
HARYANA MASS RAPID TRANSPORT CORPORATION LIMITED

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**AGENDA FOR
27th MEETING**
(CONFIDENTIAL)

DATE	28 th March, 2018.
TIME	04:30 PM
VENUE	CS's Committee Room, 4 th floor, Haryana Civil Secretariat, Chandigarh.

AGENDA FOR THE 27th MEETING OF THE BOARD OF DIRECTORS OF HMRTC.

Day & Date	Wednesday, 28 th March, 2018.
Time	04:30 PM
Venue	CS Committee Room.

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Item No 27.1**To grant Leave of Absence to the Directors**

1. Leave of absence may be granted to the Directors who have not been able to attend the meeting.
2. It is brought to the notice of the Board that as per the Companies Act 2013, every Director is required to attend at least one Board meeting during the current Financial Year. In the absence of which the Director will automatically vacate the office, even though the leave of absence might have been granted by the Board. Leave of absence will be granted against specific requests.

Item No 27.2

Confirmation of minutes of the 26th Board Meeting of HMRTC held on 20.12.2017.

The approved minutes of the 26th meeting of the Board of Directors held on 20.12.2017 **(Annexure-I)** were circulated to all the Directors of the Corporation vide memo no. HMRTC-ADP/2016/AO/1364-1373 dated 29.12.2017. No observations have been received from any Director.

The Board is requested to confirm the same.

Item No 27.3**Follow up action on the decisions taken in the 26th Board Meeting of HMRTC.**

Item No.	Subject	Decision Taken	Action Taken
26.1	Leave of Absence.	Leave of absence was granted to Sh. P.Raghavendra Rao, IAS, Sh. R.R.Jowel, IAS and Sh. Anand Mohan Sharan, IAS.	No action required.
26.2	Confirmation of minutes of the 25 th Board Meeting of HMRTC held on 07.11.2017.	The Board Confirmed the minutes of 25 th Board Meeting.	No action required.
26.3	Follow up action on the decisions taken in the 25 th Board Meeting of HMRTC.	The Board noted the action taken report on the minutes of 25 th Board Meeting.	No action required
26.4	Regarding enhancing share capital of Haryana Mass Rapid Transport Corporation Ltd.	Board noted the matter and resolved that the paid up capital of the Corporation may be increased from ` 1 crore to ` 23.31 crore and allot up to ` 2.231 crore Equity Shares of ` 10/- each, aggregating to ` 22.31 crore as Private Placement, and such shares shall rank pari-passu with the existing shares of the Company in all respects.	The matter was placed in the 5 th AGM of the Company held on 20.12.2017. However, in the absence of CAG comments on the Financial Statements for the FY 2016-17, the AGM was adjourned. Further, action on the decision of the Board Meeting shall be taken after its approval and adoption by the shareholders of the company in AGM.
26.5	Adoption and approval of Director's Report for the Financial year ending 31st March, 2017.	RESOLVED THAT pursuant to Section 134 of Companies Act 2013, approval of Board's Report of the Company for the financial year ended on 31st March 2017, be and is hereby deferred. Further, Board resolved that M/s Amit Chaman & Associates, Chartered accountant be appointed as statutory auditor of the	Separate agenda has been placed in the meeting. No action required.

		Company for F.Y. 2017-18.	
26.6	Holding of 5 th Annual General Meeting for the year 2016-17	Board resolved that the 5 th Annual General Meeting of the Company be called on 20.12.2017.	The notice of 5 th AGM of the company was issued vide letter dated 20.12.2017. However, the 5 th AGM was adjourned as CAG comments on the Financial Statements for the FY 2016-17 were not received.
26.7	Any other item with the permission of the Chairman	<p><u>Techno Feasibility Study for setting up of Multi Modal Transit Centre (MMTC) in Haryana:</u></p> <p>M/s TATA Consulting Engineers Limited, the consultant appointed for preparing the DPR of the project made a presentation before the Board. The consultant suggested the probable sites for setting up of Multi Modal Transit Centres at Gurugram, Faridabad, Bahadurgarh and Kundli</p>	The resolution passed by the Board was submitted to the Govt. for approval and after the approval of the same, the decision was conveyed to the consultants vide letter dated 16.01.2018. Consultant is already carrying out Topographic Surveys and Geo Technical Surveys of all the five selected locations of MMTCs. The designs of MMTCs are also been prepared by the consultant.

Board may take note of the same.

Item No 27.4

Appointment of Sh. T.V.S.N.Prasad, IAS, Additional Chief Secretary to Govt. of Haryana, Finance Department as Director of HMRTC.

Board is informed that consequent on transfer of Sh. P.Raghavendra Rao, IAS, Sh. T.V.S.N.Prasad, IAS, Additional Chief Secretary to Govt. of Haryana, Finance & Planning Department has taken over as Director w.e.f. 19.03.2018. Board may consider and pass the following resolution:

- (i) "RESOLVED THAT pursuant to applicable provisions of Companies Act, 2013, Sh. T.V.S.N.Prasad, IAS, Additional Chief secretary to Govt. Haryana, Finance & Planning be and is hereby appointed as the Director of HMRTC.
- (ii) RESOLVED FURTHER THAT Sh. J. Ganesan, IAS, Managing Director of the Company be and is hereby authorized to file the necessary document & do all such acts, deeds and things that are incidental and necessary in this regard.
- (iii) RESOLVED FURTHER THAT Sh. Girish Madan, Company Secretary in Practice be and is hereby, authorized to upload necessary e-form in the office of ROC Delhi and Haryana.
- (iv)RESOLVED FURTHER THAT Board places on record the appreciation of services rendered by Sh. P.Raghavendra Rao, IAS while being Director on the Board of HMRTC."

Item No 27.5

Cessation of Dr. Raja Sekhar Vundru, IAS, the then Managing Director, HSIIDC as Director of HMRTC.

1. Board is informed that Dr. Raja Sekhar Vundru, IAS, the then Managing Director, HSIIDC has ceded as director in HMRTC w.e.f. 20.03.2018. Board may consider and pass the following resolution:
 - (i) "RESOLVED THAT pursuant to applicable provisions of Companies Act, 2013, Sh. Raja Sekhar Vundru, is hereby ceded as the Director of HMRTC.
 - (ii) "RESOLVED FURTHER THAT Sh. J.Ganesan, IAS, Managing Director of the Company be and is hereby authorized to file the necessary document & do all such acts, deeds and things that are incidental and necessary in this regard.
 - (iii) "RESOLVED FURTHER THAT Sh. Girish Madan, Company Secretary in Practice be and is hereby, authorized to upload necessary e-form in the office of ROC Delhi and Haryana."
 - (iv) RESOLVED FURTHER THAT Board places on record the appreciation of services rendered by Sh. Raja Sekhar Vundru, IAS while being Director on the Board of HMRTC."

Item No 27.6

Appointment of Sh. Khetmalis Makrand Pandurang, IAS, Director, Town & Country Planning Department as Director of HMRTC.

Board is informed that consequent on transfer of Sh. T.L.Satyaprakash, IAS, Sh.Khetmalis Makrand Pandurang, IAS, Director General, Town & Country Planning Department has taken over as Director w.e.f. 20.03.2018. Board may consider and pass the following resolution:

- (i) "RESOLVED THAT pursuant to applicable provisions of Companies Act, 2013, Sh. Sh.Khetmalis Makrand Pandurang, IAS, Managing Director, HSIIDC be and is hereby appointed as the Director of HMRTC.
- (ii) RESOLVED FURTHER THAT Sh. J. Ganesan, IAS, Managing Director of the Company be and is hereby authorized to file the necessary document & do all such acts, deeds and things that are incidental and necessary in this regard.
- (iii) RESOLVED FURTHER THAT Sh. Girish Madan, Company Secretary in Practice be and is hereby, authorized to upload necessary e-form in the office of ROC Delhi and Haryana.

Item No.27.7
Issues of RMGL/RMGSL.

1. Board is informed that RMGL vide letter dated 06.11.2017 (**Annexure-II**) represented Hon'ble chief Minister Haryana to enable improved viability of the Mass Transit project. Basically following four issues were highlighted in the representation:
 - i. Proposal for infrastructure financing at preferential interest rate
 - ii. Property Development rights
 - iii. Advertisement policy of Urban Local Bodies Department, GoH to be supportive for PPP railway projects.
 - iv. Provision of parking space at Metro stations.
2. To redress the issues raised by RMGL, a meeting was held on 02.02.2018 under the chairmanship of PSCM Haryana. A copy of the minutes of the meeting is placed at an **Annexure-III**. The minutes of the meeting have been circulated to the concerned quarters vide letter dated 15.02.2018.
3. Board may consider the decisions of the ibid meeting and resolved to take further necessary actions accordingly.

Item No.27.8**Adoption of CAG report for the Financial Year ended 31st march, 2017.**

1. Board is informed that the Financial Statements for the year ending 31st March 2017, duly certified by the Auditor along with the Auditor's Report are approved by the Board in its 24th Board Meeting held on 18.08.2017 **Annexure-IV**.
2. The same were submitted to CAG for comments. CAG has sent comments for the Financial Statements of the year ending 31.03.2017 vide memo no.630, dated 05.01.2018. A copy of the comments of the CAG is placed at **Annexure-V**.
3. Further, after discussions with the income tax consultant of HMRTC, the income tax return of HMRTC for year ending 31.03.2017 has been revised as per the comments of CAG as the financial implications are not much. The effect of provisions of the expenditure will be shown in the balance Sheet of the next year i.e. Financial year ended 30.03.2018.
4. Board may pass the following Resolution:
 - (i) "RESOLVED THAT pursuant to Section 134 and other applicable provision of Companies Act 2013, comments of CAG, as placed before the meeting, be and are hereby approved.
 - (ii) RESOLVED FURTHER THAT Dr. J. Ganeshan, IAS, Managing Director of the Company be and is hereby authorized to file necessary documents with ROC and to place CAG report for adoption by shareholders in the Annual General Meeting of the Company."

Item No.27.9

Adoption of Director's Report for the Financial year ending 31st March, 2017.

Board was informed that the Director's Report for the year ending 31st March, 2017 is being placed before the meeting for the approval and comments thereon. Copy of the Director's Report is placed at **Annexure-VI**. Board after due consideration may pass the following Resolution:

"RESOLVED THAT pursuant to Section 134 of Companies Act 2013, Director's Report of the Company for the financial year ending 31st March, 2017, placed before the meeting, be and is hereby approved together with the annexure thereto

RESOLVED FURTHER THAT Sh. Arun Kumar, IAS, Director and Sh.J.Ganesan, IAS, Managing Director be and is here by authorized to sign the report for and on behalf of the Board of Directors of the company.

RESOLVED FURTHER that Sh.J.Ganesan, IAS, Managing Director of the Company be and is hereby authorized to file necessary documents with ROC and to place this Report in the Annual General Meeting of the Company."

Item No.27.10
Enhancing of Share Capital of HMRTC.

1. A proposal to increase the Share Capital of HMRTC as it will enhance the equity of HMRTC and strengthen the financial position of the Corporation, was placed in 9th Board Meeting of HMRTC held on 26.06.2014. The Board considered the matter and resolved that the funds received from RMGL may be taken towards equity of HMRTC and for that purpose, the paid up capital of HMRTC may be increased to that extent. The authorized capital of HMRTC is ` 100.00 crore and paid up capital is ` 1.00 crore. Board also resolved that matter may be placed before the State Cabinet for its approval.
2. The matter was placed in the meeting of Council of Ministers held on 01.06.2015. CMM had approved that the funds received form Rapid Metro may be taken towards Equity of HMRTC and equity contribution of all the shareholders be increased proportionately.
3. The matter was again placed before the Board of HMRTC in its 13th meeting held on 04.06.15. The Board was informed that an amount of `16.7351 crore has been received from Rapid Metro (i.e. ` 5.00 crore for connectivity charges from RMGL, `10 crore for Connectivity charges form RMGSL and `1.73 crore for Non Fare revenue received from RMGL) and the same is lying with HUDA. The board was also informed that:

"If the funds amounting to `16.7351 crore are distributed among State Govt. and its agencies in the ratio in which the contribution in Metro projects was approved (i.e 50% by IDF, 20% by HUDA, 18% by State Govt. and 12% by HSIIDC), the distribution of this fund worked out as follows:

(` In Crore)

<i>Share of Government of Haryana including IDF share i.e. 68% (18%+50%)</i>	<i>11.3799</i>	<i>11.38</i>
<i>Share of HUDA 20%</i>	<i>3.3470</i>	<i>3.35</i>
<i>Share of HSIIDC 12%</i>	<i>2.0082</i>	<i>2.00</i>
<i>Total</i>	<i>16.7351</i>	<i>16.73</i>

4. The matter was discussed in the 26th Board Meeting of HMRTC wherein it was resolved that the paid up capital of the Corporation may be increased from ` 1 crore

to ₹ 23.31 crore. HSIIDC shall contribute its share of ₹ 2.46 crore towards equity to maintain its share as 20%. Further, HUDA shall contribute ₹ 1.02 crore towards

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equity of HMRTC, out of its share of ₹ 3.12 crore. GMDA shall be another shareholder of HMRTC and will contribute balance amount of HUDA's share of ₹ 2.10 crore towards the equity of the Corporation. Accordingly, the earlier sharing pattern approved by the Board & CMM and the revised shareholding pattern of various contributors to the equity in HMRTC shall be as under:-

- **Earlier Share Holding Pattern:**

(₹ in Crores)

Name of Agency	Present Share Capital	Amount of share in the funds received from RMGL/RMGSL	Additional funds to be invested for proportionate equity participation	Total equity
State Govt. share 51%	0.51	11.38	NIL	11.89
HUDA share 29%	0.29	3.35	3.12	6.76
HSIIDC share 20%	0.20	2.00	2.46	4.66
Total	1.00	16.73	5.58	23.31

- **Revised Share Holding Pattern:**

(₹ in Crores)

Name of Agency and its share	Present Share Capital	Amount of share in the funds received from RMGL/RMGSL	Additional funds to be invested for proportionate equity participation	Total equity
State Govt. 51%	0.51	11.38	NIL	11.89
HUDA 20%	0.29	3.35	1.02	4.66
HSIIDC 20%	0.20	2.00	2.46	4.66
GMDA 9%	0.00	0.00	2.10	2.10

Total	1.00	16.73	5.58	23.31
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5. Further in 26th Board Meeting of HMRTC, Board resolved that the funds amounting to `2.5149 crore received from RMGL/RMGSL after the decision of the Board in its 13th meeting held on 04.06.2015 and the funds likely to be received in future from RMGL/RMGSL shall also be taken towards equity of HMRTC as per revised share holding pattern. The matter was placed in the 5th Annual General Meeting of the Company held on 20.12.2012. However, due to non receipt of CAG comments, the 5th AGM of the company was adjourned. Hence, the decision of the Board could not be implemented.
6. It is also submitted that funds received from RMGL/ RMGSL as of now are ` 19.24 crore (`16.73 cr + `2.51 cr). This amount is to be distributed as per the funding pattern decided in 22nd Board Meeting of HMRTC held on 28.03.2017 wherein Board resolved that, State Govt. may continue to contribute 18% share towards expenditure on execution of Metro projects and remaining 82% share (including earlier share of IDF – 50%, HUDA – 20% & HSIIDC – 12%) be contributed from IDF. Funds of ` 2.51 cr will be allocated 100% towards share of State Govt. (i.e. 82% + 18%). Proportionate share of HUDA, HSIIDC will be ` 0.986 crore each to maintain their balance of 20% and GMDA shall contribute ` 0.444 cr respectively to maintain its balance of 9% in the equity participation as decided in 26th Board Meeting of HMRTC.
7. Accordingly the revised shareholding pattern and additional funds to be contributed from agencies is as follows:

(Amount in ` crores)

Existing proposal as approved by Board in its 26th Board Meeting for ` 16.73 crore.	Proposed proposal for ` 2.51 crore
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Name of Agency and its proposed shareholdings	Amount of 16.73 crores received from RMGL/RMGSL	Additional funds to be invested for proportionate equity participation	Amount of 2.51 crores from RMGL/RMGSL	Additional funds to be invested for proportionate equity participation	Total funds to be contributed by various agencies to maintain their shareholdings	Total equity
(1)	(2)	(3)	(4)	(5)	6(3+5)	(7)
State Govt. 51%	11.38	NIL	2.51	NIL	NIL	14.4
HUDA 20%	3.35	1.02	NIL	0.986	2.006 (1.02+.986)	5.646
HSIIDC 20%	2.00	2.46	NIL	0.986	3.446 (2.46+0.986)	5.646
GMDA 9%	0.00	2.10	NIL	0.444ss	2.544 (2.10+0.444)	2.544
	16.73	5.58	2.51	2.416	7.996	28.24

The Board is requested to approve the above proposal. Thereafter the matter shall be placed in the 5th AGM of HMRTC. The matter shall also be placed before Council of Ministers for approval of revised shareholding pattern of HMRTC and enhancement of share capital of HMRTC from `1 crore to ` 28.24 crore.

Item No.27.11

Holding of 5th Adjourned Annual General Meeting for the year 2016-17.

Board is hereby informed that the 5th Adjourned Annual General Meeting as fixed on 20.12.2017 was adjourned as the CAG Report and its comments on the Financial Statements of the Company were awaited.

Board may note and pass the following resolution:

- (i) "RESOLVED that the 5th Adjourned Annual General Meeting of the company be called on 28.03.2018 at 05:00 PM at the registered office of the company.
- (ii) FURTHER RESOLVED that the draft notice of the meeting and initialed by the Managing Director for the purpose of identification be and is here by approved"

Item No.27.12**Any other item with the permission of the Chairman.**

1. Multi Modal Transit Centre (MMTC) at Gurugram, Faridabad, Bahadurgarh and Kundli:

- i. After following due procedures, M/s Tata Consulting Engineers Limited were appointed as consultant for the preparation of Techno Feasibility Study for setting up the Multi Modal Transit Centre (MMTC) at Gurugram, Faridabad, Bahadurgarh and Kundli on 23.02.2017 and the work order was issued on 19.04.2017. Further agreement was signed on 20.09.2017. Total fees payable to the consultant is Rs. 99 lacs+taxes. A period of six months has been granted to the consultant for preparation of Techno-feasibility report of the project. The Board of HMRTC in its 26th Meeting held on 20.12.2017 has approved the locations of MMTCs at Gurugram, Faridabad, Bahadurgarh and Kundli.
- ii. The Consultant is already carrying out Topographic Surveys and Geo Technical Surveys of all the five selected locations of MMTCs. The designs of MMTCs are also been prepared by the consultant.

2. Metro Connectivity to Old Gurugram:

- (i) After following due procedure and after obtaining approval from govt, work for preparation of DPR has been assigned to M/s RITES vide letter dated 22.12.2017. The agreement has been signed with consultant on 19.01.2018.
- (ii) Vide letter dated 16.03.2018, M/s Rites Ltd. has intimated that all the primary services viz. Traffic service, Topographical service and Geotechnical investigations are under progress and are on schedule as planned. Further, vide letter dated 22.02.2018 Rites Ltd. have requested that the date of start of work may be considered from date of receiving of Mobilization advance instead of date of issue of LOA. The request was examined and got approved from MD, HMRTC on 06.03.2018. Mobilization advance has yet not been released by T&CP Department (CCP NCR office).

3. Metro connectivity between Faridabad and Gurugram:

DMRC was requested to send TOR for preparation of DPR of the project which was forwarded by DMRC vide letter dated 29.12.2017. DMRC has quoted rate of ` 11 lac per km for the preparation of DPR which was found to be on higher side. The matter was discussed in the meeting held on 20.03.2018 under the Chairmanship of MD, DMRC. Minutes of the same are still awaited.

4. Preparation of Accounts as per IND AS:

- (i) Board is informed that as per section 129(3) of Companies Act, 2013 a holding company is required to prepare consolidated financial statements of company and of all the subsidiaries and associates.
- (ii) Further, it is intimated that, since HMRTC is an associate company of HSIIDC, the provisions of ibid section has to be complied with. The net worth of HSIIDC is more than ` 500 crore, therefore the financial statements have to be prepared as per Ind- AS.
- (iii) Thus Financial Statements of HMRTC are also required to be prepared as per Ind AS along with recasting Financial Statements as at 31.03.2015 and 31.03.2016 and get the same audited/approved from its shareholders comply with the provisions of the companies Act, 2013. Action is being taken accordingly.

