

**4<sup>TH</sup>**

# **ANNUAL REPORT**

**2012-13**



**JAIPUR METRO RAIL CORPORATION LIMITED**





Hon'ble Chief Minister Shri Ashok Gehlot, Hon'ble UDH Minister Shri Shanti Dhariwal and Chairman & Managing Director, JMRC, Shri Nihal Chand Goel on site visit at Mansarovar Metro Station.



JAIPUR METRO

# 4<sup>th</sup> Annual Report 2012-13

**JAIPUR METRO**  
RAIL CORPORATION LIMITED





*Hon'ble Chief Minister Shri Ashok Gehlot, Chairman & Managing Director, JMRC, Shri Nihal Chand Goel, Managing Director, DMRC, Shri Mangu Singh and other dignitaries having inside view on the occasion of visit of Jaipur Metro Rail coaches.*



*Hon'ble UDH Minister Shri Shanti Dhariwal, Hon'ble Member of Parliament Jaipur Shri Mahesh Joshi and other dignitaries on the occasion of Tilak Samaroh of Jaipur Metro Rail.*



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*Hon'ble Chief Minister Shri Ashok Gehlot, Hon'ble Member of Parliament Jaipur Shri Mahesh Joshi and Chairman and Managing Director, JMRC Shri Nihal Chand Goel on Metro site visit.*



*JMRC Board of Directors Meeting in progress*

## Jaipur Metro Rail Corporation Limited

### ***Board of Directors***

**Shri Nihal Chand Goel**  
Chairman & Managing Director, JMRC

**Shri Umrao Salodia**  
ACS, Transport Department, GOR

**Shri Gurdial Singh Sandhu**  
ACS, UDH & LSG, GOR

**Shri Jagdish Chandra Mohanty**  
Principal Secretary, PWD

**Dr. Rama Krishanan Venkateswaran**  
Commissioner, Rajasthan Housing Board

**Shri Abhay Kumar**  
Commissioner, JDA

**Shri Tanmay Kumar**  
Secretary, Finance (Revenue), GOR

**Shri Kunji Lal Meena**  
CMD, JVVNL, Jaipur

**Shri Naveen Mahajan**  
Managing Director, RIICO

**Shri Jagroop Singh Yadav**  
CEO, Jaipur Municipal Corporation

**Shri Ashwani Saxena**  
Director (Project), JMRC

**Shri Chain Sukh Jeengar**  
Director (Operations & Systems), JMRC

**Ms. Susmeeta Srivastava**  
Director (Corporate Affairs), JMRC

**Shri Sanjay Solanki**  
Director (Finance), JMRC

**Auditors :**  
Madhukar Garg & Company, Chartered Accountants

**Registered Office :**  
Khanij Bhawan, Tilak Marg, C-Scheme, Jaipur - 302 005  
Tel. : 0141-5192101/102, 0141-5192138 • Fax : 0141-2385791, 5192103  
E-mail : jmrc.finance@gmail.com • Website : www.jaipurmetrorail.in



## JAIPUR METRO RAIL CORPORATION LIMITED

F.No.18/ JMRC/AGM/3915-3932

2<sup>nd</sup> September, 2013

### NOTICE OF ANNUAL GENERAL MEETING

Please find enclosed herewith the notice of the fourth annual general meeting of Jaipur Metro Rail Corporation Limited, scheduled to be held on Friday, 27<sup>th</sup> September, 2013, at 1.00 PM at the Registered Office of the Company, i.e. in JMRC Conference Hall, III Floor, Khanij Bhawan, Tilak Marg, Jaipur. The following are requested to kindly make it convenient to attend the same:

1.	Shri Nihal Chand Goel, Chairman & Managing Director, Jaipur Metro Rail Corporation Ltd, Jaipur	CMD
2.	Shri Umrao Salodia, Additional Chief Secretary Transport Department, Government of Rajasthan, Jaipur	Director & Shareholder
3.	Shri Gurdial Singh Sandhu, Additional Chief Secretary, UDH & LSG, Government of Rajasthan, Jaipur	Director & Shareholder
4.	Shri Jagdish Chandra Mohanty, Principal Secretary, PWD, Government of Rajasthan, Jaipur	Director & Shareholder
5.	Dr. R. Venkateswaran, Commissioner, RHB, Government of Rajasthan, Jaipur	Director
6.	Shri Abhay Kumar, Commissioner, JDA, Jaipur	Director & Shareholder
7.	Shri Tanmay Kumar, Secretary, Finance (Revenue) Government of Rajasthan, Jaipur	Director & Shareholder
8.	Shri Kunji Lal Meena, Chairman & Managing Director JVVNL, Jaipur	Director & Shareholder
9.	Shri Naveen Mahajan, Managing Director, RIICO, Jaipur	Director & Shareholder Representative of RIICO
10.	Shri Jagroop Singh Yadav, Chief Executive Officer, Jaipur Municipal Corporation, Jaipur	Director & Shareholder
11.	Shri Ashwani Saxena, Director (Project), Jaipur Metro Rail Corporation Ltd, Jaipur	Director
12.	Shri C.S. Jeengar, Director (Operations & Systems), Jaipur Metro Rail Corporation Ltd, Jaipur	Director
13.	Ms. Susmeeta Srivastava, Director ( Corporate Affairs ), Jaipur Metro Rail Corporation Ltd, Jaipur	Director
14.	Shri Sanjay Solanki, Director (Finance), Jaipur Metro Rail Corporation Ltd, Jaipur	Director

Yours sincerely,

Company Secretary

**JAIPUR METRO RAIL CORPORATION LIMITED**

F.No.18/ JMRC/AGM/4167

13<sup>th</sup> September, 2013**Shri Prakash Tekwani**

Joint Secretary

Finance (Exp.III) Department

Government of Rajasthan, Jaipur

**Sub: Annual General Meeting of Jaipur Metro Rail Corporation Limited****Ref: Letter No. F2(1)FD/Exp.IV & PI/2011, dated 5<sup>th</sup> September, 2013**

Sir,

The 4<sup>th</sup> Annual General Meeting of Jaipur Metro Rail Corporation Limited is scheduled to be held on Friday, 27<sup>th</sup> September, 2013, at the Registered Office of the Company.

Having been nominated as representative of H.E. the Governor of Rajasthan, you are requested to kindly make it convenient to attend the aforesaid meeting, to be held at the below mentioned date, time and venue:

Date : Friday, 27<sup>th</sup> September, 2013

Time : 1.00 PM

Venue : JMRC Conference Hall, III Floor, Khanij Bhawan, Tilak Marg, Jaipur

Notice of the meeting is enclosed herewith

Yours sincerely,



Company Secretary

**JAIPUR METRO RAIL CORPORATION LIMITED****MEETING NOTICE**

Notice is hereby given that the fourth annual general meeting of the members of Jaipur Metro Rail Corporation Limited is scheduled to be held on Friday, 27<sup>th</sup> September, 2013, at 1.00 PM at the Registered Office of the Company, i.e. in JMRC Conference Hall, III Floor, Khanij Bhawan, Tilak Marg, Jaipur, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited annual accounts for the year 2012-13 (Balance Sheet as on 31<sup>st</sup> March, 2013, and Statement of Profit and Loss Account for the year ended on that date, along with Notes on Accounts appended thereto) together with the Reports of Directors and Auditors thereon.
2. Appointment of statutory auditors of the Company and fixing of their remuneration.

**By order of the Board  
For Jaipur Metro Rail Corporation Ltd.**



**(NIHAL CHAND GOEL)  
Chairman & Managing Director**

**Regd. office**

Khanij Bhawan, Tilak Marg, Jaipur.

Date: 2<sup>nd</sup> September, 2013



## JAIPUR METRO RAIL CORPORATION LIMITED

### DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the fourth Annual Report on the business and operations of your Company together with the audited statement of accounts for the year ended on 31<sup>st</sup> March, 2013 and the Auditors' Report thereon.

#### FINANCIAL RESULTS

The year under report covers a period of 12 months ended on 31<sup>st</sup> March, 2013, for which the summarized financial results are as under:

Particulars	For the year ended on 31 <sup>st</sup> March, 2013 (in ₹)	For the year ended on 31 <sup>st</sup> March, 2012 (in ₹)
Other Income	165163984	114439238
Expenses for the year	(100719394)	(37009096)
Prior period / Extraordinary / Exceptional items	276942945	(323518355)
Profit/(Loss) for the year before Tax	341387535	(246088213)
Tax Expenses (Net)	(35985654)	0
Profit/(Loss) after Tax	305401881	(246088213)

During the year under review, the project has been at construction stage and, thus, like last year, operations of metro rail could not start, resulting in *Nil* revenue from operations. The entire revenue income is from other sources, which mainly include interest income and recruitment fee.

The adjustment as prior period/extraordinary/exceptional items mainly relates to:

- Reimbursement of expenses received from Ministry of Finance (GoI), amounting to ₹1.81 Crore charged to capital expenditure;
- Preliminary expenses written off amounting to ₹ 2.01 Crore; and
- ₹ 31.51 Crore of Consultancy fees paid to DMRC Ltd. in the financial years 2010-11 and 2011-12, which was charged to Revenue Expenditure in the previous year, but has now

been reversed and charged to Capital Expenditure in view of the change in accounting policy in compliance with the observations of C&AG and opinion of ICAI as detailed at Note 23 of the Notes on Accounts appended to Annual Accounts.

#### CORPORATE REVIEW

##### 1. JAIPUR METRO RAIL PROJECT:

As the members are aware, the Government of Rajasthan (GoR) has resolved to take up Jaipur Metro Rail Project and the Jaipur Metro Rail Corporation Ltd. (JMRC) has been created as an undertaking of the State Government for implementing the Project. The DPR (Version January-2010) prepared by Delhi Metro Rail Corporation (DMRC) was revised in June, 2011, and further revised in March, 2012, according to which Jaipur Metro Rail Project is to be implemented in two Phases:

**Phase-I:** East-West Corridor from Mansarovar to Badi Chaupar with a route length of 12.067 kms and a total estimated cost of ₹ 3149 Crore, to be implemented in two parts: Phase 1A and Phase 1B.

**Phase-II:** North-South Corridor from Ambabari to Sitapura with a route length of 23.099 kms and a total estimated cost of ₹ 6583 Crore.

Phase I of the project is being implemented on EPC mode and Phase II on PPP mode.

The brief details of Phase-I, currently underway, are as under :-

Description	Phase-IA	Phase-IB	Total Phase-I
FROM - TO	Mansarovar to Chandpole	Chandpole to Badi Chaupar	Mansarovar to Badi Chaupar
Elevated Route Length (in kms.)	9.278	Nil	9.278
Under Ground Route Length (in kms.)	0.440	2.349	2.789
Total Route Length (in kms.)	9.718	2.349	12.067
Elevated Stations	8	Nil	8
Under Ground Stations	1	2	3
Total Stations	9	2	11
Total Completion Cost (in Crore ₹)	2023	1126	3149



Phase-IA (Mansarovar to Chandpole)

The JMRC has entered into an agreement on 5<sup>th</sup> August, 2010, with DMRC for the development of Phase-IA from Mansarovar to Chandpole, covering a length of 9.718 kms, on 'deposit work' basis. A supplementary agreement was executed with DMRC on 14<sup>th</sup> August, 2012, for rolling stock and S&T including AFC. So far, a sum of ₹ 1294.49 Crore has been paid to DMRC, including a fee of ₹ 95.43 Crore to cover their establishment cost and overheads.



Presently, DMRC has completed civil works as also track and electrification works in a 3.4 km long section of this phase and preparing it for trial runs. 12 of the 40 Metro Coaches have already been received from BEML, Bangalore and are under testing in Mansarovar Depot.

Required O&M manpower has also been recruited by JMRC and your Directors are confident of achieving the completion of works and commencing the commercial operations of Phase 1A within the current year (2013-14).

Phase-IB (Chandpole to Badi Chaupar)

Phase-IB (Chandpole to Badi Chaupar) is proposed to be constructed by JMRC at its own, with DMRC playing the role of General Consultants to the Project. The funding requirement of Phase-IB is proposed to be met mainly by way of a loan from ADB. ADB loan of ₹ 969 Crore is at an advanced stage of approval. GoR has committed to bear the interest burden on loan. The loan negotiations between ADB, GoI and GoR are to be held on 5<sup>th</sup> and 6<sup>th</sup> September, 2013, at New Delhi.

For civil works of Phase 1B, a process of International Competitive Bidding has been set in motion in consultation with DMRC and ADB. Invitation for Bids was floated on 19<sup>th</sup> June, 2013, and in response thereto, 3 bids were received on 2<sup>nd</sup> August, 2013. The evaluation process is in motion and your Directors are confident that an agency will get selected and work awarded within September, 2013.

PHASE-II (Ambabari to Sitapura)

Phase-II, having a total length of 23.099 kms and a project cost of ₹6583 Crore, is proposed to be developed on PPP mode. According to the DPR, in this corridor, a total of 20 stations are proposed, of which 15 are elevated and 5 are underground. However, the management has

decided to review the alignment of this Corridor so as to increase the ridership by reaching some additional locations like the Airport, the Secretariat and the Collectorate.

DMRC has been asked to undertake this review and report on the feasibility of an improved route alignment and the advisability of implementing it on EPC mode rather than on PPP mode.

2. FUNDING OF PHASE-I OF JAIPUR METRO BY GoI:

Your Directors are pleased to inform you that in the wake of a meeting held on 28<sup>th</sup> November, 2011, under the chairmanship of Secretary, Ministry of Urban Development, GoI, to consider GoI support for Phase-I of Jaipur Metro, State Government conveyed its formal consent to have funding support of GoI by way of equity participation of GoI in JMRC and subordinate debt to execute the Project. Further, it was also agreed that the Board of the Company would be restructured to provide that 50% of the total number of Directors, including the Chairman of the Board, will be nominated by the GoI.

This is to further inform that a meeting of Public Investment Board (PIB) was held on 13<sup>th</sup> August, 2013, under the chairmanship of Secretary, Expenditure, Ministry of Finance, GoI, in which the following funding pattern has been recommended by it for approval of the Union Cabinet/EGoM, GoI:

Source of Funding	Amount (in crores)	Percentage
Equity by Government of India (GoI)	472.50	15%
Subordinate debt by GoI (50% of the central taxes and duties)	157.50	5%
<b>Sub Total GoI Contribution</b>	<b>630.00</b>	<b>20%</b>
Equity by Government of Rajasthan (GoR)	472.50	15%
Subordinate debt by GoR (50% of the central taxes and duties)	157.50	34.23%
Additional/Subordinate debt by GoR for land cost other than Government Land	108.00	
Additional debt from GoR and its agencies	812.00	
<b>Sub Total GoR Contribution</b>	<b>1550.00</b>	<b>49.23%</b>
Loan from ADB	969.00	30.77%
<b>Sub Total Loans</b>	<b>969.00</b>	<b>30.77%</b>
<b>GRAND TOTAL</b>	<b>3149.00</b>	<b>100%</b>



**SHARE CAPITAL AND BUY BACK**

The authorised share capital of the Company has been increased from ₹ 1500 Crore to ₹ 2000 Crore w.e.f. 27<sup>th</sup> July, 2013, though the paid up capital has not been increased and remains to be as it was, i.e., ₹ 4421596000. The State Government has approved that further allotment of equity shares shall not be made till the proposed equity participation by GoI is finally approved.



Your Company has not done any buy back of shares during the year under review.

**DIVIDEND**

The Company is at the project implementation stage and hence your Directors do not recommend any dividend for the year ended on 31<sup>st</sup> March, 2013.

**DIRECTORS**

There have been following changes in the Board of Directors of the Company:

- Shri Om Prakash Meena, IAS, Commissioner, Transport Department and ex-officio Additional Chief Secretary, Transport Department, GoR, was appointed as Director of the Company in place of Shri Deepak Upreti, IAS, with effect from 29<sup>th</sup> September, 2012, but Shri Meena subsequently vacated the office on 3<sup>rd</sup> June, 2013.
- Shri Naveen Mahajan, IAS, Managing Director, RIICO has been appointed as Director of the Company in place of Shri Rajendra Bhanawat, IAS, with effect from 27<sup>th</sup> September, 2012.
- Shri Niraj Kumar Pawan, IAS, Commissioner, Rajasthan Housing Board, was appointed as Director of the Company in place of Shri T. Ravikanth, IAS, with effect from 27<sup>th</sup> September, 2012, but Shri Pawan subsequently vacated the office on 16<sup>th</sup> February, 2013.
- Shri Jagroop Singh Yadav, Commissioner, Jaipur Municipal Corporation, has been appointed as Director of the Company in place of Shri Loknath Soni with effect from 27<sup>th</sup> September, 2012.
- Dr. R. Venkateswaran, IAS, Commissioner, Rajasthan Housing Board, has been appointed as Director of the Company in place of Shri Niraj Kumar Pawan, IAS with effect from 16<sup>th</sup> February, 2013.



- Shri Umrao Salodia, IAS, Additional Chief Secretary, Transport Department, GoR, has been appointed as Director of the Company in place of Shri Om Prakash Meena, IAS with effect from 3<sup>rd</sup> June, 2013.
- Shri Abhay Kumar, IAS, Commissioner, JDA, has been appointed as Director of the Company in place of Shri Kuldeep Ranka, IAS with effect from 3<sup>rd</sup> June, 2013.

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Board of Directors of the Company confirms that-

- in preparation of the Annual Accounts, the applicable accounting standards have been followed;
- the Directors had selected such Accounting Policies and applied them consistently and made judgements 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 that period;
- the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- the Directors had prepared the Annual Accounts on a going concern basis.

**DEPOSITS**

During the year under review your Company has not accepted any deposits from public in terms of Section 58A of the Companies Act, 1956.

**DISCLOSURES UNDER SECTION 217(1) (d) OF THE COMPANIES ACT, 1956**

There have been no material changes and commitments that occurred between the end of the year and the date of this report and can affect the financial position of the Company.





### **TRANSFER TO RESERVES IN TERMS OF SECTION 217(1) (b) OF THE COMPANIES ACT, 1956**

For the year under review the Company has not transferred any sum to Reserves.

### **PARTICULARS OF EMPLOYEES**

There is no employee in the Company whose particulars are required to be given under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, as amended.



### **AUDITORS**

Your Directors recommend the appointment of statutory auditors of the Company as may be suggested by the Comptroller and Auditor General of India.

### **AUDITORS' REPORT**

The reply to the observations of the auditors is given in Addendum to this report.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars, as required under the provisions of Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo, are as under:

In this respect, your Directors have to submit that all possible measures for conservation of energy and technology absorption, have been incorporated in the Metro Rail System, which is still under construction.

#### **A. ENERGY CONSERVATION:**

The conservation of energy has received highest attention of the management on a continuous basis.

Your Company is in the process of providing a Mass Rapid Transit System to the city of Jaipur, which will require 1/5<sup>th</sup> energy per passenger km compared to road-based system and cause no air pollution in the city.

Further, a regenerative braking system has been provided in Jaipur Metro Coaches, which will cause a substantial saving in energy consumption during operations.

#### **B. TECHNOLOGY ABSORPTION:**

The work of Phase-1A has been awarded to Delhi Metro Rail Corporation Ltd as turnkey project. Accordingly, Form-B as prescribed by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, providing details of Technology Absorption, Adaptation and Innovation is not applicable to the Company. Nonetheless, it deserves to be mentioned here that Jaipur Metro coaches are the first indigenous coaches that have not only been manufactured in India, but also designed in India.



#### **C. FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The details of foreign exchange earnings and outgo are provided under Note 31 of the Notes on Accounts appended to Annual Accounts.

### **ACKNOWLEDGEMENTS**

Your Directors wish to place on record their gratitude for the continuing support of Government of India, Railway Board, RDSO, North West Railway, Delhi Metro Rail Corporation, Government of Rajasthan and its various Departments including the Police Commissionerate of Jaipur, Jaipur Nagar Nigam, Jaipur Development Authority, RIICO, RVPN, JVVNL and Rajasthan Housing Board.

Before parting, your Directors also wish to record their appreciation of the cooperation and encouragement the Company has received and continues to receive from people of the State, including the project affected persons.

For and on behalf of the Board

**(NIHAL CHAND GOEL)**  
Chairman & Managing Director

Place: Jaipur  
Date: 2<sup>nd</sup> September, 2013



**Addendum to the Directors' Report Dated 2<sup>nd</sup> September, 2013**

Replies to the Observations of the Statutory Auditors on the Annual Accounts of the Company for the year 2012-13

**A. OBSERVATION I**

As detailed in Point No. 24 of Notes on Accounts regarding Capital Work in Progress amounting to Rs. 713.22 Crore charged on account of direct cost of Project incurred by Delhi Metro Rail Corporation Ltd. for which no proper explanatory detail & sufficient and appropriate audit evidences were made available for audit and neither statement of expenditure incurred till date nor account confirmation is being provided from executing agency. Hence in absence of information we are unable to allocate the amount of capital work in progress. However the same has been stated as Stage - I Jaipur Metro Rail Project (Phase IA).

Further in reference to above, clause stated at para (K) of Point No. 25 (DMRC Responsibility) of the agreement dated 5<sup>th</sup> day of August 2010 between Jaipur Metro Rail Corporation Ltd. (JMRC) & Delhi Metro Rail Corporation Ltd. (DMRC), states that expenditure incurred in each quarter should be informed by way of statement of account duly supported by the full detail / bills for expenditure as may be required for the audit purpose of JMRC have not been provided by DMRC.

**REPLY I**

The relevant clause of the agreement with DMRC is under consideration to be modified accordingly as the nature of work allotted to DMRC is on "Deposit Work" basis. Under Deposit Work basis contract there is no requirement of such evidences except submission of Utilization certificate.

**B. OBSERVATION II**

As detailed in Point No. (iii) of Note No. 25 of Notes on Accounts with regard to acquisition of land and structure for East- West corridor of Metro Project for which company has paid Rs. 9.58 Crore (accumulated amount as on 31.03.2013 is Rs. 97.57 Crore) during the year out of which Rs. 0.06 Crore (accumulated amount as on 31.03.2013 is Rs. 43.62 Crore) for the year is being deposited in Court under dispute. It is also to state that document or evidence on the basis of which payment made and area acquired is not being provided for verification except statement received from Land acquisition officer of JDA, further to state that payment of final settlement is pending for which no provision is being made and also the title of ownership for the above stated acquisition is not being transferred in favour of JMRC Ltd however the same has been accounted as Fixed Assets of the company.

**REPLY II**

The said issue has been clarified at point no. 25 of Notes on Accounts of the financial statement. Required papers and documents would be obtained from the concerned department / authorities of the State Government, so that formalities with regard to transfer of title deed can be complied with.

**C. OBSERVATION III**

As detailed in Point No. 26 of Notes on Accounts with regard to non allotment of Equity Shares against the money received from State Government, RIICO, Rajasthan Housing Board, for allotment of equity shares has resulted into non compliance of unlisted public companies (Preferential allotment) Amendment Rules, 2011, of the Companies Act, 1956, and impact of such non compliance is not provided in books of accounts.

**Reply III**

The said issue has been clarified at point no. 26 of Notes on Accounts of the financial statement. Further, the State Government is under the process of entering into a Joint Venture with the Government of India for Jaipur Metro project. In light of the same, Equity participation by Govt. of Rajasthan and Govt. of India would be in the ratio of 50:50. Accordingly, the Company will comply with the provisions of allotment of equity shares as required by Companies Act, expeditiously after finalization of the above mentioned joint venture.

**For JAIPUR METRO RAIL CORPORATION LTD**

**(NIHAL CHAND GOEL)**

**Chairman & Managing Director**





*Madhukar Garg & Company*

Chartered Accountants

**Head Office :**

2A, Raj Apartment, Keshav Path  
Ahinsa Circle, C-Scheme, Jaipur-1  
Phone : 2361471, 2365513

**B. Office :**

3, Gangwal Park, Jaipur-4  
Phone : 0141-2618912  
E-mail : mgargco@airtelmail.in

## INDEPENDENT AUDITOR'S REPORT

**To the Members of Jaipur Metro Rail Corporation Limited**

### Report on the Financial Statements

We have audited the accompanying financial statements of Jaipur Metro Rail Corporation Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. 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. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluation the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### Basis for Qualified Opinion

(i) *As detailed in Point No. 24 of Notes on Accounts regarding Capital Work in Progress amounting to ₹ 713..22 Crore charged on account of direct cost of Project incurred by Delhi Metro Rail Corporation Ltd. for which no proper explanatory detail & sufficient and appropriate audit evidences were made available for audit and neither statement of expenditure incurred till date nor account confirmation is being provided from executing agency. Hence in absence of information we are unable to allocate the amount of capital work in progress. However the same has been stated as Stage - I Jaipur Metro Rail Project (Phase IA).*

*Further in reference to above, clause stated at para (K) of Point No. 25 (DMRC Responsibility) of the agreement dated 5th day of August 2010 between Jaipur Metro Rail Corporation Ltd. (JMRC) & Delhi Metro Rail Corporation Ltd. (DMRC), states that expenditure incurred in each quarter should be informed by way of statement of account duly supported by the full detail / bills for expenditure as may be required for the audit purpose of JMRC have not been provided by DMRC.*

(ii) *As detailed in Point No. (iii) of Note No. 25 of Notes on Accounts with regard to acquisition of land and structure for East- West corridor of Metro Project for which company has paid ₹ 9.58 Crore ( accumulated amount as on 31.03.2013 is ₹ 97.57 crore) during the year out of which ₹ 0.06 Crore (accumulated amount as on 31.03.2013 is ₹ 43.62 crore ) for the year is being deposited in Court under dispute. It is also to state that document or evidence on the basis of which payment made and area acquired is not being provided for verification except statement received from Land acquisition officer of JDA, further to state that payment of final settlement is pending for which no provision is being made and also the title of ownership for the above stated acquisition is not being transferred in favour of JMRC Ltd however the same has been accounted as Fixed Assets of the company.*

(iii) *As detailed in Point No. 26 of Notes on Accounts with regard to non allotment of Equity Shares against the money received from State Government, RIICO, Rajasthan Housing Board for allotment of equity shares has resulted into non compliance of unlisted public companies (Preferential allotment) Amendment Rules 2011 of the Companies Act, 1956 and impact of such non compliance is not provided in books of accounts.*

### Qualified Opinion

**In our opinion and to the best of our information and according to the explanations given to us, except for the effects and possible effects of the matter described above (i), (ii), & (iii) in the basis for qualified opinion paragraph, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:-**



- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at march 31, 2013,
- (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date.

#### Emphasis of Matter

We draw attention to Annexure to the Auditor's Report Para No. IX(a) that the company is not regular in depositing its statutory dues with appropriate authorities. Our opinion is not qualified in respect of this matter.

#### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, We report that:
  - (a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (d) **Except for the effects and possible effects of the matter described in the basis for qualified opinion paragraph, in our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;**
  - (e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the companies Act, 1956.
  - (f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under Section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

for **MADHUKAR GARG & COMPANY**  
Chartered Accountants  
FRN 000866C

*Shukla*

**SUNIL SHUKLA**  
( PARTNER )  
M. No. 071179



Place : Jaipur  
Date : 2<sup>nd</sup> September, 2013



## JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR

### ANNEXURE TO THE AUDITORS' REPORT

For the Year Ended on 31<sup>st</sup> March, 2013

(Referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirement' of our Report of even date on the financial statement)

1. (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of fixed assets except for property acquired for East- West corridor .
- (b) Fixed Assets have been physically verified by the management during the year at reasonable intervals except for property acquired for East-West Corridor of the project. No material discrepancies were noticed on such verification except for the above.
- (c) Substantial part of fixed assets have not been disposed off during the year.
2. As there is no Inventory clause 2(a), 2(b) and 2(c) are not applicable.
3. (a) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence requirement of clause 3(b), 3(c) and 3(d) is not applicable.
- (e) The company has not taken any loans, secured or unsecured from companies firm or other parties covered in the register maintained under section 301 of the Act. Hence requirement of clause 3(f) and 3(g) is not applicable.
4. There are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchases of inventories, fixed assets and for the sale of goods wherever applicable. Internal control with regard to purchases of fixed assets and its approval is required to be strengthened. However other than this we have not observed any continuing failure to correct major weakness in internal control system.
5. (a) According to the information and explanations given to us, we are of the opinion that there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act 1956.
- (b) In our opinion and according to the information and explanations given to us, there are no transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act 1956 exceeding the value of rupees five lakhs in respect of any party during the year.
6. As informed to us, the Company has not accepted any deposits under the provisions of Section 58A and 58AA of the Act and the rules framed there under. Therefore, the





provisions of section 58A, 58AA and any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder with regard to deposit accepted from the public are not applicable to the company.

7. In our opinion, the Company's present Internal Audit system commensurate with its size & nature of the business of the company however the same is required to be strengthened.
8. As informed to us, Maintenance of cost records has not been prescribed by the Central Government under Section 209(1)(d) of the Companies Act 1956, for the products of the Company.
9. (a) According to the books and records as produced and examined by us in accordance with generally accepted auditing practices in India and also based on Management representations, undisputed statutory dues including Provident Fund, Employees' state Insurance Dues, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and Other material Statutory dues have generally been regularly deposited by the Company during the year with the appropriate authorities in India.
- (b) As at **31<sup>st</sup> March, 2013**, there have been no disputed dues which have not been deposited with the respective authorities in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Custom Tax, Excise Duty and Cess.
10. As the existence of the company is not more than five years from the date of registration till the last day of financial year ended 31.3.2013 hence the said clause is not applicable .
11. In our opinion and according to the information and explanations given to us, the Company has not availed any loan from any financial institution or bank or debenture holders during the year.
12. The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. Considering the nature of activities carried on by the Company during the year, the provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to it.
14. The Company has not dealt or traded in shares, securities, debentures or other investments during the year.
15. The Company has not given guarantees for loans taken by others from banks or financial institutions.
16. The Company has not taken term loan from Banks or any other financial institutions during the year.
17. On the basis of review of utilization of funds, which is based on overall examination of the balance sheet of the company, related information as made available to us and as represented to us by the Management, In our opinion the Company has not raised any short term funds. Hence its uses for long term investment is not applicable.

18. The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money by public issue during the year.
21. As per the information and explanations given to us and on the basis of examination of records, no fraud on or by the Company was noticed or reported during the year.

for **MADHUKAR GARG & COMPANY**  
Chartered Accountants  
FRN 000866C

*Sunil*

**SUNIL SHUKLA**  
( PARTNER )  
M. No. 071179

Place : Jaipur  
Date : 2<sup>nd</sup> September, 2013





*Madhukar Garg & Company*

Chartered Accountants

**Head Office :**

2A, Raj Apartment, Keshav Path  
Ahinsa Circle, C-Scheme, Jaipur-1  
Phone : 2361471, 2365513

**B. Office :**

3, Gangwal Park, Jaipur-4  
Phone : 0141-2618912  
E-mail : mgargco@airtelmail.in

## COMPLIANCE CERTIFICATE

We have conducted the audit of account of **Jaipur Metro Rail Corporation Limited, Jaipur** for the year ended **31st March, 2013** in accordance with the directions/sub-directions issued by the C&AG of India under section 619 (3)(a) of the Companies Act, 1956 and certify that we have complied with all the directions/subdirections issued to us.

for **MADHUKAR GARG & COMPANY**  
Chartered Accountants  
FRN 000866C

Place : Jaipur  
Date : 2<sup>nd</sup> September, 2013



*Shukla*  
**SUNIL SHUKLA**  
( PARTNER )  
M. No. 071179

## JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR

### BALANCE SHEET AS AT 31ST MARCH, 2013

(Amount in ₹)

Particulars	Note No.	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	4421596000.00	4421596000.00
(b) Reserves and Surplus	4	59313679.82	(246088202.86)
(c) Money received against share warrants		0.00	0.00
(d) Deferred Government Grants	5	1185577221.50	735577221.50
<b>(2) Share application money pending allotment</b>	6	7708758000.00	1070361000.00
<b>(3) Non-Current Liabilities</b>			
(a) Long-term borrowings		0.00	0.00
(b) Deferred tax liabilities (Net)		0.00	0.00
(c) Other Long term liabilities		0.00	0.00
(d) Long term provisions		0.00	0.00
<b>(4) Current Liabilities</b>			
(a) Short-term borrowings		0.00	0.00
(b) Trade payables	7	224398.00	27314381.00
(c) Other current liabilities	8	8768488.00	4873937.00
(d) Short-term provisions	9	160983375.92	176230050.00
<b>Total</b>		<b>13545221163.24</b>	<b>6189864386.64</b>
<b>II. ASSETS</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets :			
(i) Tangible assets	10	988631012.00	889928621.24
(ii) Intangible assets		436916636.00	450299603.00
(iii) Capital work-in-progress		8077247001.00	2353535786.00
(iv) Intangible assets under development		0.00	0.00
(b) Non-current investments		0.00	0.00
(c) Deferred tax assets (net)		5014346.00	0.00
(d) Long term loans and advances	11	3126458754.00	1212541265.00
(e) Other non-current assets	12	0.00	20105270.00
<b>(2) Current assets</b>			
(a) Current investments		0.00	0.00
(b) Inventories		0.00	0.00
(c) Trade receivables		0.00	0.00
(d) Cash and cash equivalents	13	783429392.10	1244475277.30
(e) Short-term loans and advances	14	127524022.14	18978564.10
(f) Other current assets		0.00	0.00
<b>Total</b>		<b>13545221163.24</b>	<b>6189864386.64</b>

See Accompanying Notes (1 to 41) to the Financial Statements.

As per our separate report of even date attached.

For JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR

For MADHUKAR GARG & COMPANY  
CHARTERED ACCOUNTANTS  
FRN 000866C

*(Signature)*  
(Nihal Chand Goel)  
Chairman & M.D.

*(Signature)*  
(Dr. R. Venkateswaran)  
Director

*(Signature)*  
(Sanjay Solanki)  
Director (Finance)

*(Signature)*  
(Hiteshi Jain)  
Company Secretary

*(Signature)*  
(SUNIL SHUKLA)  
PARTNER  
M.NO. 071179



JAIPUR  
DATE : 02.09.2013





**JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR**

STATEMENT OF PROFIT &amp; LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2013

(Amount in ₹)

Particulars	Note No.	Figures for the current reporting period	Figures for the previous reporting period
I. Revenue from operations	15	0.00	0.00
II. Other Income		165163984.34	114439238.16
<b>III. Total Revenue (I +II)</b>		<b>165163984.34</b>	<b>114439238.16</b>
<b>IV. Expenses:</b>			
Cost of materials consumed		0.00	0.00
Purchase of Stock-in-Trade		0.00	0.00
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade		0.00	0.00
Employee benefit expense	16	31218391.00	22416784.00
Finance costs	17	2791.00	2324.23
Depreciation and amortization expense	18	1986446.64	1778722.00
Operational & Other expenses	19	67511765.02	12811265.76
<b>Total Expenses</b>		<b>100719393.66</b>	<b>37009095.99</b>
<b>V. Profit before exceptional &amp; extraordinary items &amp; tax (III - IV)</b>		<b>64444590.68</b>	<b>77430142.17</b>
VI. Exceptional Items	20	276942945.00	(323518355.03)
<b>VII. Profit before extraordinary items and tax (V + VI)</b>		<b>341387535.68</b>	<b>(246088212.86)</b>
VIII. Extraordinary Items		0.00	0.00
<b>IX. Profit before tax (VII - VIII)</b>		<b>341387535.68</b>	<b>(246088212.86)</b>
X. Tax expense:	21		
(1) Current tax		41000000.00	0.00
(2) Deferred tax		(5014346.00)	0.00
<b>XI. Profit(Loss) for the period from continuing operations (IX-X)</b>		<b>305401881.68</b>	<b>(246088212.86)</b>
XII. Profit/(Loss) from discontinuing operations		0.00	0.00
XIII. Tax expense of discounting operations		0.00	0.00
<b>XIV. Profit/(Loss) from Discontinuing operations (after Tax) (XII - XIII)</b>		<b>0.00</b>	<b>0.00</b>
<b>XV. Profit/(Loss) for the period (XI + XIV)</b>		<b>305401881.68</b>	<b>(246088212.86)</b>
XVI. Earning per equity share:	22		
(1) Basic		69.07	(55.66)
(2) Diluted		69.07	(55.66)

See Accompanying Notes (1 to 41) to the Financial Statements.

As per our separate report of even date attached.

For JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR

  
 (Nihal Chand Goel)  
 Chairman & M.D.

  
 (Dr. R. Venkateswaran)  
 Director

  
 (Sanjay Solanki)  
 Director (Finance)

  
 (Hiteshi Jain)  
 Company Secretary
JAIPUR  
DATE : 02.09.2013For MADHUKAR GARG & COMPANY  
CHARTERED ACCOUNTANTS  
FRN 000866C
  
 (SUNIL SHUKLA)  
 PARTNER  
 M.NO. 071179
**JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR****NOTES ON ACCOUNTS****1. GENERAL INFORMATION:**

The Company is established to provide Mass Rapid Transit System in the Jaipur city by providing the Metro Rail. Company has engaged Delhi Metro Rail Corporation for the civil construction of the Phase-I A i.e. Mansaovar to Chandpole of the project on EPC mode. Further, Company has also assigned the S&T, AFC System, Rolling Stock work to DMRC. The estimated cost of the Phase-IA is ₹ 2023.00 Crore. Government of Rajasthan and its agencies has made initial funding for the project by way of equity/ grant.

**2. SIGNIFICANT ACCOUNTING POLICIES****(A) BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

These financial statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. These Financial statements have been prepared to comply in all material aspects with the accounting standards notified under section 211 (3 C) Companies (Accounting Standards) Rules ,2006,as amended and the other relevant provisions of the Companies Act , 1956.

All Assets & Liabilities have been classified as current or non-current as per the company's normal operating cycle and other criteria set out in the Schedule VI to the Companies Act, 1956.

**(B) REVENUE RECOGNITION**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

**(C) INVENTORIES**

- (i) Inventories include consumable stores & spares and loose tools which are valued at cost or net realizable value whichever is less. The Cost formula used is weighted average basis.
- (ii) Land inventory is valued at the lower of cost and net realizable value.

**(D) TANGIBLE ASSETS**

- (i) Fixed Assets are stated at Cost which includes cost of acquisitions, installation, direct costs and borrowing cost incurred up to the date of commissioning.
- (ii) Land acquired for Metro corridor (east-west) is stated at cost including cost of structure acquired and also other direct & indirect expenditure related to its acquisition.





- (iii) Land allotted / transferred to the company by the State Government, its Bodies / Authorities at nil value, is accounted at notional value of ₹ 1 for each transaction.
- (iv) In case of assets to be constructed under deposit works, the advances for Capital works are transferred to capital work in progress till the work is completed on receipt of the statement of expenditure from the executing agency/s.

#### **(E) INTANGIBLE ASSETS**

- (i) Intangible assets are stated at cost of its acquisition and any indirect costs directly attributable to intangible assets are capitalized.
- (ii) Amount paid by company to North western Railway as way leave charges (Right to way) i.e. permission to cross Railway track for metro rail project has been accounted as Intangible assets.

#### **(F) CAPITAL WORK IN PROGRESS**

- (i) Cost of fixed assets yet to come into operation and other direct and indirect revenue expenditure including amortization of expenses exclusively attributable to project is treated as capital work in progress.
- (ii) Revenue expenditure exclusively attributable to project during construction period will be allocated in the ratio of assets capitalized in the month of commissioning of project.
- (iii) During the year under Audit indirect expenditure incurred related to Consultancy charges paid to DMRC are treated as indirect expenditure directly attributable to the cost of project as per CAG view and ICAI opinion with regard to its accounting treatment as per AS-10 are charged to the cost of project . However during previous year such expense was charged to profit and loss account giving the effect of the same for previous years also. Due to change in accounting policy of this treatment the amount related to the same for earlier years charged as revenue expense has been reversed by crediting profit and loss statement treating as prior period items

#### **(G) DEPRECIATION**

- (i) Depreciation has been provided at Straight Line Method (SLM) at the rates as prescribed by Schedule XIV of the Companies Act, 1956.
- (ii) Depreciation is provided on pro-rata basis from the month in which assets come into operation and depreciation for the month of sale is ignored.
- (iii) Land & Site Development has not been depreciated.
- (iv) Fixed Assets costing ₹ 5,000/- or less are depreciated fully in the year of purchase.
- (v) Amortization of Intangible Assets:-
  - (a) Software: Cost incurred on Computer Software purchased / developed resulting in future economic benefits, are capitalized as Intangible Assets and amortized over a period of 4 years.

- (b) Right to way: Cost of right to way is permission to cross railway track will be amortized in its useful life of 35 years being its period of permission to use which is beyond the maximum period of 10 years as specified in accounting standard 26 on intangible assets, as the economic benefits from the underlying assets would be available to the company over such period.”

#### **(H) FOREIGN CURRENCY TRANSACTIONS**

Transactions denominated in foreign currency are recorded at the exchange rate prevailing at the time of transaction.

#### **(I) GOVERNMENT GRANTS IN AID**

- (i) Capital Grant

Government grants related to depreciable assets are treated as deferred income which is recognized in the profit and loss statement on a systematic and rational basis over the useful life of the asset. In compilation to above standard, Grant from State Government, its authorities / bodies, the Government Companies & other authorities towards Capital Expenditure for creation of assets are initially shown as "Deferred Project Grants". These are subsequently recognized as income each year over the life of the relevant assets in proportion to depreciation on those assets.

Government grant in the form of non monetary assets given free of cost, is recorded at nominal value of ₹ 1 and as it being nature of promoters contribution is credited to capital reserve and treated as part of Shareholders funds.

- (ii) Revenue Grant

Government Grants related to revenue are recognized on a systematic basis in the profit and loss statement over the period necessary to match them with the related costs which they are intended to compensate. Such grants are shown separately under other income or deducted in reporting the related expense.

#### **(J) INVESTMENT**

Investment, which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investment. All other investments are classified as long term investments.

Current investments are carried in the financial statement at lower of cost or fair market value determined on an individual investment basis. Long term (Non Current) investments are carried at cost; provision for diminution in value is made to recognize a decline other than temporary in the value of the investments

#### **(K) EMPLOYEES BENEFITS**

- (i) Defined Contribution Plans

Retirement benefit in form of Pension is a defined contribution scheme. The contribution is charged to the Statement of Profit & Loss of the year when the contribution is due.



## (ii) Defined Benefit and other long term benefits Plans

Gratuity liability is defined benefit obligation, presently staff is on deputation and the said benefits are payable as per service rules of the parent department.

## (iii) Short Term Employee's Benefits

Short term Employee's benefits are recognized in the year during which the service has been rendered for all employees of JMRC Ltd and staff on deputation from various government department / PSU/ Authorities etc. or retired employees on contractual basis or through placement agencies.

**(L) BORROWING COST**

Borrowing costs that are attributable to the acquisition and construction of the qualifying assets are capitalized as part of the cost of such assets. A qualifying assets is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

**(M) LEASE TRANSACTION**

For assets taken on operating lease, lease rentals payable are charged to revenue.

**(N) EARNING PER SHARE**

Basic and diluted earning per share is calculated by dividing the net profit or loss for the period attributable to equity shareholders and weighted average number of equity shares outstanding during the period.

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

**(O) DEFERRED TAX**

Income Tax provision comprises of Current Tax and Deferred Tax charge or credit. Provision for Current Tax is made on the assessable income at the tax rate applicable to the relevant Assessment Year. The Deferred Tax Asset and Liability is calculated by applying tax rate and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred Tax Assets arising mainly on account of unabsorbed depreciation under tax laws are recognized, only if there is a virtual certainty of its realization, supported by convincing evidence. Deferred Tax Assets on account of other timing differences are recognized, only to the extent there is a reasonable certainty of its realization. At each Balance Sheet date, the carrying amount of deferred assets is reviewed to reassure realization.

**(P) IMPAIRMENT**

The Carrying amount of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal as well as external factors. An impairment

loss will be recognized wherever the carrying amount of an asset exceeds its estimated recoverable amount. The recoverable amount is greater of the assets net selling price and value in use. In assessing the value in use, the estimated future Cash flows are discounted to the present value at the weighted average cost of capital. After impairment depreciation is provided on the revised carrying amount of the assets over the remaining useful life. Previously recognized impairment loss is further provided or reversed depending upon the changes in circumstances.

**(Q) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

The Company recognizes provision where there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made. Contingent assets are neither recognized nor disclosed. Provisions, contingent liabilities and contingent assets are reviewed at each Balance Sheet date.

**(R) CASH AND CASH EQUIVALENTS**

Cash and cash equivalents comprises of cash at bank and cash in hand. The company considers all highly liquid investments with an original maturity of three months or less from date of purchases, to be cash equivalents.

**(S) USE OF ESTIMATES**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/materialized.

## JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR

NOTE NO. 3SHARE CAPITAL

	(Amount in ₹)	
	<u>AS AT 31.03.13</u>	<u>AS AT 31.03.12</u>
<b>AUTHORISED</b>		
15000000 Equity shares of ₹ 1000/- each (Previous Year 11000000 Equity shares of ₹ 1000/- each)	<u>15000000000.00</u>	<u>11000000000.00</u>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
4421596 Equity shares of ₹ 1000/- each fully paid up (Previous Year 4421596 Equity shares of ₹ 1000/- each fully paid up )	<u>4421596000.00</u>	<u>4421596000.00</u>
	<u><b>4421596000.00</b></u>	<u><b>4421596000.00</b></u>

**(A) Reconciliation of the Number of Equity Shares**

	<u>Nos.</u>	<u>(Amount in ₹)</u>	<u>Nos.</u>	<u>(Amount in ₹)</u>
Shares outstanding at the Beginning	4421596.00	4421596000.00	992100.00	992100000.00
Add : Shares Issued during the year	0.00	0.00	3429496.00	3429496000.00
<b>No. of Shares outstanding at the End</b>	<u><b>4421596.00</b></u>	<u><b>4421596000.00</b></u>	<u><b>4421596.00</b></u>	<u><b>4421596000.00</b></u>

**(B) Right, Preferences & Restrictious attached to Shares**

**Equity Shares :** - The Company has one class of equity shares having a par value of ₹ 1000/- per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their share holding.

**(C) Details of Shareholders holding more than 5% of Shares of the aggregate shares in the Company**

<u>Name of Share Holder</u>	<u>No. of Share Held</u>	<u>% of Shares</u>	<u>No. of Share Held</u>	<u>% of Shares</u>
His Excellency the Governor of Rajasthan & on his behalf	3789996.00	85.71%	3789996.00	85.71%
Rajasthan State Industrial Development & Investment Corporation Ltd.	631600.00	14.29%	631600.00	14.29%
<b>Total</b>	<u><b>4421596.00</b></u>	<u><b>100.00%</b></u>	<u><b>4421596.00</b></u>	<u><b>100.00%</b></u>

## JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR

NOTE NO. 4RESERVES AND SURPLUS

	(Amount in ₹)	
	<u>AS AT 31.03.13</u>	<u>AS AT 31.03.12</u>
(1) Capital Fund Reserve (against Land)	11.00	10.00
<b>Total (1)</b>	<u><b>11.00</b></u>	<u><b>10.00</b></u>
(2) Surplus in Statement of Profit & Loss :		
Balance as at the beginning of the year	(246088212.86)	0.00
Add : Profit / (Loss) for the year	305401881.68	(246088212.86)
<b>Total (2)</b>	<u><b>59313668.82</b></u>	<u><b>(246088212.86)</b></u>
<b>Total (1 + 2)</b>	<u><b>59313679.82</b></u>	<u><b>(246088202.86)</b></u>

NOTE NO. 5DEFERRED GOVERNMENT GRANTS

Development Grant in Aid (Jaipur Development Authority)	1185577221.50	735577221.50
	<u><b>1185577221.50</b></u>	<u><b>735577221.50</b></u>

NOTE NO. 6SHARE APPLICATION MONEY PENDING ALLOTMENT

Rajasthan State Government	6680358000.00	1070361000.00
Rajasthan Housing Board	660000000.00	0.00
Rajasthan State Industrial Development & Investment Corporation Ltd.	368400000.00	0.00
	<u><b>7708758000.00</b></u>	<u><b>1070361000.00</b></u>





JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR

NOTE NO. 7

TRADE PAYABLES

(Amount in ₹)

AS AT 31.03.13 AS AT 31.03.12

Trade Payables - Due to Micro, Small & Medium Enterprises 0.00 0.00

Others :  
Creditors against Fixed Assets 0.00 27314381.00  
Creditors against Expenses 224398.00 0.00

224398.00 27314381.00

NOTE NO. 8

OTHER CURRENT LIABILITIES

Earnest Money 1200000.00 2950000.00  
Security Received 962407.00 938902.00  
Government Dues payable 3122748.00 985035.00  
Income earned but not due 3483333.00 0.00

8768488.00 4873937.00

NOTE NO. 9

SHORT TERM PROVISIONS

Outstanding Liabilities 33354797.92 6068369.00  
Provision for Sundry Land Owner 86628578.00 170161681.00  
Provision for Taxation ( Ay 2012-2013) 20000000.00 0.00  
Provision for Taxation ( Ay 2013-2014) 21000000.00 0.00

160983375.92 176230050.00

JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR

NOTE NO. 10

FIXED ASSETS CHART

S. No.	Name of Assets	GROSS BLOCK			DEPRECIATION / AMORTISATION		NET BLOCK	
		As at 01.04.12	Addition	Deletion/ Adjustment	As at 31.3.2013	Upto 01.04.12 For the Period	As at 01.04.12	As at 31.3.2013
(i)	TANGIBLE ASSETS							
1	Land (Property Development)	10.00	1.00	0.00	11.00	0.00	0.00	11.00
2	Land (Corridor East-West)	879951036.00	95838007.00	0.00	975789043.00	0.00	879951036.00	975789043.00
3	Books Library	58523.00	4349.00	0.00	62872.00	4349.00	62872.00	0.00
4	Furniture & Fixtures	1447641.00	114005.00	0.00	1561646.00	95479.00	1327041.00	1345567.00
5	Computer & Peripherals	6555767.53	423460.00	0.00	6979227.53	1112900.50	4876905.50	4187465.00
6	Vehicle	1361721.24	3641314.40	0.00	5203035.64	124268.00	1237453.24	4880603.00
4	Office Equipments	2727332.50	31600.00	0.00	2758932.50	139452.50	2536175.50	2428323.00
	Total (i)	892102031.27	100252736.40	0.00	992354767.67	1550345.64	88928621.24	988631012.00
(ii)	INTANGIBLE ASSETS							
1	Software	1690405.00	162000.00	0.00	1852405.00	436101.00	1320944.00	1046843.00
2	Right of way (N/W Railway)	458810309.00	0.00	0.00	458810309.00	13108866.00	448978659.00	435869793.00
	Total (ii)	460500714.00	162000.00	0.00	460662714.00	13544967.00	450299603.00	436976636.00
(iii)	CAPITAL W.I.P.							
	Project - Stage 1 of JMRC (Phase -I)							
1	Direct Expenditure on Project	2275058735.00	4857114511.00	0.00	7132173246.00	0.00	2275058735.00	7132173246.00
2	Indirect Expenditure (Net) incurred incidental to Construction of Project pending allocation (Refer to Note No. 10.1)	78477051.00	866596704.00	0.00	945073755.00	0.00	78477051.00	945073755.00
	Total (iii)	235335786.00	5723711215.00	0.00	8077247001.00	0.00	235335786.00	8077247001.00
(iv)	INTANGIBLE ASSETS UNDER DEVELOPMENT							
			0.00	0.00	0.00	0.00	0.00	0.00
	Total (I to iv)	3706138531.27	5824125951.40	0.00	9530264482.67	12374521.03	3693764010.24	9502794649.00
	Prev. Year Figures	191984241.06	3608043955.24	93889665.03	3706138531.27	11610372.00	19122092.03	3693764010.24



## JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR

NOTE NO. 10.1Detail of Indirect Expenditure (Net) incurred Incidental to Construction of Project pending allocation

(Amount in ₹)

	AS AT 31.03.13	AS AT 31.03.12
(A) Opening Balance	78477051.00	141152539.03
(B) <u>Addition during the year</u>		
<u>(i) Expenditure During the Year</u>		
Administrative Expenses	80616.00	1136454.00
Advertisement	0.00	4680769.00
Consultancy Project Expenses	522240000.00	10626144.00
Depreciation & Amortization	13108866.00	9831650.00
Technical & Other consultancy	20981725.00	1078660.00
Expenses on DPR	0.00	3860500.00
Electricity Expenses	13137282.00	0.00
<b>Total (i)</b>	<b>569548489.00</b>	<b>31214177.00</b>
<u>(ii) Expenditure charged to Revenue in earlier years Capitalised During the year</u>		
Accounting Treatment of Prior Period Items	67419525.00	
Accounting Treatment of Project Consultancy Fees	229628690.00	
<b>Total (ii)</b>	<b>297048215.00</b>	<b>0.00</b>
<b>Total Addition during the year ( i +ii)</b>	<b>866596704.00</b>	<b>31214177.00</b>
(C ) <u>Adjustments</u>		
Transfer to Prior Period Items	0.00	93889665.03
<b>Total (A+B-C)</b>	<b>945073755.00</b>	<b>78477051.00</b>

## JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR

NOTE NO. 11LONG TERM LOANS & ADVANCES

(Amount in ₹)

	AS AT 31.03.13	AS AT 31.03.12
<b>Unsecured, Considered Good, unless otherwise stated</b>		
Capital Advances to Contractor	3118426754.00	1212541265.00
(Advance given to DMRC for Project work to the extent not yet adjusted)		
Security Deposit - Jaipur Vidhyut Vitaran Nigam Limited	8032000.00	0.00
	<b>3126458754.00</b>	<b>1212541265.00</b>

NOTE NO. 12OTHER NON-CURRENT ASSETS

<b>Unsecured, Considered Good, unless otherwise stated</b>		
<b>Preliminary Expenses</b>		
Company Incorporation Expenses	0.00	5207270.00
Increase in Authorised Share Capital	0.00	14898000.00
	<b>0.00</b>	<b>20105270.00</b>

NOTE NO. 13CASH & BANK BALANCES

<b>Cash &amp; Cash Equivalents</b>		
Cash on Hand	0.00	0.00
<b>Bank Balances</b>		
In Current A/c (With Scheduled Bank)	133229392.10	1039475277.30
In Fixed Deposit (Less than 3 month Maturity)	550200000.00	205000000.00
<b>Other Bank Balances</b>		
Fixed Deposit with Banks (Maturity Period more than 3 months)	100000000.00	0.00
	<b>783429392.10</b>	<b>1244475277.30</b>





## JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR

NOTE NO. 14SHORT TERM LOANS & ADVANCES

(Amount in ₹)

	<u>AS AT 31.03.13</u>	<u>AS AT 31.03.12</u>
<u>Unsecured, Considered Good, unless otherwise stated</u>		
Sundry Advances	5516176.00	110637.00
Tax Deducted at Source	20390640.26	8872611.10
Prepaid Expenses	577611.00	661768.00
Deposit & Advances with Govt. Deptt.	10892709.00	8392709.00
Advance to Income Tax Dept. (Demand)	300000.00	300000.00
Accured Interest & Other Income	5948346.88	371282.00
Money Recoverable from Dept. of Economic Affairs as Grant	269557.00	269557.00
DMRC- Temporary Loan (Interest Free)	83628982.00	0.00
	<u>127524022.14</u>	<u>18978564.10</u>

NOTE NO. 15OTHER INCOME

(Amount in ₹)

	<u>AS AT 31.03.13</u>	<u>AS AT 31.03.12</u>
Interest Income	125092395.34	91273483.16
Misc. Other Receipts	371262.00	85130.00
Recruitment fees	39492100.00	0.00
Excess provsion written back	208227.00	0.00
Tender Fees	0.00	5019000.00
Reimbursement of Expenses (Ministry of Urban Development)	0.00	18061625.00
	<u>165163984.34</u>	<u>114439238.16</u>

## JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR

NOTE NO. 16EMPLOYEE BENEFIT EXPENSES

(Amount in ₹)

(1) Establishment Expenses :

Salary to Managing Director	1586324.00	128052.00
Salary to Staff	18971077.00	14928012.00
Remuneration to Staff	1895335.00	1578307.00
Remuneration to Contractual Staff on Hire	5849908.00	3293004.00
Pension Contribution of Staff	1521157.00	916317.00
Bonus	250000.00	250000.00

<b>Total (1)</b>	<b><u>30073801.00</u></b>	<b><u>21093692.00</u></b>
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(2) Reimbursement to Staff :

Local Travel Expenses	195850.00	304564.00
Medical Expenses	598306.00	503117.00
Telephone Expenses	320053.00	466603.00
Other Expenses	30381.00	48808.00

<b>Total (2)</b>	<b><u>1144590.00</u></b>	<b><u>1323092.00</u></b>
<b>Total (1 + 2)</b>	<b><u>31218391.00</u></b>	<b><u>22416784.00</u></b>



## JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR

NOTE NO. 17FINANCE COST

(Amount in ₹)

	<u>AS AT 31.03.13</u>	<u>AS AT 31.03.12</u>
Bank Charges	2791.00	2324.23
	<u>2791.00</u>	<u>2324.23</u>

NOTE NO. 18DEPRECIATION & AMORTISATION EXPENSES

Depreciation on Tangible Assets	1550345.64	1409261.00
Amortisation on Intangible Assets	436101.00	369461.00
	<u>1986446.64</u>	<u>1778722.00</u>

## JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR

NOTE NO. 19OPERATIONAL & OTHER EXPENSES

(Amount in ₹)

	<u>AS AT 31.03.13</u>	<u>AS AT 31.03.12</u>
<b>(A) Operational Expenses</b>	0.00	0.00
<b>(B) Administration Expenses :</b>		
Rent paid	1401820.00	1376108.00
Company Law Affairs	22700.00	1397233.00
Cleaning & Sweeping Expenses	18900.00	196050.00
Company Guest Expenditure	0.00	12983.00
Electricity Charges through RSMM	597911.00	711388.00
Meeting & Seminars	397679.50	290680.00
News Paper	14672.60	9551.00
Office Expenses	1459791.00	1076978.76
Printing & Stationery Expenses	963772.00	666850.00
Telephone Expenses	566160.00	317233.00
Vehicle Hire Expenses	3516436.00	2325843.00
Legal & professional Expenses	1351736.00	804100.00
Expenses Related to Previous Year	22472.00	375888.00
Vehicle Maintenance Expenses	410090.00	235695.00
Travelling Expenses to Staff	795344.00	878655.00
Travelling Expenses (Managing Director)	116044.00	650.00
Internal Audit Fees	112360.00	110300.00
Advertisement (Print Media)	579900.00	459548.00
Membership Fee	212013.00	197229.00
Staff Training Exp.	22737851.00	0.00
Postage & Courier Exp.	19640.00	0.00
Technical & Other Exp.	1247877.00	0.00
Event Expenses	164438.00	0.00
Recruitment of Staff Expenses	23684380.92	0.00
Repair & Maintenance	27075.00	0.00
<u>Payment to Auditor</u>		
Statutory Audit Fees	112360.00	112360.00
Tax Audit Fees	50562.00	33708.00
<u>Consultancy Fees</u>		
Consultancy Fees (F&T)	988768.00	1067985.00
Consultancy Fees (Others)	5919012.00	154250.00
<b>(C) Selling Expenses</b>	0.00	0.00
	<u>67511765.02</u>	<u>12811265.76</u>



## JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR

## NOTE NO. 20

## EXCEPTIONAL ITEM

**(A) Accounting Treatment of Prior Period Items  
( Related to Project Under Construction )**

(Amount in ₹)

	AS AT 31.03.13	AS AT 31.03.12
(i) <b>Indirect Income</b>		
Income from Interest	0.00	4339614.00
Other Income	0.00	69722.00
<b>Total (i)</b>	<b>0.00</b>	<b>4409336.00</b>
(ii) <b>Reversal of Expenses debited in earlier year</b>		
Consultancy Fees to DMRC ( Refer to Note No. 23(i) )	85481150.00	0.00
<b>Total (ii)</b>	<b>85481150.00</b>	<b>0.00</b>
(iii) <b>Indirect Expenses</b>		
Administrative Expenses	0.00	2314399.00
Consultancy Project Expenses ( DMRC)	0.00	85481150.00
Consultancy Expenses Others	0.00	1033121.00
Depreciation & Amortisation Expenses	0.00	758375.03
Expenses Related to Previous Year	0.00	5774.00
Payment to Employee	0.00	8706182.00
<b>Total (iii)</b>	<b>0.00</b>	<b>98299001.03</b>
(iv) <b>Reversal of Income credited in earlier years</b>		
Reimburshment of Expenses ( MoUD , GOI ) ( Refer to Note No. 23(ii) )	18061625.00	0.00
<b>Total (iv)</b>	<b>18061625.00</b>	<b>0.00</b>
<b>Total (A) [(i+ii)-(iii+iv)]</b>	<b>67419525.00</b>	<b>(93889665.03)</b>

**(B) Accounting Treatment of Project Consultancy ( DMRC)**

( Refer to Note no 23(i) )

**Expenses Reverse During the year & (Charged) in previous year**

Consultancy Fees paid to DMRC	201800000.00	(201800000.00)
Expenses related to Previous year ( DMRC Consultancy fees)	27828690.00	(27828690.00)
<b>Total (B)</b>	<b>229628690.00</b>	<b>(229628690.00)</b>

**(c) Accounting Treatment of Other Prior Period Items****Prilimany Exp Written off ( Refer to Note No. 23(iii) )**

Company Incorporation Expenses	5207270.00	0.00
Inc in Authorised Share Capital	14898000.00	0.00
<b>Total (C)</b>	<b>20105270.00</b>	<b>0.00</b>
<b>TOTAL (A+B-C)</b>	<b>276942945.00</b>	<b>(323518355.03)</b>

## JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR

## NOTE NO. 21

## TAX EXPENSES

(Amount in ₹)

**(A) CURRENT TAX**

Tax effect of earlier year (A.Y. 2012-2013)	20000000.00	0.00
Tax effect of current year	21000000.00	0.00
<b>Total (A)</b>	<b>41000000.00</b>	<b>0.00</b>

**(B) DEFFERED TAX**

Deffered Tax Credit	(5014346.00)	0.00
<b>Total (B)</b>	<b>(5014346.00)</b>	<b>0.00</b>
<b>Total ( A+B)</b>	<b>35985654.00</b>	<b>0.00</b>



**22. EARNING PER SHARE:**

(in ₹)

<b>Particulars</b>	<b>31.03.13</b>	<b>31.03.12</b>
(i) Profit/(Loss) after Tax	305401881.68	(246088212.86)
(ii) Weighted Average No. of Equity Shares (Basic)	4421596	4421596
(iii) Weighted Average No. of Equity Shares (Diluted)	4421596	4421596
(iv) Basic EPS	69.07	(55.66)
(v) Diluted EPS	69.07	(55.66)
(vi) Nominal Value of Per Equity Share	1000.00	1000.00

(Note :- \* Enhancement in EPS for the F.Y. 2012-2013 is on account of increase in profit due to reversal of Indirect Expenditure related to project charged as revenue in earlier years)

**23. EXCEPTIONAL ITEMS/PRIOR PERIOD ITEM**

- (i) Company has changed its accounting policy with regard to treatment of consultancy fees paid to DMRC Ltd. During previous year the said fees paid to DMRC Ltd (amounting to ₹ 22,96,28,690) was charged to profit and loss account & the impact of earlier year of the same (amounting to ₹ 8,54,81,150) was charged to profit and loss account by way of prior period item. However on the basis of ICAI opinion with regard to its treatment and of CAG view for the same, Company has changed its policy for its accounting treatment by capitalizing the consultancy fees paid to DMRC Ltd. which is exclusively attributable to project. Accordingly impact of said expenses of earlier year has been reversed by crediting to profit and loss account treating it as exceptional item and to make it comparable with previous year figures related to consultancy fees paid to DMRC Ltd are also reclassified.
- (ii) During the year Company has debited Prior Period Item on account of Reimbursement of Expenses received against DPR Expenses from Ministry of Finance (Govt. of India) amounting to ₹ 1,80,61,625.00, charged as Income during previous year instead of crediting to indirect cost exclusively attributable to project, hence the same being rectified through Prior Period Items.
- (iii) During the year Company has written off preliminary expenses amounting to ₹ 2,01,05,270.00 through prior period items.

**24. CAPITAL WORK IN PROGRESS**

- (i) The company has received the Detailed Project Report for Stage-I of the Jaipur Metro Rail Project prepared by Delhi Metro Rail Corporation Limited. The work of Stage-I has been proposed to be executed in 2 Phases. The company has executed an agreement with

DMRC Limited on 5<sup>th</sup> August, 2010 for Development of Via – duct, Track and Electrification and related civil works of the metro line from Mansarovar to Chandpole having length of 9.718 Kms on deposit work basis and referred as Phase-IA of the Project.

- (ii) The company has also entered into an supplementary agreement with DMRC Ltd on dated 14<sup>th</sup> day of August 2012 with regard to implementation of work related to signaling and Telecom & AFC and Rolling Stock on deposit work basis.
- (iii) On account of above stated agreement company has paid an advance of ₹ 1025.06 Crore to Delhi Metro Rail Corporation Limited (DMRC) out of which company has adjusted ₹ 713.22 Crore as Capital Work in Progress on the basis of bill/ statement received from DMRC the executing agency account of which is subject to confirmation and reconciliation. Since it is a deposit work, actual bills of expenditure are lying with the DMRC Ltd. However the company has requested to executing agency to provide a copy of the said bills of expenditure which has not yet been received from them. The advances paid by the DMRC to Contractors as per their terms & conditions have not been accounted for.

**25. LAND**

- (i) During the Year Jaipur Municipal Corporation (JMC) have allotted 1 land piece measuring 160 sq.mtr. in favour of Jaipur Metro Rail Corporation Limited for which possession of Property is already taken. Including the above Allotment resulting into cumulative total of 161268.73 Sq. Mtr. of land for which legal title in favour of Company is still not executed. Value of such land given by State Govt. / Authorities for Metro Project is at Nil cost but accounting value of the same is being made at notional value of ₹ 1 for each land in books of accounts by crediting capital fund account. Further the said Land has been treated as fixed assets for the JMRC Limited and will be used for Property Development. However such Land allotted can also be taken back by State Government/ Authorities as per its policy decision.
- (ii) Detail of Quantitative disclosure of Land Pieces allotted by State Govt. for Development Purpose (Notional Value of ₹ 1) treated as fixed assets is as below :-

	Piece of Land (No.)	Sq. Mtr
Opening Balance as on 01.04.12	10	161108.73
<b>Add : Addition during the year</b>		
Transfer from Jaipur Municipal Corp.	1	160.00
Less : Transferred back to State Govt.		0.00
		160.00
<b>Closing Balance as on 31.03.12</b>		<b>161108.73</b>





- (iii) During the year company has acquired land & structure for the purpose of East - West Corridor of Metro Project through Land Acquisition Officer of Jaipur Development Authority as per the policy of State Government of Rajasthan for which company has paid ₹ 9.58 Crore including payment made to Court under dispute amounting to ₹ 0.06 Crore. Final settlement of the compensation for the above acquisition of Land & Structure is still pending. Title Deed of the above acquisition in favour of Jaipur Metro Rail Corporation Ltd. is also still pending.

## 26. SHARE APPLICATION MONEY PENDING ALLOTMENT

Company has received ₹ 77087.58 Lac against Share Application Money from State Government, RHB & RIICO till the end of the financial year ending as on 31.3.2013 against the allotment of Equity shares of the company. However said allotment of equity shares against the application money received is still pending as the State Government has approved that further allotment of equity shares shall not be made till the proposed Equity participation by Government of India is finally approved, which is under consideration with Government of India.

## 27. ADMINISTRATIVE OFFICE PREMISES TAKEN ON RENT

The company has taken furnished premises on Rent/Lease basis from Rajasthan State Mines & Minerals Limited for the same, the company has paid ₹ 50.00 Lac as Security Deposit (interest free). As agreed with the said lessor the company has accounted for the rent including Service Tax due till 31<sup>st</sup> March, 2013 on the basis of rent rates applicable as per PWD norms. The execution of the Agreement with the lessor is still pending to be executed.

## 28. CONTINGENT LIABILITIES NOT PROVIDED FOR

- (i) ₹ 1187.93 Crore on account of Contractual Agreement with DMRC for execution of Civil Work, Track Laying, Electrification and against Supplementary Agreement executed for Rolling Stock, Signaling & Telecommunication & Automated Fare Collection, further liabilities of ₹ 30.34 Crore for administrative expenses / consultancy payable to DMRC.
- (ii) Liability, if any by way of solacium, compensation etc. payable with the order of state government on account of final settlement to owners of property whose land and structure acquired during the year and due to any compensation granted on account of inconvenience caused in running the business activity.
- (iii) Liability, if any on account of cases pending for decision before court.
- (iv) Liability, if any Payable on account of Service Tax on the Consultancy Charges paid to

Delhi Metro Rail Corporation Ltd. (DMRC).

- (v) Amount payable to DMRC Ltd., if any on account of Interest free Loan against Reimbursement of amount deducted against Income Tax has not been provided for except amount paid during the year amounting to ₹ 8.36 Crore
29. In the opinion of the management and to the best of their knowledge and belief the value of realization of advances and other Current Assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.
30. The company is not a manufacturing undertaking, hence the provisions for Disclosure of licensed and installed capacity, Raw material consumption, Production and Turnover are not applicable.
31. Detail of Foreign Currency transactions during the year:-

		(in ₹)
(i)	CIF Value of Imports	NIL (NIL)
(ii)	Earning in foreign currency	NIL (NIL)
(iii)	Expenditure in foreign currency:-	
	Membership Fees	227764.00 (206763.00)

32. There are no Micro, Small and Medium Enterprises, to whom the Company owes dues, which are outstanding for more than 45 days at the Balance Sheet date. This information as required to be disclosed under the Micro, Small & Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company.

## 33. SEGMENT REPORTING (AS 17)

As the company has not started any business activity disclosure for AS 17 not required.

## 34. RELATED PARTY DISCLOSURES (AS 18)

- (A) The name of related Parties of the company are as under:
- (i) Individuals and Key Management personal having substantial Interest in the Company
- (a) Shri Nihal Chand Goel, Chairman and Managing Director
- (ii) Relative of such individual and Key Management personal Key
- (iii) Enterprises in which any person described above has substantial interest
- (B) The Detail of Transaction with related parties are as follows:



Particulars	A (i)	A (ii)	A(iii)	Total as on 31.03.13	(Amount in ₹) Total as on 31.03.12
Remuneration	1586324.00	Nil	Nil	1586324.00	128052.00
<b>Total</b>	<b>1586324.00</b>	<b>Nil</b>	<b>Nil</b>	<b>1586324.00</b>	<b>128052.00</b>

**35. LEASES**

As a Lessee

**(1) Finance Lease**

There is no Finance Lease taken by the Company during the year.

**(2) Operating Lease**

(i) The total of future minimum lease payments under non-cancelable operating lease for each of the following periods:-

(a)	Not later than one year	Nil
(b)	Later than one year and not later than five years	Nil
(c)	Later than Five Years	Nil

(ii) Lease payments recognized in the Indirect Expenses pending allocation for the year ended on 31<sup>st</sup> March, 2013 is ₹ 14.02 Lacs.

(iii) The Company has not given any sub-lease during the year

**36. DEFERRED TAXATION**

S.No.	Particulars	Deferred Tax Assets/ Liabilities as on 1.4.2012	Charged/ (Credit) during the year	Deferred Tax Assets/ Liabilities as at 31.3.2013
(i)	Deferred Tax Assets On account of Preliminary Expenses written off	0.00	(6523155.00)	(6523155.00)
(ii)	Deferred Tax Liabilities On account of impact of Depreciation	0.00	1508809.00	1508809.00
(iii)	Deferred Tax Assets (Net) (i-ii)	0.00	(5014346.00)	(5014346.00)

**37.** Project advance account with Delhi Metro Rail Corporation Ltd. (Project Work) is subject to confirmation & reconciliation since the beginning of project till date.**38.** Balance of Sundry Debtors, Sundry Creditors and Advances are subject to confirmation.**39.** The Company did not have convertible, partly convertible debentures as on 31<sup>st</sup> March, 2013.**40.** Figures in Bracket denotes for previous year**41. PREVIOUS YEAR FIGURES**

Previous figures have been regrouped / reclassified wherever necessary to confirm the current year presentation.

For JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR

 (Nihal Chand Goel) Chairman & M.D.  
 (Dr. R. Venkateswaran) Director  
 (Sanjay Solanki) Director (Finance)  
 (Hiteshi Jain) Company Secretary  
**JAIPUR**  
**DATE : 02.09.2013**

For MADHUKAR GARG & COMPANY  
CHARTERED ACCOUNTANTS  
FRN 000866C

  
**( SUNIL SHUKLA )**  
**PARTNER**  
**M.NO. 071179**







संख्या/No. सा. एवं सा.क्षे. III/जे.एम.आर.सी./ए.ए./2012-2013/2465

**भारतीय लेखा तथा लेखा परीक्षा विभाग**कार्यालय प्रधान महालेखाकार (सामान्य एवं सामाजिक क्षेत्र लेखापरीक्षा), राजस्थान  
जनपथ, जयपुर - 302 005**INDIAN AUDIT AND ACCOUNTS DEPARTMENT**

OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (GENERAL AND SOCIAL SECTOR AUDIT), RAJASTHAN

Janpath, Jaipur-302 005

दिनांक 23.9.2013

प्रबन्ध निदेशक,  
जयपुर मेट्रो रेल कॉर्पोरेशन लिमिटेड,  
खनिज भवन, उद्योग भवन परिसर,  
तिलक मार्ग, सी-स्कीम,  
जयपुर।

**विषय :** जयपुर मेट्रो रेल कॉर्पोरेशन लिमिटेड, जयपुर के 31 मार्च, 2013 को समाप्त वर्ष के लेखों पर भारत के नियंत्रक एवं महालेखापरीक्षक की टिप्पणी।


महोदय,

मुझे कम्पनी अधिनियम की धारा 619 (5) के अन्तर्गत कम्पनी की वार्षिक साधारण सभा में प्रस्तुत करने हेतु 31 मार्च, 2013 को समाप्त वर्ष के लिए जयपुर मेट्रो रेल कॉर्पोरेशन लिमिटेड, जयपुर के लेखाओं पर कम्पनी अधिनियम की धारा 619 (4) के अधीन शून्य टिप्पणी प्रमाण-पत्र जारी करने का आदेश प्राप्त हुआ है।

उक्त अवधि के वार्षिक लेखे एवं लेखापरीक्षकों की रिपोर्ट की सात प्रतियां जैसी कि साधारण सभा में रखी जावें तथा स्वीकृत की जावें, कृपया इस कार्यालय को शीघ्र भिजवाने का श्रम करें।

संलग्न : उपरोक्तानुसार

भवदीय,

  
उपमहालेखाकार  
(सा. एवं सा.क्षे. III)

टेलीक्स : 2285    फैक्स : 0141-2385181    टेलीफोन : 2385430-39, 2385230, 2385131, 2385232    तार : लेखापरीक्षा  
Telex : 2285    Fax : 0141-2385181    Telephone : 2385430-39, 2385230, 2385131, 2385232    Telegram : Lekhapariksha



## COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 619(4) OF COMPANIES ACT, 1956 ON THE ACCOUNTS OF JAIPUR METRO RAIL CORPORATION LIMITED, JAIPUR FOR THE YEAR ENDED 31 MARCH, 2013.

The preparation of financial statements of Jaipur Metro Rail Corporation Ltd., Jaipur for the year ended 31 March, 2013 in accordance with the financial reporting framework prescribed under the Companies Act, 1956 is the responsibility of the management of the company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 619(2) of the Companies Act, 1956 are responsible for expressing opinion on these financial statements under section 227 of the Companies Act, 1956 based on independent audit in accordance with the auditing and assurance standards prescribed by their professional body, the Institute of Chartered Accountants of India. This is stated to have been done by them vide their Audit Report dated 2 September, 2013.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 619(3) (b) of the Companies Act, 1956 of the financial statements of Jaipur Metro Rail Corporation Ltd., Jaipur for the year ended 31 March, 2013. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquires of the statutory auditors and company personnel and a selective examination of some of the accounting records. On the basis of my audit nothing significant has come to my knowledge which would give rise to any comments upon or supplement to Statutory Auditors' report under section 619 (4) of the companies Act, 1956.

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

Place : Jaipur

Date: 23<sup>th</sup> September, 2013

  
(S. K. Bahri)

Pr. Accountant General (G&SSA)  
Rajasthan, Jaipur





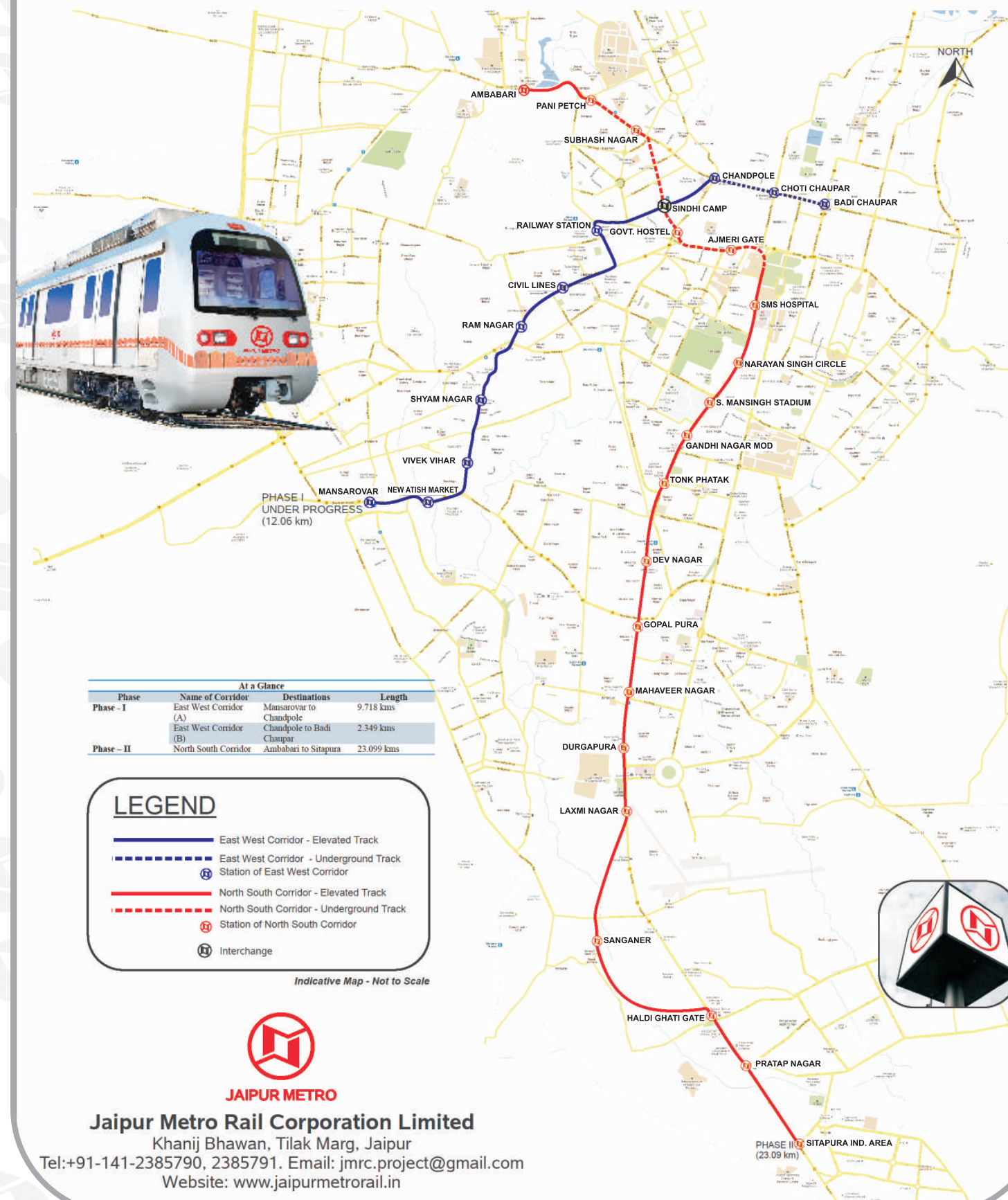






JAIPUR METRO

## JAIPUR METRO RAIL ROUTE MAP





**JAIPUR METRO**

## **JAIPUR METRO RAIL CORPORATION LIMITED**

■ **Registered Office** ■

Khanij Bhawan, Tilak Marg,  
C-Scheme, Jaipur - 302 005

■ **Contact** ■

Tel. : 0141-5192101, 5192102  
Fax : 0141-5192103

■ **Web & E-mail** ■

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