-financial assets

Intangible assets and Property, Plant and Equipment are evaluated for recoverability whenever events or change in circumstances indicate that their carrying amount may not be recoverable. For the purpose of impairment testing, the recoverable amount (ie higher of the fair value less cost to sell and value in used) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other asset. In such case, the recoverable amount is determined for the CGU to which the asset belongs.

If such assets are considered to be impaired, then impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceed the estimated recoverable amount of asset.

K) Revenue Recognition

Adoption of New Ind AS and method of transition

Effective April 1 2018, the Company adopted Ind AS115 “Revenue from Contracts with Customers” using the simplified method of adoption i.e. retrospectively with the cumulative effect of initially applying this Standard recognised at the date of initial application. However, the change did not have impact on the financial statements of the Company.

Recognition and Measurement

Revenue is recognised when the Company satisfies performance obligation as per the identified contract(s) with a customer. Revenue is measured at allocated transaction price to the performance obligation as per the identified contract(s) with customer. The amount of consideration to which the Company is entitled in exchange for transferring goods or services is considered as transaction price while recognition of revenue. Amount disclosed as revenue are net of returns, trade allowances, rebates, taxes, and amount collected on behalf of third parties.

The accounting policies for the specific revenue streams of the company as summarized below:

Fare Box Revenue:

Income from fare collection is recognised on the basis of use of tokens and group booking tickets.

Interest income:

Interest on short term deposits with banks and/ or Financial Institution is recognised as income in the statement of profit and loss, using effective interest rate method.

Other Incidental income:

Income from sale of tender documents and sale of scrape is recognised as income on accrual basis.

L) Financial instruments – initial recognition and subsequent measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

a) Financial assets**(i) Initial recognition and measurement of financial assets**

The company recognizes financial assets when it becomes a party to the contractual provision of the instruments. At initial recognition, the Company measures a financial asset at its fair value plus or minus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue of the financial asset.

(ii) Subsequent measurement of financial assets

For purposes of subsequent measurement, financial assets are classified in three categories:

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVTOCI)
- Financial assets at fair value through profit or loss (FVTPL)

The Company classifies its financial assets in the above mentioned categories based on:

- The Company's business model for managing the financial assets, and
- The contractual cash flows characteristics of the financial asset.
- Financial assets at amortised cost:

A financial asset is measured at amortised cost if:

- the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses

arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables.

- **Financial assets at fair value through other comprehensive income**

A financial asset is measured at fair value through other comprehensive income if:

- the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets, and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Financial assets included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI financial asset is reported as interest income using the EIR method.

- **Financial assets at fair value through profit or loss**

FVTPL is a residual category for financial assets. Any financial asset, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a financial asset, which otherwise meets amortized cost or fair value through other comprehensive income criteria, as at fair value through profit or loss. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The Company has not designated any debt instrument as at FVTPL.

After initial measurement, such financial assets are subsequently measured at fair value with all changes recognised in Statement of profit and loss.

(iii) De-recognition of financial assets

A financial asset is derecognised when:

- the contractual rights to the cash flows from the financial asset expire, or
- The Company has transferred its contractual rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(iv) Impairment of financial assets

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events on a financial instrument that are possible within 12 months after the reporting date.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected in a separate line under the head “Other expenses” in the P&L. The balance sheet presentation for various financial instruments is described below:

- Financial assets measured as at amortised cost: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

b) Financial Liabilities

(i) Initial recognition and measurement of financial liabilities

The company recognizes financial liabilities when it becomes a party to the contractual provision of the instruments. All financial liabilities are recognised at fair value on initial recognition. Transaction costs that are directly attributable to the acquisition or issue of financial liabilities, which are not at fair value through profit or loss, are deducted from the fair value on initial recognition.

(ii) Subsequent measurement of financial liabilities

The subsequent measurement of financial liabilities depends on their classification, as described below:

- **Financial liabilities at fair value through profit or loss**

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Gains or losses on liabilities held for trading are recognised in the profit or loss.

- **Loans and Borrowings**

This is the category most relevant to the Company. After initial recognition, interest-bearing and interest-free borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in profit or loss when the liabilities are derecognised as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

(iii) De-recognition of financial liabilities

A financial liability (or a part of a financial liability) is derecognised from its balance sheet when, and only when, it is extinguished i.e. when the obligation specified in the contract is discharged or cancelled or expired.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

c) Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the group or the counterparty.

M) Cash and cash equivalent

Cash and cash equivalent includes cash in hand, demand deposit with bank and other short term deposits with a maturity of three months or less from the date of acquisition, which are subject to an insignificant risk of changes in value.

N) Government Grant

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

The Company recognised the interest free subordinate debt at fair value on initial recognition which differ from its transaction value. The difference between the transaction value and fair value is recognised as Government grant since it represents as assistance received from government in the form of waiver of interest. As the financial support from the government is for the capital expenditure of development of infrastructure for Ahmedabad Metro Rail Project ie Grant related to the non-current assets, the benefits is recognised in the statement of Profit & Loss account over the useful life of the assets in the proportions of depreciation expense on the assets.

O) Taxation

Tax expenses is the aggregate amount included in the determination of profit or loss for the period in respect of current tax (i.e. amount of tax for the period determined in accordance with the Income Tax Law) and deferred tax (reflecting the tax effects of timing differences between accounting income and taxable income for the period). Income tax expenses are recognised in statement of profit or loss except tax expenses related to items recognised directly in reserves (including statement of other comprehensive income) which are recognised with the underlying items.

I) Current Tax

The current tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period i.e. as per the provisions of the Income Tax Act, 1961, as amended from time to time. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation

is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Advance taxes and provisions for current income taxes are presented in the balance sheet after off-setting advance tax paid and income tax provision arising in the same tax jurisdiction for relevant tax paying units and where the Company is able to and intends to settle the asset and liability on a net basis.

II) Deferred Tax

Deferred tax is provided in full on temporary difference arising between the tax bases of the assets and liabilities and their carrying amounts in financial statements at the reporting date. Deferred taxes are recognised in respect of deductible temporary differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods., the carry forward of unused tax losses and the carry forward of unused tax credits.

Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised, or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. In case of temporary differences that arise from initial recognition of assets or liabilities in a transaction (other than business combination) that affect neither the taxable profit nor the accounting profit, deferred tax assets are not recognised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Any tax credit available including Minimum Alternative Tax (MAT) under the provision of the Income Tax Act, 1961 is recognised as deferred tax to the extent that it is probable that future taxable profit will be available against which the unused tax credits can be utilised. The said asset is created by way of credit to the statement of profit and loss and shown under the head deferred tax asset.

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 Company 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.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

P) Employee Benefits

Defined benefit plan

Gratuity liability is a defined benefit obligation and is computed at the end of each financial year on the basis of an actuarial valuation by an actuary appointed for the purpose as per projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows by reference to market yields at the end of the reporting period on the government bonds.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the statement of profit and loss.

Re measurement gains and losses arising from experience adjustment and changes in the actuarial assumptions are recognised in the period in which they occur, directly in other comprehensive income. They are included in the retained earnings in the Statement of changes in equity and in the Balance Sheet. Changed in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognised immediately in statement of profit and loss as past service cost.

Defined contribution plan

The company pays provident fund contributions for eligible employees to Government administered provident funds as per local regulations. The company has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense during the period in which the employee renders the related service.

Short Term Employee Benefits

All employee benefit payable within 12 months of service such as salaries, bonus, ex-gratia, medical benefit etc. are recognised in the year in which the employees render the related service and are presented as current employee benefit obligations. It is to be

provided at undiscounted amount during the period based on the service rendered by the employees.

Other long-term employment benefits:

The liabilities for earned leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by the employees up to the end of reporting period using the projected unit credit method. The benefits are discounted using the market at the end of the reporting period that have terms approximating to the terms of related obligation.

The obligation is presented as current liabilities in the balance sheet if the Company does not have an unconditional right to defer settlement for at least 12 months after the reporting period, regardless of when the actual settlement is expected to occur.

Q) Earnings per share

Earnings Per Share (EPS) is calculated by dividing the profit / loss for the period attributable to Equity Shareholders by the weighted average number of equity shares outstanding during the period. Earning considered in ascertaining the EPS is the net profit for the period less any attributable tax thereto for the period.

R) Non-current assets held for sale and discontinued operation

Non-current assets are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and a sale is considered highly probable. They are measured at the lower of their carrying amount and fair value less costs to sell. Non-current assets are not depreciated or amortized while they are classified as held for sale. Non-current assets classified as held for sale are presented separately from the other assets in the balance sheet.

A discontinued operation is a component of the Company that has been disposed of or is classified as held for sale and that represents a separate major line of business or geographical area of operations, is part of a single co-ordinated plan to dispose of such a line of business or area of operations, or is a subsidiary acquired exclusively with a view to resale. The results of discontinued operations are presented separately in the statement of profit and loss.

An impairment loss for discontinued operation and/ or non-current assets held for sale is recognized for any initial or subsequent write-down of the asset to fair value less costs to sell.

S) Provisions, Contingent Liabilities and Contingent Assets

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

Provisions are measured at management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period and are not discounted to present value. The estimates of outcome and financial effect are determined by the judgment of the management, supplemented by experience of similar transactions and, in some cases, reports from independent experts.

Contingents liabilities are disclosed when there is possible obligation arising from the past events, existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arise from past event where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A contingent asset is disclosed by way of notes to financial statements, where an inflow of economic benefits is probable.

T) Inventories:

Inventories are valued at cost or net realisation value whichever is lower. Cost includes cost of purchase and other cost incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. The Company is in the business of providing service of Mass Rapid Transport System and does not have inventories except loose tools during current year.

U) Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current/non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or

- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is 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.

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. As the Company's normal operating cycle is not clearly identifiable, it is considered to be twelve months.

The Company classifies all other liabilities as non-current.

Notes to the Financial Statements for the year ended March 31, 2019

Note 2 : Property, Plant and Equipment

(₹ Lakhs)

Particulars	Freehold land	Leasehold Improvement	Building	Viaduct	Electrical Installation and Electrical Equipment	Plant and Equipment	Track Work (Permanent Way)	Traction Equipment	Rolling Stock	Vehicle	Furniture & Fixture	Office equipment	Computer & Other Hardware	Total	CWIP
Gross Block															
As at April 1, 2017	26,708.70	402.74	-	-	-	283.06	-	-	-	35.16	126.02	223.33	271.03	28,050.05	1,23,481.28
Additions	6,586.13	65.95	-	-	-	-	-	-	-	104.80	49.25	30.51	24.72	6,861.36	95,848.47
Deductions / Adjustments	-	-	-	-	-	-	-	-	-	-	-	6.68	16.95	23.63	-
As at March 31, 2018	33,294.83	468.69	-	-	-	283.06	-	-	-	139.96	175.27	247.16	278.80	34,887.78	2,19,329.75
Additions	961.03	-	30,238.87	46,858.00	3,838.97	683.95	8,970.81	7,747.19	4,447.56	-	37.02	16.01	89.44	1,03,888.85	1,92,934.78
Deductions / Adjustments	-	-	-	-	-	-	-	-	-	-	-	14.31	36.02	50.33	1,02,739.73
As at March 31, 2019	34,255.86	468.69	30,238.87	46,858.00	3,838.97	967.01	8,970.81	7,747.19	4,447.56	139.96	212.29	248.86	332.22	1,38,726.30	3,09,524.80
Depreciation and Impairment															
As at April 1, 2017	-	235.04	-	-	-	204.76	-	-	-	12.57	39.09	64.59	147.45	703.51	-
Depreciation for the year	-	95.32	-	-	-	67.68	-	-	-	17.81	30.19	41.05	62.33	314.38	-
Impairment for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	11,584.21
Deductions	-	-	-	-	-	-	-	-	-	-	-	6.11	16.95	23.06	-
As at March 31, 2018	-	330.36	-	-	-	272.44	-	-	-	30.38	69.28	99.53	192.83	994.83	11,584.21
Depreciation for the year	-	55.73	36.73	56.91	25.59	13.79	21.79	37.64	12.13	19.40	18.22	34.77	61.48	394.18	-
Impairment for the year	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Deductions	-	-	-	-	-	-	-	-	-	-	-	13.49	36.02	49.51	-
As at March 31, 2019	-	386.09	36.73	56.91	25.59	286.23	21.79	37.64	12.13	49.78	87.50	120.81	218.29	1,339.50	11,584.21
Net Block															
As at March 31, 2018	961.03	138.33	-	-	-	10.62	-	-	-	109.58	105.99	147.63	85.97	33,892.95	2,07,745.54
As at March 31, 2019	34,255.86	82.60	30,202.14	46,801.09	3,813.38	680.78	8,949.02	7,709.55	4,435.43	90.18	124.79	128.05	113.93	1,37,386.80	2,97,940.59

Note: 1) As of 31st March, 2019, Amount of Freehold Land includes cost of land taken under Right to Fair Compensation and Transparency in Land Acquisition Rehabilitation and Resettlement Act, 2013 amounting to ₹ 6587.40 Lakhs (P.Y ₹ 5,626.75 Lakhs), which has been capitalised on taking over possession of land, payment of full amount of consideration and execution of agreement.

2) During the year, amount of ₹ 1,293.15 Lakhs (FY 2017-18 - Nil) has been capitalised as per Ind AS -23 Borrowing Cost.

Notes to the Financial Statements for the year ended March 31, 2019

Note 2.A : Capital Work In Progress

(₹ Lakhs)						
Particulars	Balance as at 01.04.2018	Additions / Adjustment during the Year	Impairment Loss during the year	Total	Capitalised During the Year	Balance as at 31.03.2019
A) Phase I Ahmedabad Metro Project						
Station (Including Viaduct Inside The Station Box)	25,883.87	25,960.49	-	51,844.36	11,997.67	39,846.69
Depot	32,354.49	15,948.46	-	48,302.95	22,661.91	25,641.04
Viaduct (Excluding Station Length)	66,334.55	38,368.06	-	1,04,702.61	31,893.54	72,809.07
Traction & Power Supply (Including Capital Inventory ₹ 10814.47 Lakhs and PY - Nil)	474.11	17,218.92	-	17,693.03	5,995.05	11,697.98
General Consultancy	20,278.77	10,597.72	-	30,876.49	10,326.84	20,549.65
Shifting of Utilities	1,572.68	693.09	-	2,265.77	689.70	1,576.07
Resettlement & Rehabilitation	3,235.41	1,441.20	-	4,676.61	289.33	4,387.28
Under Ground Construction	8,854.53	48,553.56	-	57,408.09	-	57,408.09
Bridge	418.34	415.32	-	833.66	-	833.66
Rolling Stock (Including Capital Inventory of ₹ 2658.40 Lakhs and PY - Nil)	-	12,502.89	-	12,502.89	3,442.87	9,060.02
Telecom Equipments	-	1,850.06	-	1,850.06	-	1,850.06
Plant & Machinery (Including Capital Inventory of ₹ 52.41 Lakhs and PY - Nil)	-	1,127.79	-	1,127.79	304.50	823.29
Track Work (Permanent Way) (Including Capital Inventory of ₹ 7324.61 Lakhs and PY - ₹ 4303.94 Lakhs)	4,303.94	12,392.09	-	16,696.03	6,941.92	9,754.11
B) Phase II Ahmedabad Metro Project						
General Consultancy	323.00	39.00	-	362.00	-	362.00
C) Phase I Surat Metro Project						
General Consultancy	446.00	-	-	446.00	-	446.00
Sub-Total (A)	1,64,479.69	1,87,108.65	-	3,51,588.34	94,543.33	2,57,045.01
Incidental Expense Pending Capitalisation (Refer Note 2.A.1)	16,227.23	5,826.13	-	22,053.36	8,196.40	13,856.96
Sub-Total (B)	16,227.23	5,826.13	-	22,053.36	8,196.40	13,856.96
Total C = (A+B)	1,80,706.92	1,92,934.78	-	3,73,641.70	1,02,739.73	2,70,901.97
Particulars	Other than Phase-I					
	Balance as at 01.04.2018	Additions / Adjustment during the Year	Impairment Loss during the year	Total	Capitalised During the Year	Balance as at 31.03.2019
Land Development, Utility Shifting and Other Expense	35,587.21	-	-	35,587.21	-	35,587.21
Less : Provision for Impairment Loss of Other than Phase-I (Refer Note 21)	(11,584.21)	-	-	(11,584.21)	-	(11,584.21)
Incidental Expense Pending Capitalisation (Refer Note 2.A.2)	3,035.62	-	-	3,035.62	-	3,035.62
Sub-Total (D)	27,038.62	-	-	27,038.62	-	27,038.62
Total CWIP (E = C+D)	2,07,745.54	1,92,934.78	-	4,00,680.32	1,02,739.73	2,97,940.59
Total CWIP Previous Year	1,23,481.28	95,848.47	(11,584.21)	2,07,745.54	-	2,07,745.54

Note: The Company was incorporated in February 2010 as a Government of Gujarat owned company. Subsequently the Company was converted in to 50:50 Joint Venture (JV) of GOI & GOG in March 2015 for implementation of Ahmedabad Metro Rail Phase-I. For Better presentation, the expenses incurred before conversion of the company into JV are grouped and shown separately under heading "Other Than Phase-I" on estimation basis. Before formation of JV, the Company was 100% Government of Gujarat owned company and other than Phase-I expenses were incurred out of equity funds provided by Government of Gujarat.

To reflect the true and fair position of accounts for phase-I, the Company requested to Government of Gujarat to settle the expenses pertaining to other than phase I which were incurred before formation of SPV and to convert ₹ 31,200 Lakhs share application money into additional subordinate debt and release additional funds for balance amount. Government of Gujarat has issued GR No.MIS-112014-1100-1-DH Dated 4th July, 2016 vide which additional subordinate debt of ₹ 46,700 Lakhs is sanctioned and through the GR dated 24th January, 2018 sanctioned conversion of ₹ 31,200 Lakhs share application money into additional subordinate debt for financing expenditure incurred on other than phase-I of the project.

Further Government of Gujarat has released balance ₹ 15,500 Lakhs during financial year 2017-18 as additional subordinate debt. (Refer Note 8.1)

Notes to the Financial Statements for the year ended March 31, 2019

Note 2.A.1 : Statement of Incidental Expenses Pending Capitalisation-Phase I

Particulars	As at 31-3-2018	2018-19	(₹ Lakhs) As at 31-3-2019
Employee Benefit Expense	4,186.27	2,219.29	6,405.56
Depreciation	4,605.65	1,650.44	6,256.09
Borrowing Cost	360.88	406.92	767.80
Foreign exchange Loss (net)	1,432.27	-1,244.62	187.65
Other Administrative Expense	5,871.08	2,272.65	8,143.73
Total (A)	16,456.15	5,304.68	21,760.83
CWIP			
Borrowing Cost (Refer Note-a)	2,081.77	1,856.25	3,938.02
Total (B)	2,081.77	1,856.25	3,938.02
Income			
Re-measurement gains on defined benefit plans	42.95	-15.26	27.69
Tender Fee	253.52	16.08	269.60
Liquidated Damages Recovered	1.77	-	1.77
Total (C)	298.24	0.82	299.06
Transferred to CWIP			
Transfer to General consultancy	20.70	-	20.70
Amortisation of Right of Use transferred to AUC	1,991.75	1,333.98	3,325.73
Total (D)	2,012.45	1,333.98	3,346.43
Sub Total (E) = (A+B)-(C+D)	16,227.23	5,826.13	22,053.36
Capitalised During the Year			
Property Plant & Equipments	-	8,196.40	8,196.40
Total (F)	-	8,196.40	8,196.40
Net Incidental Expenses Pending Capitalisation (E-F)	16,227.23	(2,370.27)	13,856.96

Note-a: This amount consist of Foreign Loan reinstatement considered as borrowing cost amounting to ₹ 2,403.94 Lakhs (PY - ₹ 1,782.79 Lakhs) and interest on JICA loan amounting to ₹ 1,534.08 Lakhs (PY - ₹ 288.98 Lakhs) as per Ind AS 23.

Note 2.A.2 : Statement of Incidental Expenses Pending Capitalisation- Other than Phase I

Particulars	As at 31-3-2018	2018-19	(₹ Lakhs) As at 31-3-2019
Term Loan Processing Fee & Interest Cost	2,822.33	-	2,822.33
Employee Benefit Expense	1,243.43	-	1,243.43
Administrative Expenses	1,551.34	-	1,551.34
Interest Income	(2,581.48)	-	(2,581.48)
Net Incidental Expense Pending Capitalisation for Other than Phase-I	3,035.62	-	3,035.62

Notes to the Financial Statements for the year ended March 31, 2019
Note 3 : Intangible assets

(₹ Lakhs)			
Particulars	Computer Software	Right to Use	Total
As at April 1, 2017	792.67	43,786.10	44,578.77
Additions	24.03	-	24.03
Deductions	-	-	-
As at March 31, 2018	816.70	43,786.10	44,602.80
Additions	1.95	3,519.12	3,521.07
Deductions	-	-	-
As at March 31, 2019	818.65	47,305.22	48,123.87
Amortisation			
As at April 1, 2017	459.65	734.62	1,194.27
Amortisation for the year	206.48	1,257.13	1,463.61
Deductions	-	-	-
As at March 31, 2018	666.13	1,991.75	2,657.88
Amortisation for the year	120.15	1,333.98	1,454.13
Deductions	-	-	-
As at March 31, 2019	786.28	3,325.73	4,112.01
Net Block			
As at March 31, 2018	150.57	41,794.35	41,944.92
As at March 31, 2019	32.37	43,979.49	44,011.86

Notes to the Financial Statements for the year ended March 31, 2019
Note 4 : Financial assets
4 (a) Loans (₹ Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Considered Good - Unsecured		
Deposits with GSFS limited	35,180.67	16,411.12
Total	35,180.67	16,411.12

4 (b) Trade Receivable (₹ Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Trade Receivable		
Considered Good - Unsecured	0.12	-
Total	0.12	-

4 (c) Cash and cash equivalent (₹ Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Balances with Banks		
In current account	3,288.74	911.37
In Deposit Account (Auto Sweep FD)	1,465.00	187.49
Cash on hand	0.51	-
Total	4,754.25	1,098.86

4 (d) Other financial assets (₹ Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
Unsecured, considered good		
(i) Non-current		
Security deposits	158.16	97.15
	158.16	97.15
(ii) Current		
Security deposits	804.81	706.88
Interest Accrued But Not Due on Fixed Deposits	80.52	4.82
	885.33	711.70
Total	1,043.49	808.85

4 (e) Financial assets by category (₹ Lakhs)

Particulars	FVTPL	FVOCI	Amortised cost
March 31, 2019			
Trade Receivable	-	-	0.12
Loans	-	-	35,180.67
Cash & cash equivalents	-	-	4,754.25
Other financial assets	-	-	1,043.49
Total	-	-	40,978.53
March 31, 2018			
Trade Receivable	-	-	-
Loans	-	-	16,411.12
Cash & cash equivalents	-	-	1,098.86
Other financial assets	-	-	808.85
Total	-	-	18,318.83

Refer Note 31 for Financial instruments risk management objectives and policies

Refer Note 30 for Fair value disclosures

Notes to the Financial Statements for the year ended March 31, 2019
Note 5 : Other current / non-current assets

(₹ Lakhs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Capital advances		
Advance to Contractor Unsecured (Considered good) (Covered by BG)	77,749.66	67,498.15
Balance with Government authorities paid under protest	43.75	39.20
Advance for Capital Expenditure Unsecured (Considered good)	6,687.24	-
Advance for Capital Expenditure Unsecured (Considered Doubtful)	1,030.12	-
Less: Provision for doubtful advances	(1,030.12)	-
Net Advance for Capital Expenditure	6,687.24	-
Net Capital Advance	84,480.65	67,537.35
Advance Income Tax (Net of Provisions) [Refer note 5(a)]	326.19	65.91
	84,806.84	67,603.26
Current		
Prepaid expenses	511.03	46.75
GST Refund Receivable	159.14	-
	670.17	46.75
Total	1,69,913.91	1,35,148.16

5 (a) Tax Assets (Net)

(₹ Lakhs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Tax Paid in Advance & TDS receivables	1,845.75	1,337.85
Less : Provision for tax	(1,519.56)	(1,271.94)
Total	326.19	65.91

6 Inventories

(₹ Lakhs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Loose Tools	2.28	-
Total	2.28	-

Notes to the Financial Statements for the year ended March 31, 2019
Note 7 : Equity share capital

(₹ Lakhs except no. of shares)

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)
Authorised share capital				
Equity shares of Rs.10 each	40,000.00	4,00,000.00	40,000.00	4,00,000.00
Issued and subscribed share capital				
Equity shares of Rs.10 each	21,012.10	2,10,121.00	18,512.10	1,85,121.00
Subscribed and fully paid up share capital				
Equity shares of Rs.10 each	21,012.10	2,10,121.00	18,512.10	1,85,121.00
Total		2,10,121.00		1,85,121.00

7.1. Reconciliation of shares outstanding at the beginning and at the end of the Reporting period

(₹ Lakhs)

Particulars	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Amount (₹)	No. of shares	Amount (₹)
At the beginning of the period	18,512.10	1,85,121.00	15,512.10	1,55,121.00
Add : Shares issued during the year	2,500.00	25,000.00	3,000.00	30,000.00
Outstanding at the end of the period	21,012.10	2,10,121.00	18,512.10	1,85,121.00

7.2. Terms/Rights attached to the equity shares

The Company has one class of shares referred to as equity shares having a par value of ₹ 10 each. Each shareholder is entitled to one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding. There are no preferential amount outstanding as at the Balance Sheet date.

7.3. Number of Shares held by each shareholder holding more than 5% Shares in the company

Name of the Shareholder	As at March 31, 2019		As at March 31, 2018	
	No. of shares	% of shareholding	No. of shares	% of shareholding
The Governor of Gujarat and its Nominees	11,000.00	52.35	11,000.00	59.42
The President of India & his nominees (Ministry of Urban Development)	10,012.10	47.65	7,512.10	40.58
	21,012.10	100.00	18,512.10	100.00

7.4. Equity shares issued as fully paid up by bonus shares, by bought back or otherwise than by cash during the preceding five years : Nil

7.5. The Company does not have any holding company.

7.6. Objective, policy and procedure of capital management, refer Note 32

Note 8 : Instrument entirely equity in nature

(₹ Lakhs)

Particulars	As at March 31, 2019	As at March 31, 2018
From Government of Gujarat (Additional Subordinate Debt) (Refer Note 8.1)	46,700.00	46,700.00
Total Other equity	46,700.00	46,700.00

Note 8.1 State Government has issued GR No.MIS-112014-1100-1-DH Dated 4th July, 2016 by which additional subordinate debt of ₹ 46,700 Lakhs is sanctioned for expenditure incurred on other than phase-I of the project. The expenditure incurred are to be maintained in Balance sheet as CWIP. As and when these assets will be utilised for other phases, amount of ₹ 46,700 Lakhs (P.Y.: ₹ 46,700 Lakhs) lying as additional subordinate debt will be converted as Equity from GOG. This conversion of additional subordinate debt into equity will be at face value. Hence, Company has classified such convertible instrument as Instrument entirely equity in nature and presented below the share capital and above the other equity head.

Notes to the Financial Statements for the year ended March 31, 2019
Note 9 : Other Equity

(₹ Lakhs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Note 9.1 Share application money		
Share application money (Refer Note (i) below)		
Balance as per last financial statements	-	-
Add / (Less) movement during the year	-	-
	-	-

Reserves & Surplus
Surplus in statement of profit and loss

Balance as per last financial statements	(6,643.40)	3,804.62
Add: (loss) for the year	(165.74)	(10,448.02)
	(6,809.14)	(6,643.40)
Total reserves & surplus	(6,809.14)	(6,643.40)
Total	(6,809.14)	(6,643.40)

Note 10 : Financial liabilities
10 (a) Long-term Borrowings

(₹ Lakhs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Long-term Borrowings (Refer note below)		
Non-current portion		
Unsecured		
- From Japan International Co-operation Agency (JICA) through Government of India (PTA)	1,41,119.68	57,527.39
- From Government of India (Subordinate Debt)	2,499.42	1,540.21
- From Government of Gujarat (Subordinate Debt)	3,201.23	1,025.65
Total	1,46,820.33	60,093.25

10 (a) (i): The Japan International cooperation Agency (JICA) has committed to provide total loan of ₹ 606600 Lakhs (Including IDC of ₹ 9800 Lakhs) in two tranches for Phase I of Ahmedabad Metro Rail Project and accordingly JICA has agreed to lend JPY 82,434 Million (Equivalent ₹ 436158 Lakhs at conversion rate of 1 INR = 1.89 JPY) under Tranche I as per loan agreement no P247 dated 04.03.2016.

The Loan is disbursed to the GOI as per two procedure viz Reimbursement procedure and committeemen procedure. The proceeds of the loan are lent to the company by GOI through Pass Through Assistance (PTA) in equivalent INR. During the year, Interest of ₹ 1193.63 Lakhs (PY ₹ 288 Lakhs) has been payable on this loan @ 1.4 %. Tenure of JICA Loan is 30 years ie repayable before 2046 and initial 10 years ie upto 2026 are moratorium period.

10 (a) (ii) : Reconciliation of JICA Loan in INR equivalent vis-à-vis PTA recoverable, interest accrued & service charges payable thereon with Controller of Aid, Accounts & Audit (CAAA) of Ministry of Finance is in progress and adjustment, if any, required shall be made on reconciliation.

10 (a) (iii): Interest free subordinate debts from GoI and GoG for the Phase-I is repayable after the repayment of interest bearing senior debt for Phase-I from JICA through GoI.

Notes to the Financial Statements for the year ended March 31, 2019
10 (b) Trade payable

(₹ Lakhs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Dues to Micro enterprises and small enterprises (Refer note 33)	140.60	26.41
Dues other than micro enterprises and small enterprises	446.83	315.11
Total	587.43	341.52

10 (c) Other financial liabilities

(₹ lakhs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Payable to employees	244.36	116.94
Payable in respect of Capital goods	40,205.24	14,901.10
Pass Through Assistance (PTA) from GOI	62,030.49	16,141.79
Other financial liabilities	285.03	100.69
Total	1,02,765.12	31,260.52

10 (d) Financial liabilities by category

(₹ Lakhs)		
Particulars	FVTPL	At Amortised Cost
March 31, 2019		
Borrowings	-	1,46,820.33
Trade payable	-	587.43
Other financial liabilities	-	1,02,765.12
Total	-	2,50,172.88
March 31, 2018		
Borrowings	-	60,093.25
Trade payable	-	341.52
Other financial liabilities	-	31,260.52
Total	-	91,695.29

Refer Note 31 for Financial instruments risk management objectives and policies

Refer Note 30 for Fair value disclosures

Note 11 : Provisions

(₹ Lakhs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Non-Current		
Provision for employee benefits (Refer Note 25)		
Provision for Gratuity	105.05	64.79
Provision For compensated absences	112.67	51.24
	217.72	116.03
Current		
Provision for employee benefits (Refer Note 25)		
Provision for Gratuity	6.26	1.63
Provision For compensated absences	51.55	24.15
	57.81	25.78
Total	275.53	141.81

Notes to the Financial Statements for the year ended March 31, 2019
Note 12 : Government Grant

(₹ Lakhs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Non-current		
Government Grant	1,03,854.26	51,979.37
(Refer Note-12(a) for Deferred Government Grant and Refer Note - 12 (b) for Grant received from Government of Gujarat for preparation of DPR)		
Total	1,03,854.26	51,979.37

(₹ Lakhs)		
Particulars	As at March 31, 2019	As at March 31, 2018
12 (a) Deferred Government Grant		
As at April 1	51,049.15	39,715.56
Received during the year	50,388.32	11,333.59
Recognised as Grant Income during the year	33.21	-
As at March 31	1,01,404.26	51,049.15
Total	1,01,404.26	51,049.15

Above grant has been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants as at March 31.

12 (b) Grant received from Government of Gujarat for preparation of DPR

(₹ Lakhs)		
Particulars	As at March 31, 2019	As at March 31, 2018
As at April 1	1,700.00	200.00
Received during the year	750.00	1,500.00
As at March 31	2,450.00	1,700.00
Total	2,450.00	1,700.00

Grant is received for preparation of Detailed Project Report for Phase-II of Ahmedabad Metro Rail Project and Phase I of Surat Metro Rail Project.

Note 13 : Other current / Non-current liabilities

(₹ Lakhs)		
Particulars	As at March 31, 2019	As at March 31, 2018
Current		
Statutory liabilities	1,482.54	558.17
	1,482.54	558.17
Total	1,482.54	558.17

Notes to the Financial Statements for the year ended March 31, 2019
Note 14 : Revenue from Operation

(₹ Lakhs)

Particulars	2018-19			2017-18		
	Expense During Construction	Total Transferred to Statement of P&L	Gross for the year	Expense During Construction	Total Transferred to Statement of P&L	Gross for the year
Passenger Revenue	-	3.81	3.81	-	-	-
Rent	-	0.10	0.10	-	-	-
Less: Transferred to Expense during Construction (Refer Note 2.A)	-	-	-	-	-	-
Total	-	3.91	3.91	-	-	-

Note 15 : Other income

(₹ Lakhs)

Particulars	2018-19			2017-18		
	Expense During Construction	Total Transferred to Statement of P&L	Gross for the year	Expense During Construction	Total Transferred to Statement of P&L	Gross for the year
Interest Income	-	2,174.01	2,174.01	-	1,457.73	1,457.73
Grant Income [Refer note 12(a)]	-	33.21	33.21	-	-	-
Misc. Income	-	29.66	29.66	-	231.53	231.53
Profit on sale of fixed assets (net)	-	1.65	1.65	-	1.46	1.46
Foreign Exchange Gain (net)	1,244.62	4.90	1,249.52	-	-	-
Sundry Balances / Provisions Written Back	-	-	-	-	9.45	9.45
Tender Fees	16.08	-	16.08	9.04	-	9.04
Less: Transferred to Expense during Construction (Refer Note 2.A)	(1,260.70)	-	(1,260.70)	(9.04)	-	(9.04)
Total	1,260.70	2,243.43	2,243.43	-	1,700.17	1,700.17

Note 16 : Operating expense

(₹ Lakhs)

Particulars	2018-19			2017-18		
	Expense During Construction	Total Transferred to Statement of P&L	Gross for the year	Expense During Construction	Total Transferred to Statement of P&L	Gross for the year
Electricity Expense	-	30.96	30.96	-	-	-
Maintenance Expense	-	4.34	4.34	-	-	-
Consumption of Store Expense	-	0.43	0.43	-	-	-
Security Expense	-	59.20	59.20	-	-	-
Consultancy Expense	-	194.95	194.95	-	-	-
Tele Communication Expense	-	0.10	0.10	-	-	-
Less: Transferred to Expense during Construction (Refer Note 2.A)	-	-	-	-	-	-
Total	-	289.98	289.98	-	-	-

Note 17 : Employee Benefit expense

(₹ Lakhs)

Particulars	2018-19			2017-18		
	Expense During Construction	Total Transferred to Statement of P&L	Gross for the year	Expense During Construction	Total Transferred to Statement of P&L	Gross for the year
Salaries, wages, allowances and bonus	1,993.17	165.21	2,158.38	1,419.47	-	1,419.47
Contribution to employee benefit funds	226.12	13.14	239.26	144.88	-	144.88
Staff welfare expenses	-	322.75	322.75	-	-	-
Less: Transferred to Expense during Construction (Refer Note 2.A)	(2219.29)	-	(2219.29)	(1564.35)	-	(1564.35)
Total	-	501.10	501.10	-	-	-

Note 18 : Finance costs

(₹ Lakhs)

Particulars	2018-19			2017-18		
	Expense During Construction	Total Transferred to Statement of P&L	Gross for the year	Expense During Construction	Total Transferred to Statement of P&L	Gross for the year
Interest on Term loans	-	-	-	23.89	-	23.89
Interest on Tax	-	-	-	0.03	-	0.03
Interest on Subordinate Debt	406.92	6.71	413.63	213.68	-	213.68
Commitment Charges & Interest on PTA	1,179.46	14.17	1,193.63	288.98	-	288.98
Other Interest Expense	-	-	-	5.43	-	5.43
Foreign Exchange Loss on Borrowing	1,856.25	-	1,856.25	-	-	-
Less: Transferred to Expense during Construction (Refer Note 2.A)	(3442.63)	-	(3442.63)	(532.01)	-	(532.01)
Total	-	20.88	20.88	-	-	-

Note 19 : Depreciation and amortization expense

(₹ Lakhs)

Particulars	2018-19			2017-18		
	Expense During Construction	Total Transferred to Statement of P&L	Gross for the year	Expense During Construction	Total Transferred to Statement of P&L	Gross for the year
Depreciation on Tangible assets (Refer Note 2)	197.74	196.44	394.18	314.38	-	314.38
Amortization on Intangible assets (Refer Note 3)	1,452.70	1.43	1,454.13	1,463.61	-	1,463.61
Less: Transferred to Expense during Construction (Refer Note 2.A)	(1650.44)	-	(1650.44)	(1777.99)	-	(1777.99)
Total	-	197.87	197.87	-	-	-

Note 20 : Other expenses

(₹ Lakhs)

Particulars	2018-19			2017-18		
	Expense During Construction	Total Transferred to Statement of P&L	Gross for the year	Expense During Construction	Total Transferred to Statement of P&L	Gross for the year
Foreign exchange Loss (net)	-	-	-	1,432.27	-	1,432.27
Administrative expense						
Vehicle Hiring and Running Expense	145.13	1.74	146.87	207.11	-	207.11
Electricity Expenses	83.50	-	83.50	35.71	-	35.71
Rent	418.90	5.85	424.75	332.38	-	332.38
Rates & Taxes	4.90	-	4.90	5.80	-	5.80
Insurance Premium	2.57	2.94	5.51	3.26	-	3.26
Advertisement Expense	95.88	94.75	190.63	89.66	-	89.66
Legal & Professional Fees	461.46	3.98	465.44	443.88	-	443.88
House Keeping and Other Expense	109.87	1.32	111.19	85.17	-	85.17
Project Development and Promotion Expense	36.53	-	36.53	6.31	-	6.31
Security Service Expense	537.98	-	537.98	269.08	-	269.08
Office Expenses	83.15	0.38	83.53	71.70	-	71.70
Computer & Peripheral Expenses	31.23	0.38	31.61	32.27	-	32.27
Internet & Telephone Expense	21.80	0.26	22.06	27.91	-	27.91
Printing & Stationary	32.43	0.49	32.92	28.33	-	28.33
Operation & Management Staff Expense	-	-	-	-	256.15	256.15
Recruitment Expense	12.28	10.66	22.94	49.82	-	49.82
Local Conveyance & Transportation Expense	3.99	0.05	4.04	4.46	-	4.46
Meeting Expenses	-	-	-	-	-	0.00
Miscellaneous Expense	31.06	1.18	32.24	13.75	-	13.75
Software Maintenance & Support	38.31	0.44	38.75	45.33	-	45.33
Stamp Duty on issue of Share	25.00	-	25.00	40.00	-	40.00
Other Misc. Project Expense	5.44	-	5.44	4.99	-	4.99
Tour & Travel Expense	70.43	0.85	71.28	50.29	-	50.29
Repairs & Maintenance Expenses	10.07	0.12	10.19	14.24	-	14.24
Other Operating Expenses	-	-	-	-	-	-
Training Expense	0.04	-	0.04	-	-	-
Provision For Doubtful Debts	-	-	-	-	-	-
Payment to auditors - For Statutory Audit	10.70	0.13	10.83	10.85	-	10.85
Less: Transferred to Expense during Construction (Refer Note 2.A)	(2,272.65)	-	(2272.65)	(3304.57)	-	(3304.57)
Total	-	125.52	125.52	-	256.15	256.15

Notes to the Financial Statements for the year ended March 31, 2019
Note 21 : Exceptional items

Particulars	(₹ Lakhs)	
	2018-19	2017-18
Provision for impairment of CWIP	-	11,584.21
Provision for doubtful recovery of Advance	1,030.12	-
Total	1,030.12	11,584.21

21.1 With reference to 15th Audit Committee Meeting dated 12.02.2019 regarding Advance to Vendors lying in the books of account for more than 3 years, it was decided that provision need to be provided in the books of account. Accordingly, Provision of ₹ 1030.12 Lakhs for Doubtful Recovery of advance has been provided in the books of account.

Notes to the Financial Statements for the year ended March 31, 2019
Note 22: Income tax

The major component of income tax expense for the years ended March 31, 2019 and March 31, 2018 are :

	(₹ Lakhs)	
Particulars	2018-19	2017-18
Statement of Profit and Loss		
Current tax		
Current income tax	247.62	308.18
Deferred tax	-	-
Deferred tax expense (Refer Note B)		
Earlier years' tax	-	(0.35)
Total	247.62	307.83

Reconciliation of tax expense and the accounting profit multiplied by domestic tax rate

A) Current tax	(₹ Lakhs)	
Particulars	2018-19	2017-18
Accounting Profit/(Loss) before tax from continuing operations	81.88	(10,140.19)
Tax @ 29.12% (March 31, 2019: 29.12%, March 31, 2018: 29.12%)	23.84	-
Adjustment		
In respect of current income tax of previous years	-	(0.35)
Income/Expense not considered for tax and Ind AS adjustments	(1,771.06)	420.50
Tax on Taxable Income	1,747.22	-
Tax on Income at different rates (MAT)	247.62	(112.32)
At the effective income tax rate of (March 31, 2019 : N.A.), (March 31, 2018 : N.A.)	247.62	307.83

B) Deferred tax

In accordance with Indian Accounting Standards (Ind AS 12) "Income Taxes", the company has worked out the Deferred Tax Liability and Assets as under:

However, considering the current project stage, expectation of commencement of the operations of the company and probability of the future taxable profits, Deferred Tax Assets is recognised only to the extent of Deferred tax Liability as per Para 27 & 28 of Ind AS 12.

	(₹ Lakhs)	
Particulars	2018-19	2017-18
(A) Deferred Tax Liability on Account Of:		
Difference between Tax Base and Account Base of Capital Works in Progress as per Income Tax Act, 1961 and The Companies Act, 2013 respectively.	1,567.92	560.40
Difference between Tax Base and Account Base of WDV of PPE as per Income Tax Act 1961 and The Companies Act, 2013 respectively.	2,252.63	-

3,820.54 **560.40**

(B) Deferred Tax Asset on Account Of:

Provisions for Employee Benefits	80.23	41.30
Minimum Alternate Tax Credit	2,052.08	1,804.46
Carried Forward Tax Losses	1,754.39	7.17
Provisions for Doubtful Debt	299.97	-
	4,186.67	1,852.93

Notes to the Financial Statements for the year ended March 31, 2019
Note 23 : Additional Information to the Financial Statements

(i) Contingent liabilities		(₹ Lakhs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018	

Contingent liabilities not provided for

Claims against Company not acknowledged as debts towards Capital Works	6,614.94	5,178.01
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[In case of Arbitration Cases - Counter claim by the company - ₹ 2759.60 Lakhs (PY ₹ 1908.60 Lakhs)]

Tax matters under appeal	984.95	984.95
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(ii) Capital commitment		(₹ Lakhs)	
Particulars	Year ended March 31, 2019	Year ended March 31, 2018	

Capital commitments

Estimated amount of Contracts including foreign currency contracts remaining to be executed net of Capital Advances and not provided for: (Including ₹ 3100.26 Lakhs for Phase II)	5,07,324.21	6,15,844.51
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(iii) Some landowners have filed suit against the company for alternate land, which cannot be quantified. Liabilities, if any, in respect of these cases pending with the courts shall be provided after completion of legal proceedings.

(iv) The Company has incurred expenditure at Motera and Indroda area towards various support facilities for implementation of Metro Project such as Depot, Casting Yard, Warehouse Complex and protection wall. The Ownership of the land of Indroda area belongs to R & B Department, Government of Gujarat and 12.64 hectare of land at Motera area has been acquired by the Company. The allotment of land at Indroda Area is pending with the respective authorities. The total amount of expenditure incurred towards various support facilities at Motera is ₹ 35903.62 Lakhs and at Indroda is ₹ 1330.36 Lakhs which have been disclosed as Capital Work in Progress under Note No. 2.A of the Financial Statement of the Company.

(v) Land admeasuring 17.62 hectares at Ahmedabad Apparel Park SEZ has been allotted by GIDC to GMRC for construction of Depot. As of 31st March 2019, the detailed terms and conditions of transfer of this land from GIDC to GMRC is yet to be decided by the Government of Gujarat. As the amount of consideration is not ascertainable, the same is not provided for.

(vi) The company had preponed the delivery of train sets due to progress of the project and have to pay additional cost. However, amount involved for early delivery can not be determined as on date of preparation of financial statement. The same will be provided in the books of accounts as when finalised and approved.

Note 24 : Foreign Exchange Derivatives and Exposures not hedged

Exposure Not Hedged		(₹ Lakhs)	
Nature of exposure	Currency	Year ended March 31, 2019	Year ended March 31, 2018
Payable towards borrowings including interest	JPY	2,26,370.99	57,527.39
Payable to creditors	USD	39.33	3.37
	EURO	21.43	2.34
	JPY	1,314.71	528.14
Advance to creditors	USD	(239.19)	(213.19)
	EURO	(33.52)	(16.49)
	JPY	(7063.53)	(4936.67)

Notes to the Financial Statements for the year ended March 31, 2019
Note 25: Disclosure pursuant to Employee benefits
A. Defined contribution plans:

Amount of ₹ 135.09 Lakhs (March 31, 2018: ₹ 146.83 Lakhs) is recognised as expenses for FY 2018-19 and included in Note No. 17 "Employee Benefit expense"

		(₹ Lakhs)	
Sr. No.	Particulars	2018-19	2017-18
1	Contribution to PF & Other funds	105.38	106.93
2	Contributory Pension Scheme	28.94	39.73
3	Superannuation Fund	0.77	0.17

B. Defined benefit plans:
(a) Gratuity (Nonfunded)

The Company operates gratuity plan wherein every employee is entitled to the benefit as per scheme of the Company, for each completed year of service. The same is payable on retirement or termination whichever is earlier. The benefit vests only after five years of continuous service.

The summary of the membership information as at March 2019 and as at March 2018 as provided by the company are as follows.

		(₹ Lakhs)	
Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
1	Employee Counts	332.00	118.00
2	Total Eligible Salary per month	132.54	61.55
3	Average Salary per month	0.40	0.52
4	Average Age (Years)	30.75	34.92
5	Average Past Service (Years)	1.37	2.41

Change in the Present Value of Defined Benefit Obligation (DBO)

		(₹ Lakhs)	
Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
1	Present Value of Defined Benefit Obligation at the beginning of the period	66.42	66.39
	Current	1.63	0.94
	Non Current	64.79	65.45
2	Service Cost		
	Current Service Cost	25.67	33.12
	Past Service Cost	-	-
	(Gain) / Loss on Curtailment	-	-
	(Gain) / Loss on Settlement	-	-
3	Interest Expense	5.17	4.83
4	Remeasurements		
	a) Effect of Changed in Demographic Assumption	(13.37)	-
	b) Effect of Changed in Financial Assumption	12.55	(4.19)
	c) Effect of Experienced Adjustment	16.08	(33.73)
5	Cash Flows - Benefit Payment	(1.21)	0
6	Expense Recognised in Statement of Profit & Loss	30.84	37.95
7	Net (Income) / Expense recognised in OCI	15.26	(37.92)
8	Effect of Business Combination / Disposal	-	-
9	Effect of Changed in Foreign Exchange Rates	-	-
10	Present Value of Defined Benefit Obligation at the end of the period	111.31	66.42
	Current	6.26	1.63
	Non Current	105.05	64.79

Notes to the Financial Statements for the year ended March 31, 2019
Note 25: Disclosure pursuant to Employee benefits

Expense Recognised in the Statement of Profit & Loss

		(₹ Lakhs)	
Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
1	Current Service Cost	25.67	33.12
2	Net Interest Cost	5.17	4.83
3	Past Service Cost	-	-
4	Expected Contributions by the employees	-	-
5	Gain / Losses on Curtailment and Settlement	-	-
6	Net Effect of Changes in Foreign Exchange Rate	-	-
7	Expense Recognised	30.84	37.95

Expense Recognised in other comprehensive income (OCI)

		(₹ Lakhs)	
Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
1	Actuarial (Gain) / Losses on obligation	15.26	-37.92
2	Return on Plan Assets	-	-
3	Change in Asset Ceiling	-	-
4	Net (Income) / Expense Recognised in OCI	15.26	-37.92

Net Interest Cost for the period

		(₹ Lakhs)	
Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
1	Present Value of Benefit Obligation at the beginning of the period	66.42	66.40
2	Fair Value of Plan Assets at the beginning of the period	-	-
3	Net Liability / (Assets) at the beginning	66.42	66.40
4	Interest Cost	5.17	4.83
5	Interest income	-	-
6	Net Interest cost for the period	5.17	4.83

Amount recognised in the Balance Sheet

		(₹ Lakhs)	
Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
1	Present Value of Benefit Obligation	111.31	66.42
2	Fair Value of Planned Assets	-	-
3	Fund Status (Surplus / (Deficit))	-	-
4	Net Liability / Asset	111.31	66.42
	Current	6.26	1.63
	Non Current	105.05	64.79

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Sr. No.	Particulars	Year ended March 31, 2019	Year ended March 31, 2018
1	Discount rate	7.22%	7.78%
2	Future salary increase	8.00%	7.00%
3	Attrition rate		
	For service 2 years and below	20%	5.00%
	For service 3 years to 4 years	15%	5.00%
	For service 5 years and above	10%	5.00%
4	Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
5	Mortality rate after employment	N.A.	N.A.
6	Vesting Period (Years)	5	5
7	Retirement Age	60	60

Notes to the Financial Statements for the year ended March 31, 2019
Note 25: Disclosure pursuant to Employee benefits

A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	(Increase) / Decrease in defined benefit obligation (Impact)	
	Year ended March 31, 2019	Year ended March 31, 2018
(₹ Lakhs)		
Sensitivity level		
Gratuity		
Discount Rate		
1% increase	(8.39)	(7.17)
1% decrease	9.71	8.61
Salary increase		
1% increase	8.95	8.59
1% decrease	(8.29)	(7.28)
Attrition rate		
1% increase	(1.92)	(0.50)
1% decrease	2.02	0.42

Expected future benefit payments for the defined benefit plan :

Particulars	(₹ Lakhs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Gratuity		
Within the next 12 months (next annual reporting period)	6.26	1.63
Between 2 and 5 years	40.88	14.09
Beyond 5 years	189.46	27.12
Total expected payments	236.60	42.84

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	(Years)	
	Year ended March 31, 2019	Year ended March 31, 2018
Gratuity	14.00	14.00

Notes to the Financial Statements for the year ended March 31, 2019
(b) Other Long term employee benefit - Leave Encashment (Non funded)

The Company has provided for the liability at period end on account of un-availed earned leave ,earned leave encashable and half paid leave as per the Projected Unit Credit Method of Actuarial Valuation.

The summary of the membership information as at March 2019 and as at March 2018 as provided by the company are as follows.

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
1	Employee Counts	332.00	118.00
2	Total eligible ailment salary per month	181.89	90.48
3	Average Ailment Salary per month	0.55	0.77
4	Total eligible Encashment salary per month	132.48	61.55
5	Average Encashment Salary per month	0.40	0.52
6	Total Leave Days (Earned Leave Encashable)	5,837.00	3,167.00
7	Average Leave days (Earned Leave Encashable)	17.58	26.84
8	Total Leave Days (Earned Leave Non Encashable)	735.50	1,062.50
9	Average Leave days (Earned Leave Non Encashable)	2.22	9.00
10	Total Leave Days (Half Paid Leave)	3,301.00	2,024.00
11	Average Leave days (Half Paid Leave)	9.94	17.15
12	Average Age Years	30.75	34.92
13	Average Past Service Years	1.37	2.41

Reconciliation of Change in the Present Value of Defined Benefit Obligation (DBO)

(₹ Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
1	Present Value of Defined Benefit Obligation at the beginning of the period	59.31	50.11
	Current	8.07	7.50
	Non Current	51.24	42.61
2	Amount Recognised in P&L Account	89.10	9.20
3	Present Value of Defined Benefit Obligation at the end of the period	148.40	59.31
	Current	35.73	8.07
	Non Current	112.67	51.24

Amount recognised in Statement of Profit & Loss

(₹ Lakhs)

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
1	Amount Recognised in P&L Account	89.10	9.20

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
1	Discount rate	7.22%	7.78%
2	Future salary increase	8%	7.00%
3	Leave Ailment Rate	1%	1.00%
4	Leave Encashment Rate	5%	5.00%
5	Attrition rate		
	For service 2 years and below	20%	5.00%
	For service 3 years to 4 years	15%	5.00%
	For service 5 years and above	10%	5.00%
6	Mortality rate during employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
7	Retirement Age	60	60

Break up of Present Value of Defined Benefit Obligation (DBO)

(₹ Lakhs)

Sr. No.	Particulars	As at March 31, 2019		As at March 31, 2018	
		Current Liability	Non Current Liability	Current Liability	Non Current Liability
1	Present Value of Defined Benefit Obligation	35.73	112.67	8.06	51.24
	Earned Leave	35.03	108.08	7.53	46.16
	Half Paid Leave	0.48	2.99	0.27	2.53
	Earned Leave - Non Encashable	0.23	1.60	0.26	2.55

Notes to the Financial Statements for the year ended March 31, 2019
Note 26 : Earning per equity share of Face Value of ₹ 10 each

Particulars		2018-19	2017-18
Profit/(Loss) attributable to equity Shareholders	₹ Lakhs	(165.74)	(10,448.02)
Total no. of equity shares at the end of the year	Number	21,012.10	18,512.10
Weighted average number of equity shares	Number	19,593.33	16,953.20
Nominal value of equity share	₹	10.00	10.00
Basic and Diluted earning per share	₹	(0.0085)	(0.6163)

Instruments entirely in equity nature amounting to ₹ 46,700 lakhs (Refer note 8.1) are the instruments that could potentially dilute basic earnings per share in the future, but were not included in the calculation of diluted earnings per share because they are antidilutive for the periods presented.

Note 27 : Related party disclosure
a) Key Management Personnel

Name of the Related parties	Relationship
Shri I P Gautam	Managing Director (Upto 26.03.2019)
Shri Mukesh Puri	Managing Director (wef 26.03.2019)
Shri Biren Parmar	Director-Finance
Shri S.S.Rathi	Director-P&P
Shri Prasant Rao	Director-SER (from 18.05.2018)
Shri S.S.Sabuwala	Chief Financial Officer
Shri Hiteshkumar Bhamare	Company Secretary

b) Transactions with Key Management Personnel

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Salary	171.40	112.93
Contribution to P.F	6.60	0.64

c) Commitment with related party

There are no commitment with the related party.

d) Compensation to Key Management Personnel

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
Short-term employee benefits	171.40	112.93
Post employment benefits	6.60	0.64
Other long-term employment benefits	-	-
Termination benefits	-	-

e) Transactions with Government related entities

Particulars	Year ended March 31, 2019	Year ended March 31, 2018
GSFS		
Funds deposited	3,50,628.79	1,99,197.39
Funds withdrawn	3,32,184.20	2,07,430.62
Interest Received	1,995.89	1,379.02
Short-term Loan Taken	-	7,500.00
Short-term Loan Repaid	-	7,500.00
Interest Paid	-	23.89
Account Receivable as at year end	35,180.67	16,411.12

Apart from the above transactions, the Company has also entered into other transactions in ordinary course of business with Government related entities. These are transacted at arm's length prices based on the agreed contractual terms.

Notes to the Financial Statements for the year ended March 31, 2019
Note 28 : Lease Rent
Operating Lease

The Company has taken office premises under operating lease on leave and License. They are generally non cancellable. The Company has given refundable interest free security deposits as per lease agreement. The future minimum lease payment in respect of which is as follows:

Particulars	(₹ Lakhs)	
	Year ended March 31, 2019	Year ended March 31, 2018
Future Minimum lease payments obligation on non-cancellable operating leases:		
Not later than one year	37.72	37.72
Later than one year and not later than five years	-	37.72
Lease Payment recognised in Statement of Profit and Loss	37.72	37.72

Note 29: Impairment of assets

During 2018-19, the Company has reviewed the carrying amounts of its assets and found that there is no indication that those assets have suffered any impairment loss.

Notes to the Financial Statements for the year ended March 31, 2019
Note 30 : Fair value disclosures for financial assets and financial liabilities

Financial Instruments by category and comparison:

Particulars	Carrying Value (Amortization Cost)		Fair Value	
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Financial assets				
Loans	35,180.67	16,411.12	35,180.67	16,411.12
Trade Receivable	0.12	-	0.12	-
Cash and cash equivalents	4,754.25	1,098.86	4,754.25	1,098.86
Other financial assets	1,043.49	808.85	1,043.49	808.85
Total	40,978.53	18,318.83	40,978.53	18,318.83
Financial liabilities				
Borrowings	1,46,820.33	60,093.25	1,46,820.33	60,093.25
Trade payables	-	341.52	-	341.52
Other financial liabilities	1,02,765.12	31,260.52	1,02,765.12	31,260.52
Total	2,49,585.45	91,695.29	2,49,585.45	91,695.29

The management assessed that the fair values of cash and cash equivalents, other bank balances, other current financial assets, trade payables and other current financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair values.

The fair value of borrowings and other financial liabilities is calculated by discounting future cash flows using rates currently available for debts on similar terms, credit risk and remaining maturities.

Fair Value Hierarchy

Financial assets and liabilities measured at fair value are categorized into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical financial instruments that the entity can access at the measurement date.

Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of relevant observable market input and minimize use of unobservable inputs.

Level 3 - If one or more of the significant inputs is not based on observable market input, the instrument is categorized in level 3 of fair value hierarchy.

Below Financial Assets and liabilities are valued at fair value through Level 2 methodology.

Particulars	As on 31-Mar-2019		As on 31-Mar-2018	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Financial Assets				
Security Deposit	962.97	962.97	804.03	804.03
Total	962.97	962.97	804.03	804.03
Financial Liabilities				
Subordinate Debt from Government of India and Government of Gujarat	5,700.65	5,700.65	2,565.86	2,565.86
Total	5,700.65	5,700.65	2,565.86	2,565.86

Valuation Technique and process used to determine fair values

The fair values of Financial Assets and Liabilities above are calculated by discounting future cash flows using rates currently available on similar terms, credit risk and remaining maturities.

Notes to the Financial Statements for the year ended March 31, 2019
Note 31 : Financial Risk Management

Risk Management is an integral part of the business practices of the Company. The framework of the Risk Management concentrates on formalising a system to deal with the most relevant risks, building on existing Management practices, knowledge and structures. The company has developed and implemented a comprehensive Risk Management System to ensure that the risks to the continued existence of the company as a going concern and to the growth are identified and remedied on a timely basis.

Following are different types of risks:

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate due to changed in market price, interest rate and foreign exchange rate. Market risk comprises three types of risk: interest rate risk, currency risk and market price risk.

Market Price risk

Market Price risk arise due to investment in Equity Instruments and Mutual Funds. The company do not invest in equity instruments and mutual funds. Thus, the company does not have any market price risk.

Interest rate risk

Interest rate risk arises due to changed in rate of interest. The Company does not have any long term borrowings with floating interest rate. Thus the company does not have any interest rate risk .

Foreign currency risk

Foreign currency risk arise due to changed in foreign exchange rates. The Company has foreign currency denominated loans and has foreign currency trade and other payables etc. and is, therefore, exposed to foreign exchange risk. The amount for which company is exposed to foreign currency risk are as follows:

Nature of exposure	Currency	(₹ Lakhs)	
		Year ended March 31, 2019	Year ended March 31, 2018
Payable towards borrowings (Including interest)	JPY	2,26,370.99	57527.39
Payable to creditors	USD	39.33	3.37
	EURO	21.43	2.34
	JPY	1,314.71	528.14
Advance to creditors	USD	(239.19)	(213.19)
	EURO	(33.52)	(16.49)
	JPY	(7063.53)	(4936.67)

However, company do not have any hedging policy or any natural hedge for its foreign exchange risk.

(b) Credit risk

Credit risk is the risk of financial loss to the company if a customer or counter party fails to meet its contractual obligation. The Company is exposed to credit risk from its operating activities and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.

Notes to the Financial Statements for the year ended March 31, 2019

Credit risk from balances with banks and financial institutions is managed by the Company's management in accordance with the Company's policy. Surplus funds are invested only with approved counterparties who meets the minimum threshold requirements under the counterparty risk assessment process. Individual risk limit are set for each counterparty based on financial position, credit rating and past experience. Credit limit and concentration of exposure are actively monitored by the company. The Company's exposure to credit risk for the components of the Balance sheet as of March 31, 2019 and March 31, 2018 are as follows:

Particulars	(₹ Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Financial assets		
Loans	35,180.67	16,411.12
Other financial assets	1,043.49	808.85
Trade Receivable	0.12	-
Balance and deposit with Banks	4,753.74	1,098.86
Total	36,224.16	17,219.97

(c) Liquidity risk

The company's liquidity needs are monitored on the basis of monthly and yearly projection. The company's principal sources of liquidity are long term loan from JICA, interest free subordinate debt, share capital and Grant.

The company manage the liquidity needs by continuing monitoring progress of the project and cash outflow and maintaining adequate cash and cash equivalent. Short term liquidity requirement consists mainly trade payable and other financial liabilities. Long term requirement consist of borrowing from JICA and subordinate debt from Government.

Below table summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

Particulars	(₹ Lakhs)			
	Less than 6 months	6 months to 1 year	1 year to 5 years	More than 5 years
Year ended March 31, 2019				
Borrowings*	-	-	-	1,46,820.33
Trade payables	587.43	-	-	-
Other financial liabilities	1,02,765.12	-	-	-
	1,03,352.55	-	-	1,46,820.33
Year ended March 31, 2018				
Borrowings*	-	-	-	87,577.43
Trade payables	341.52	-	-	-
Other financial liabilities	31,260.52	-	-	-
	31,602.04	-	-	87,577.43

* Includes contractual interest payment based on interest rate prevailing at the end of the reporting period over the tenor of the

The company maintains sufficient balance in cash and cash equivalent to meet its short term liquidity requirement.

Notes to the Financial Statements for the year ended March 31, 2019
Note 32 : Capital management

The company aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise return to its share holders.

The company monitors capital using Debt - Equity ratio which is total debt divided by total equity. For the purpose of capital Management, the company consider following components of its Balance Sheet to monitor Debt Equity ratio.

The equity includes share capital, general reserve, retained earning, and security premium. Total debt includes current debt plus non current debt.

Particulars	(₹ Lakhs)	
	As at March 31, 2019	As at March 31, 2018
Total Debt	1,46,820.33	60,093.25
Total Equity	2,50,011.86	2,25,177.60
Debt- Equity Ratio	0.59	0.27

The Company is a 50:50 SPV of Government of India and Government of Gujarat and both Government's Equity contribution would be in the ratio of 1:1.No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

Notes to the Financial Statements for the year ended March 31, 2019
Note 33 Disclosure requirement under MSMED Act, 2006

The Company has certain dues to suppliers (trade and capital) registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosures pursuant to the said MSMED Act are as follows:

		(₹ Lakhs)	
Sr. No.	Particulars	As at March 31, 2019	As at March 31, 2018
1	Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	140.60	26.41
2	Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	-	-
3	Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
4	Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
5	Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	-	-
6	Interest due and payable towards suppliers registered under MSMED Act, for payments already made	-	-
7	Further interest remaining due and payable for earlier years	-	-

Notes to the Financial Statements for the year ended March 31, 2019
Note 34: Disclosure as per Ind AS 108

There are no operating segments or geographical segment which is to be disclosed under Ind AS 108 "Operating Segments".

Note 35 : Standard Issued but not yet effective

On 30 March 2019, the Ministry of Corporate Affairs (MCA) notified Ind AS 116, Leases as part of the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2019. Ind AS 116 replaces existing standard on leases i.e. Ind AS 17, Leases with effect from accounting periods beginning on or after 1 April 2019.

Ind AS 116- Lease:

The standard will impact the statement of profit and loss of the lessees. Currently, operating lease expenses are charged to statement of profit and loss on a straight-line basis over the life of a lease. Entities will now recognise a front-loaded pattern of expense for most leases even when they pay constant annual rentals.

Under the new standard, assessment of whether an arrangement is, or contains, a lease is the biggest practical issue. It introduces elaborate guidance to explain what 'the right to direct the use of an asset' means along with examples for identifying arrangements as a lease.

Additionally, the application of the new leases standard would be more than just an accounting change. It will have an impact on systems and processes including substantial effort required to identify all lease arrangements and extract all relevant lease data necessary to apply the standard. The change in the classification of lease in the balance sheet and statement of profit and loss will also affect key financial metrics of the lessees. This could impact debt covenants, tax balances and ability to pay dividends.

For, Manubhai & Shah LLP
Chartered Accountants
ICAI Firm Registration
No.106041W/W100136

Sd/-
G.R.Parmar
Partner
M.No.121462

For and on behalf of the board of directors of
Gujarat Metro Rail corporation (GMRC) Limited

Sd/-
S.S.Rathore
Managing Director
DIN:00128987

Sd/-
Ashiwinikumar Yadav
Director
DIN:06581753

Sd/-
S.S.Sabuwala
Chief Financial Officer

Sd/-
Hiteshkumar Bhamare
Company Secretary
ACS: 33182

Place : Ahmedabad
Date : 14.08.2019

Place : Gandhinagar
Date : 13.08.2019