



INDEPENDENT AUDITOR'S REPORT

**TO THE MEMBERS OF
MUMBAI METRO RAIL CORPORATION LIMITED**

We have audited the attached Balance Sheet of **MUMBAI METRO RAIL CORPORATION LIMITED** as at **31st March, 2013** together with the Profit and Loss Account of the Company for the period ended on that date. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement(s). An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

OPINION:

In our opinion and to the best of our information according to explanation given to us, the said accounts read together with notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- i. In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2013 and
- ii. In the case of Profit & Loss Account of the Profit/Loss of the Company for the period ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditors 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 :
 - i. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of the audit
 - ii. In our opinion proper books of accounts as required by law have been kept by the company, so far as it appears from our examination of the books.
 - iii. The Balance Sheet and Profit & Loss dealt with by this report is in agreement with the books of accounts.



- iv. In our opinion and to the best of our information and according to explanation given to us, the Profit and Loss account and Balance Sheet complied with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- v. In opinion and to the best of our information and according to explanation given to us none of directors is disqualified as on March 31, 2013 from being appointed as directors in terms of clause (g) of sub section (1) of Section 274 of the companies Act, 1956.

Place: Mumbai

Date: 30/09/2013

**For ASHRA & COMPANY
CHARTERED ACCOUNTANTS
ICAI FRN No. 100700W**




**JAYESH M. ASHRA
PARTNER
Membership No. 103964**



MUMBAI METRO RAIL CORPORATION LIMITED

**ANNEXURE TO AUDITOR'S REPORT
FOR THE YEAR ENDED 31st MARCH 2013**

(Referred to in paragraph 1 of our report of even date)

1) Fixed Assets :

As informed to us, the company had no fixed assets at any time during the year. Accordingly clause 4(i) of the order is not applicable.

2) Inventories :

As informed to us, the company has no inventories at any time during the year. Accordingly clause 4(ii) of the order is not applicable.

3) Loans to/from Section 301 parties :

(a) The company has taken loan from one party covered in the register maintained under section 301 of the Companies Act, 1956 and/or from companies under the same management as defined under sub-section (1B) of the Companies Act, 1956. The maximum amount involved during the year was Rs. 44,25,68,255/- and year end balance of loans taken from such parties was Rs. 44,25,68,255/-

(b) The company has not granted any loan to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 and hence the clause (b) to (d) of paragraph 4 (ii) of the Order are not applicable.

(c) In our opinion and according to the information and explanations given to us, all the above loans are interest free. As there is no written terms and conditions, loan repayment schedule cannot be analysed.

4) In our opinion, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of fixed assets. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control.

5) According to the information and explanations given to us, the Company has not entered into any contracts and arrangements in excess of Rs.5,00,000/- during the year with parties covered in the register maintained under Section 301 of the Companies Act, 1956 and accordingly, clause 4 (v) of the Order is not applicable to the Company.

6) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits to which the provisions of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 apply.

7) The company's paid-up capital and reserves do not exceed Rs.50 lacs. Accordingly, clause 4(vii) of the order is not applicable.



- 8) The Central Government has not prescribed maintenance of cost records by the Company under section 209 (1) d of the Act.
- 9) In respect of Statutory Dues :
- According to the information and explanations given to us, there were no undisputed amounts payable in respect of Provident Fund, Employees State Insurance, Income tax, Wealth tax, Service Tax and Sales tax outstanding as at 31st March, 2013 for a period of more than six months from the date they became payable.
- 10) In our opinion and according to the information and explanations given to us, the accumulated losses of the Company are more than fifty percent of its net worth as at 31st March 2013. The Company has incurred cash losses in the current financial year covered by our audit and in the immediately preceding financial year.
- 11) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution/bank. The Company has not issued any Debentures.
- 12) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion, the company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provision of clause 4(xx) of the Companies (Auditor's Report) Order, 2006 are not applicable to the Company.
- 14) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
- 15) In our opinion and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- 16) To the best of our knowledge and belief and according to the information and explanations given to us, in our opinion, the Company has not availed any term loans during the year and hence clause 4 (xvi) of the Order is not applicable to the Company.
- 17) According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we report that no funds raised on short term basis have been used for long term investment. No long term funds have been used to finance short term assets except permanent working capital.
- 18) According to the information and explanations given to us, 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 during the year.
- 19) During the financial year, the Company did not issue any debentures. Hence the provisions of Clause 4(xx) of the Companies (Auditor's Report) Order, 2006 regarding creation of security for debentures are not presently applicable to the company.



20) The company has not raised any money by way of public issues during the year. Accordingly, the provisions of Clause 4(xx) of the Companies (Auditor's Report) Order, 2006 on the end use of money are not presently applicable to the Company.

21) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

Place: Mumbai

Date: 30/09/2013

**For ASHRA & COMPANY
CHARTERED ACCOUNTANTS
ICAI FRN No.100700W**




**JAYESH M. ASHRA
PARTNER
Membership No.103964**

MUMBAI METRO RAIL CORPORATION LIMITED

MMRDA Building, Plot C-14-15, Bandra Kurla Complex, Bandra East, Mumbai 400051

Balance Sheet as at 31st March, 2013

| Particulars | Notes No. | Current Year 2012-2013 | Previous Year 2011-2012 |
|---|-----------|---------------------------|----------------------------|
| I. EQUITY AND LIABILITIES | | | |
| <u>(1) Shareholder's Funds</u> | | | |
| (a) Share Capital | 1 | 500,000.00 | 500,000 |
| (b) Reserves and Surplus | 2 | (2,984,173) | (1,876,619) |
| (c) Money received against share warrants | | | |
| <u>(2) Share Application money pending allotment</u> | | | |
| <u>(3) Non-Current Liabilities</u> | | | |
| (a) Long-Term Borrowings | 3 | 442,568,255.00 | 172,568,255 |
| (b) Deferred Tax Liabilities (Net) | | | |
| (c) Other Long Term Liabilities | | | |
| (d) Long Term Provisions | | | |
| <u>(4) Current Liabilities</u> | | | |
| (a) Short-Term Borrowings | 4 | | |
| (b) Trade Payables | 5 | 83,601.00 | 49,893 |
| (c) Other Current Liabilities | 6 | | |
| (d) Short-Term Provisions | 7 | | |
| Total Equity & Liabilities | | 440,167,683 | 171,241,529 |
| II. ASSETS | | | |
| <u>(1) Non-Current Assets</u> | | | |
| <u>(a) Fixed Assets</u> | | | |
| (i) Gross Block | 8 | | |
| (ii) Depreciation | | | |
| (iii) Net Block | | | |
| (b) Non-current investments | 9 | | |
| (c) Deferred tax assets (net) | | | |
| (d) Long term loans and advances | 10 | | |
| (e) Other non-current assets | 11 | 376,360,178.00 | 153,815,768 |
| <u>(2) Current Assets</u> | | | |
| (a) Current investments | 12 | | |
| (b) Inventories | 13 | | |
| (c) Trade receivables | 14 | | |
| (d) Cash and cash equivalents | 15 | 61,544,221.00 | 15,162,477 |
| (e) Short-term loans and advances | 16 | | |
| (f) Other current assets | | 2,263,284.00 | 2,263,284 |
| Total Assets | | 440,167,683 | 171,241,529 |

Accounting Policies and Notes to Accounts
Schedules referred above form part of accounts

As per our Report of even date
For ASHRA & COMPANY
CHARTERED ACCOUNTANTS



J. M. ASHRA
PARTER
Membership No. 103964



Date: 30/9/2013
Place: Mumbai

On Behalf of the Board
Mumbai Metro Rail Corporation Limited


Managing Director


Director



MUMBAI METRO RAIL CORPORATION LIMITED
MMRDA Building, Plot C-14-15, Bandra Kurla Complex, Bandra East, Mumbai 400051
Profit and Loss Account for the year ended 31st March, 2013

| Sr. No | Particulars | Notes No. | Current Year 2012-13 | Previous Year 2011-12 |
|--------|---|-----------|-----------------------|-----------------------|
| I | Revenue from operations | 17 | - | - |
| II | Other Income | 18 | - | - |
| III | III. Total Revenue (I + II) | | - | - |
| IV | Expenses: | | | |
| | Cost of materials consumed/ Purchases | 19 | | |
| | Purchase of Stock-in-Trade | | | |
| | Changes in inventories of finished goods, work-in-progress and Stock-in-Trade | 20 | | |
| | Employee Benefit Expense | 21 | | |
| | Financial Costs | 22 | 16 | 120 |
| | Depreciation and Amortization Expense | 23 | | |
| | Other Administrative Expenses | 24 | 1,107,538 | 1,801,713 |
| | Total Expenses (IV) | | 1,107,554 | 1,801,833 |
| V | Profit before exceptional and extraordinary items and tax | | (1,107,554.00) | (1,801,833.00) |
| VI | Exceptional Items | 25 | - | - |
| VII | Profit before extraordinary items and tax (V - VI) | | (1,107,554.00) | (1,801,833.00) |
| VIII | Extraordinary Items | | | - |
| IX | Profit before tax (VII - VIII) | | (1,107,554.00) | (1,801,833.00) |
| X | Tax expense: | | | |
| | (1) Current tax | | - | - |
| | (2) Deferred tax | | - | - |
| XI | Profit(Loss) from the period from continuing operations | | (1,107,554.00) | (1,801,833.00) |
| XII | Profit/(Loss) from discontinuing operations | | - | - |
| XIII | Tax expense of discounting operations | | - | - |
| XIV | Profit/(Loss) from Discontinuing operations (XII - XIII) | | - | - |
| XV | Profit/(Loss) for the period (XI + XIV) | | (1,107,554.00) | (1,801,833.00) |
| XVI | Earning per equity share: | | | |
| | (1) Basic | | (221.51) | (360.37) |
| | (2) Diluted | | | |

Accounting Policies and Notes to Accounts
Schedules referred above form part of accounts

As per our Report of even date
For ASHRA & COMPANY
CHARTERED ACCOUNTANTS

On Behalf of the Board
Mumbai Metro Rail Corporation Limited

J.M. ASHRA
PARTNER
Membership No. 103964

Date: 30/9/13
Place: Mumbai



Vahan
Managing Director

Arjun
Director

MUMBAI METRO RAIL CORPORATION LIMITED

Schedule Forming Part of Accounts

Note : 1 Share Capital

| Sr. No | Particulars | Current Year 2012-13 | Previous Year 2011-12 |
|--------|--|-------------------------|--------------------------|
| 1 | AUTHORISED CAPITAL 25,00,000 Equity Shares of Rs. 100/- each. | 250,000,000.00 | 250,000,000 |
| | | 250,000,000.00 | 250,000,000 |
| 2 | ISSUED, SUBSCRIBED & PAID UP CAPITAL <i>To the Subscribers of the Memorandum</i> 5000 Equity Shares of Rs. 100/- each, Fully Paid up Share capital by allotment | 500,000.00 | 500,000 |
| | Total Rs. | 5,00,000 | 5,00,000 |

Note : 2 Reserve & Surplus

| Sr. No | Particulars | Current Year 2012-13 | Previous Year 2011-12 |
|--------|--|-------------------------|--------------------------|
| 1 | Capital Reserve | | |
| | a) Govt Subsidy | | |
| 2 | Capital Redemption Reserve | | |
| 3 | Securities Premium reserve | | |
| 4 | Debenture Redemption Reserve | | |
| 5 | Revaluation Reserve | | |
| 6 | Shares Option Outstanding Account | | |
| 7 | Other Reserve - General Reserve | | |
| | Sub Total - A | | - |
| 8 | Surplus (Profit & Loss Account) | | |
| | Balance brought forward from previous year | (1,876,619) | (74,786) |
| | Add: Excess I.Tax Provision written off | | |
| | Add: Profit for the period | (1,107,554.00) | (1,801,833) |
| | Less: Transfer to General Reserve | | |
| | Sub Total - B | (2,984,173) | (1,876,619) |
| | Total (A + B)Rs. | (2,984,173) | (1,876,619) |

Note : 3 Long Term Borrowings

| Sr. No | Particulars | Current Year 2012-13 | Previous Year 2011-12 |
|--------|--|-------------------------|--------------------------|
| 1 | Bonds / Debentures | | |
| 2 | Term Loan | | |
| | - From Bank | | |
| | - From Other Parties | | |
| 3 | Deferred Payment Liabilities | | |
| 4 | Deposit | | |
| 5 | Loans & Advances From Related Parties | 442,568,255 | 172,568,255 |
| 6 | Long Term Maturities of Finance lease obligation | | |
| 7 | Loans From Directors | | |
| 8 | Other Loans & Advances | | |
| | Total Rs. | 442,568,255 | 172,568,255 |

Note : 5 Trades Payable

| Sr. No | Particulars | Current Year 2012-13 | Previous Year 2011-12 |
|--------|--|-------------------------|--------------------------|
| 1 | -Sundry Creditors Supplies: | | |
| a | | | |
| b | | | |
| | Sub-total - A | | |
| 2 | -Sundry Creditors for Services: | | |
| a | Audit Fees | 83,601 | 49,893 |
| b | Commission Payable | | |
| c | Professional Fees Payable | | |
| d | Others | | |
| | Sub-total - B | 83,601 | 49,893 |
| | Total (A + B) | 83,601 | 49,893 |

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Note : 11 Other Non Current Assets

| Sr. No | Particulars | Current Year 2012-13 | Previous Year 2011-12 |
|--------|--|----------------------|-----------------------|
| 1 | Long Term Trade Recievables a) Secured, Considered Good : b) Unsecured, Considered Good : c) Doubtful | | |
| 2 | Others | 376,360,178 | 153,815,768 |
| | Total Rs. | 376,360,178 | 153,815,768 |

Note : 15 Cash & Cash Equivalent

| Sr. No | Particulars | Current Year 2012-13 | Previous Year 2011-12 |
|--------|---|--------------------------|--------------------------|
| 1 | Cash-in-Hand Cash Balance Petty Cash Balance Sub Total (A) | - - - | - - - |
| 2 | Bank Balance United Bank of India Sub Total (B) | 61,544,221 61,544,221 | 15,162,477 15,162,477 |
| 3 | Cheques on Hand (C) | | - |
| | Total [A + B + C] | 61,544,221 | 15,162,477 |

Note :16 Short Terms Loans and Advances

| Sr. No | Particulars | Current Year 2012-13 | Previous Year 2011-12 |
|--------|--|----------------------|-----------------------|
| 1 | Loans & Advances from related parties a) Secured, Considered Good : b) Unsecured, Considered Good : c) Doubtful | | |
| 2 | Others <i>Advance Recoverable in cash or in kind or for value to be considered good</i> Advance to Suppliers Advance Income Tax & TDS Balance With Revenue Authorities (Indirect Taxes) Prepaid Expenses Preliminary Expenses | 2,263,284 | 2,263,284 |
| | Total Rs. | 2,263,284 | 2,263,284 |

(4)



Notes Forming Part of the Profit & Loss Accounts as at 31.3.2012

Note : 18 Other Income

| Sr. No | Particulars | Current Year 2012-13 | Previous Year 2011-12 |
|--------|-------------------|----------------------|-----------------------|
| 1 | Interest Receipts | | |
| 2 | Rent Receipts | - | |
| 3 | Other Income | | - |
| | Total Rs. | - | - |



Notes Forming Part of the Profit & Loss Accounts as at 31.3.2018

Schedule :22 Financial Cost

| Sr. No | Particulars | Current Year 2012-13 | Previous Year 2011-12 |
|------------------|----------------------------------|----------------------|-----------------------|
| 1 | Interest on Cash Credit Facility | | |
| 2 | Interest on Term loan | | |
| 3 | Interest on Car loan | | |
| 4 | Interest on Other loans | | |
| 5 | Bank Charges | 16.00 | 120 |
| 6 | Bank Gurantee Charges | | |
| Total Rs. | | 16.00 | 120 |

Note : 24 Other Administrative Expenses

| Sr. No | Particulars | Current Year 2012-13 | Previous Year 2011-12 |
|------------------|---|----------------------|-----------------------|
| 1 | Accounting Charges | | |
| 2 | Advertisement Expenses | 345,665.00 | 1,570,581 |
| 3 | Auditors Remmuration | 50,562.00 | 33,090 |
| 4 | Books & Periodicals | | |
| 5 | Computer Expenses | | |
| 6 | Conveyance Expenses | | |
| 7 | Donations | | |
| 8 | Gifts & Presentation | | |
| 9 | Electricity Charges | | |
| 10 | Entertainment Expenses | | |
| 11 | General Expenses | 91,191.00 | 87,664 |
| 12 | Insurance | | |
| 13 | Membership & Subscription | | |
| 14 | Motor Vehicle Expenses | | |
| 15 | Office Rent | | |
| 16 | Postage & Courier | | |
| 17 | Printing & Stationery | | |
| 18 | Professional Fees | 588,765.00 | 95,378 |
| 19 | Professional Tax | | |
| 20 | Registration & Filing Fees | | |
| 21 | Repairs & Maintenance | | |
| 22 | Research Fees | | |
| 23 | Seminar & Meeting Exp | | |
| 24 | Service Charges Paid | | |
| 25 | Staff Welfare | 3,072.00 | |
| 26 | Telephone & Internet | | |
| 27 | Training & Development | | |
| 28 | Travelling Expenses | 13,283.00 | |
| 29 | Others (specify) Honorarium expenses | 15,000.00 | 15,000 |
| Total Rs. | | 1,107,538.00 | 1,801,713 |



| | | | Current Year 2012-13 | Previous Year 2011-12 |
|--|---|--|-------------------------|--------------------------|
| Gross Profit Ratio | Revenue from operations Expenses Cost of materials consumed/ Purchases Purchase of Stock-in-Trade Changes in inventories of finished goods, work-in-progress and Stock-in- Trade Employee Benefit Expense Gross Profit % | | | |
| Net Profit Ratio | Revenue from operations Net Profit | | | |
| Stock Consumption Ratio | | | | |
| Stock Turnover Ratio | | | | |
| ** The ratio are "NIL" for the financial year ended 31st March, 2013 | | | | |



(7)

MUMBAI METRO RAIL CORPORATION LIMITED

(NOTES FORMING INTEGRAL PART OF ACCOUNTS FOR THE Y.E. 31st MARCH, 2013

A) Significate Accounting Policies :

1 Basis of preparation of Accounts

The accounts have been prepared under the historical cost convention in accordance with the accepted accounting principles in India and the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956

2 System of Accounting

The Company general follows the mercantile system of accounting and recognises income and expenditure on accrual basis, except income from investments, which is accounted for on receipt basis.

3 Use of Estimates

The preparation Financial Statement is in accordance with generally accepted accounting principles. As per the Management, the best estimates and assumptions are made wherever necessary and reported in the amount of assets and liabilities as on the date of financial statement as well as in the amount of revenue and expenses during the reporting period. The Management believes that the estimates used in the preparation of the financial statement are prudent and reasonable. Actual results could differ from these estimates. Any variance is recognised prospectively in current or future period in which the results are known/ materialised.

4 Provision, Contingent liabilities and Contingent Assets

Provision, to the extent found necessary as per the Management, have been made based on best estimates and are also recognised in respect of present liability in respect of prior activity. Contingent Assets have not been recognised and hence not reported.

B) Notes on Accounts

| | 31 March, 2013 | 31 March, 2012 |
|--|----------------|----------------|
| 1 Managerial Remuneration under Section 198 of the Companies Act, 1956 Salaires | | |
| 2 Earnings Per Share | (221.51) | (360.37) |
| 3 Payment to Auditors | 50,562.00 | 33,090.00 |
| 4 The Company as duly complied with the Accounting Standards referred to in sub-section | | |
| 5 Previous year's figure have been regrouped and rearranged wherever necessary, to conform to this year's classification | | |

Accounting Policies and Notes to Accounts
Schedules referred above form part of accounts

As per our Report of even date
For ASHRA & COMPANY
CHARTERED ACCOUNTANTS

J.M. ASHRA
PARTNER
Membership No. 103964



Date: 30/9/13
Place: Mumbai

On Behalf of the Board

Mumbai Metro Rail Corporation Limited

[Signature]
Managing Director

[Signature]
Director



MUMBAI METRO RAIL CORPORATION LIMITED

Break-up of Schedule Items appearing in Balance Sheet as at 31st March 2013

C Loans & Advances From Related Parties

| Sr. No | Particulars | Current Year 2012-13 | Previous Year 2011-12 |
|--------|------------------|-------------------------|--------------------------|
| 1 | MMRDA | 442,568,255 | 172,568,255 |
| | Total Rs. | 442,568,255 | 172,568,255 |



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