

**Independent Auditors' Report**

**To the Members of Mumbai Metro Transport Private Limited**

**Report on the Ind AS Financial Statements**

1. We have audited the accompanying financial statements of Mumbai Metro Transport Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Ind AS financial statements").

**Management's Responsibility for the Ind AS Financial Statements**

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of state of affairs (financial position), loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit.
4. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.
5. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

#### Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2017, and its losses (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

#### Other Matters

9. The comparative financial information of the Company for the year ended March 31, 2016 and the transition date opening balance sheet as at April 1, 2015 included in these Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by us whose report for the year ended March 31, 2016 and March 31, 2015 dated May 14, 2016 and May 25, 2015 respectively expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of above said matters.

#### Report on Other Legal and Regulatory Requirements

10. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
11. As required by Section 143(3) of the Act, we report that:
- We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - On the basis of the written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164(2) of the Act;
  - With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";

- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at March 31, 2017 on its financial position in its Ind AS financial statements. - Refer Note 13 on Contingent Liabilities of the Ind AS financial statements;
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2017;
  - iv. The Company did not have any holdings or dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016 - Refer Note 20 of the Ind AS financial statements.

For Pathak H. D. & Associates  
Chartered Accountants  
Firm Registration No: 107783W

Vishal D. Shah  
Partner  
Membership No. 119303

Place : Mumbai  
Date : April 13, 2017



**Annexure A to Auditors' Report**

**Referred to in our Auditors' Report of even date to the members of Mumbai Metro Transport Private Limited on the financial statements for the Year ended March 31, 2017**

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- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of its Property, Plant and Equipment.
- (b) As informed to us, the Property, Plant and Equipment have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
- (c) According to the information and explanation given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) As explained to us, there is no physical inventory in existence and hence, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has not granted any loan, secured or unsecured, to any company, firm Limited Liability Partnerships or other parties covered in the register maintained under section 189 of Act. Accordingly, provisions of clause 3 (iii) (a), (b) and (c) of the Order are not applicable.
- (iv) Based on information and explanation given to us in respect of loans, investments, guarantees and securities, the Company has complied with the provisions of Section 185 and 186(1) of the Act. Further, as the Company is engaged in the business of providing infrastructural facilities, the provisions of Section 186[except for sub-section (1)] are not applicable to it.
- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73 to 76 or any other relevant provisions of the Act and rules framed there under.
- (vi) In our Opinion and according to information given to us, no cost records have been prescribed by the central government of India under sub section (1) of Section 148 of the Act.
- (vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, value added tax, cess and other material statutory dues as applicable were outstanding, at the period end, for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, excise duty, value added tax and cess as at March 31, 2017 which have not been deposited on account of a dispute.

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- (viii) According to the records of the Company examined by us and the information and explanation given to us; during the year the Company has not availed loan from financial institution or bank or debenture holders. Accordingly paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) According to the information and explanations given to us, the Company has not paid/provided any managerial remuneration as on March 31, 2017 and accordingly, paragraph 3 (xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with section 177 and section 188 of the Act where applicable.
- The details of related party transactions as required under Ind AS 24, Related Party Disclosures specified under Section 133 of the Act, have been disclosed in the Ind AS financial statements.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence the provision of clause 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For Pathak H D & Associates**  
Chartered Accountants  
Firm's Registration No.107783W

**Vishal D. Shah**  
Partner  
Membership No.119303  
Place: Mumbai  
Date: April 13, 2017

**Annexure - B to Auditor's report**

**[Annexure to the Independent Auditor's Report referred to in paragraph "11(f)" under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the Ind AS financial statements of Mumbai Metro Transport Private Limited for year ended March 31, 2017.]**

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Mumbai Metro Transport Private Limited ("the Company") as of March 31, 2017 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error.

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

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### Meaning of Internal Financial Controls Over Financial Reporting

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Ind AS financial statements.

### Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

### Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Pathak H. D. & Associates  
Chartered Accountants  
Firm Registration No: 107783W

Vishal D. Shah  
Partner  
Membership No. 119303

Place : Mumbai  
Date : April 13, 2017



# **Mumbai Metro Transport Private Limited**

**Financial Statements**

**For the year ended March 31, 2017**

**Mumbai Metro Transport Private Limited**  
**Balance Sheet as at March 31, 2017**

(All amounts in INR Thousand, unless otherwise stated)

Particulars	Notes	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
- Property, Plant and Equipment	3	5,103.98	5,194.00	5,284.02
<b>Total Non-Current Assets</b>		<b>5,103.98</b>	<b>5,194.00</b>	<b>5,284.02</b>
<b>Current Assets</b>				
(a) Financial Assets				
(i) Cash and Cash Equivalents	4	242.85	370.65	494.35
(ii) Other Financial Assets	5	330.00	325.00	425.00
(b) Other Current Assets	6	4.00	-	-
<b>Total Current Assets</b>		<b>576.85</b>	<b>695.65</b>	<b>919.35</b>
<b>Total Assets</b>		<b>5,680.83</b>	<b>5,889.65</b>	<b>6,203.37</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share Capital	7	500.00	500.00	500.00
(b) Other Equity	8	4,152.56	4,367.04	4,648.64
<b>Total Equity</b>		<b>4,652.56</b>	<b>4,867.04</b>	<b>5,148.64</b>
<b>LIABILITIES</b>				
<b>Current Liabilities</b>				
(a) Financial Liabilities				
-Trade Payables	9	1,028.25	1,012.69	1,040.09
(b) Other Current Liabilities	10	0.02	9.92	14.64
<b>Total Current Liabilities</b>		<b>1,028.27</b>	<b>1,022.61</b>	<b>1,054.73</b>
<b>Total Liabilities</b>		<b>1,028.27</b>	<b>1,022.61</b>	<b>1,054.73</b>
<b>Total Equity and Liabilities</b>		<b>5,680.83</b>	<b>5,889.65</b>	<b>6,203.37</b>

The above balance sheet should be read in conjunction with the accompanying notes (1 - 21).

As per our attached Report of even date

**For Pathak H. D. & Associates**  
**Chartered Accountants**  
**Firm Registration No. 107783W**

**For and on behalf of Board of Directors**

**Vishal D. Shah**  
**Partner**  
**Membership No. 119303**

**Debasis Mohanty**  
**Director**  
**DIN : 2565267**

**Satish Kumar Mishra**  
**Director**  
**DIN : 3538005**

**Place: Mumbai**  
**Date : April 13, 2017**

**Place: Mumbai**  
**Date : April 13, 2017**

**Place: Mumbai**  
**Date : April 13, 2017**

**Mumbai Metro Transport Private Limited****Statement of Profit and Loss for the year ended March 31, 2017**

(All amounts in INR Thousand, unless otherwise stated)

Particulars	Notes	Year ended March 31, 2017	Year ended March 31, 2016
(I) Other Income	11	-	13.00
<b>(II) Total Income</b>		<b>-</b>	<b>13.00</b>
<b>(III) Expenses</b>			
Depreciation	3	90.02	90.02
Other expenses	12	124.46	204.58
<b>Total expenses (IV)</b>		<b>214.48</b>	<b>294.60</b>
<b>(V) Profit/(Loss) before tax (II-IV)</b>		<b>(214.48)</b>	<b>(281.60)</b>
<b>(VI) Tax Expenses</b>			
-Current Tax		-	-
<b>(VII) Loss for the year (V-VI)</b>		<b>(214.48)</b>	<b>(281.60)</b>
<b>(VIII) Other Comprehensive Income</b>			
Items that will not be classified to profit or loss			
Remeasurement of Net Defined Benefit Plans: (Gain) /Loss		-	-
Income tax relating to above		-	-
<b>(IX) Total Other Comprehensive Income/(Loss) for the year (VII+VIII)</b>		<b>(214.48)</b>	<b>(281.60)</b>
<b>Earnings per equity share of Rs. 10 each:</b>	16		
(a) Basic earnings per share		(4.29)	(5.63)
(b) Diluted earnings per share		(4.29)	(5.63)

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes (1- 21).

As per our attached Report of even date

**For Pathak H. D. & Associates**  
**Chartered Accountants**  
**Firm Registration No. 107783W**

**Vishal D. Shah**  
**Partner**  
**Membership No. 119303**

**Place: Mumbai**  
**Date : April 13, 2017**

**For and on behalf of Board of Directors**

**Debasis Mohanty**  
**Director**  
**DIN : 2565267**

**Place: Mumbai**  
**Date : April 13, 2017**

**Satish Kumar Mishra**  
**Director**  
**DIN : 3538005**

**Place: Mumbai**  
**Date : April 13, 2017**



**Mumbai Metro Transport Private Limited**  
**Statement of Changes in Equity**

(All amounts in INR Thousand, unless otherwise stated)

**A. Equity Share Capital**

Particulars	Balance at the beginning of the year	Changes in equity share capital during the year	Balance at the end of the year
As at April 1, 2015	500.00	-	500.00
As at March 31, 2016	500.00	-	500.00
As at March 31, 2017	500.00	-	500.00

**B. Other Equity**

Particulars	Retained Earnings	Equity Component of financial instruments (Subordinate Debts)	Total
<b>Balance as at April 1, 2015</b>	<b>(651.36)</b>	<b>5,300.00</b>	<b>4,648.64</b>
Loss for the year	(281.60)	-	(281.60)
Other Comprehensive income for the year			
Items that will not be reclassified to profit or loss			
Remeasurement Gain on Defined Benefit Plan (Net of Tax)	-	-	-
Total Comprehensive loss for the year	(281.60)	-	(281.60)
<b>Balance as at March 31, 2016</b>	<b>(932.97)</b>	<b>5,300.00</b>	<b>4,367.04</b>
<b>Balance as at April 1, 2016</b>	<b>(932.97)</b>	<b>5,300.00</b>	<b>4,367.04</b>
Loss for the year	(214.48)	-	(214.48)
Other Comprehensive income for the year			
Items that will not be reclassified to profit or loss			
Remeasurement Gain on Defined Benefit Plan (Net of Tax)	-	-	-
Total Comprehensive loss for the year	(214.48)	-	(214.48)
<b>Balance as at March 31, 2017</b>	<b>(1,147.44)</b>	<b>5,300.00</b>	<b>4,152.56</b>

The above statement of changes in equity should be read in conjunction with the accompanying notes (1 - 21)

As per our attached Report of even date

**For Pathak H. D. & Associates**  
**Chartered Accountants**  
**Firm Registration No. 107783W**

**Vishal D. Shah**  
**Partner**  
**Membership No. 119303**

**Place: Mumbai**  
**Date : April 13, 2017**

**For and on behalf of Board of Directors**

**Debasis Mohanty**  
**Director**  
**DIN : 2565267**

**Place: Mumbai**  
**Date : April 13, 2017**

**Satish Kumar Mishra**  
**Director**  
**DIN : 3538005**

**Place: Mumbai**  
**Date : April 13, 2017**

**Mumbai Metro Transport Private Limited**  
**Statement of Cash Flows for the year ended March 31, 2017**  
(All amounts in INR Thousand, unless otherwise stated)

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
<b>Cash flows from Operating Activities</b>		
Loss before Income Tax	(214.48)	(281.60)
<b>Adjustments for:</b>		
Depreciation	90.02	90.02
<b>Cash Generated from Operations before Working Capital Changes</b>	<b>(124.46)</b>	<b>(191.58)</b>
Working Capital Adjustments :		
Increase/(Decrease) Other Financial Assets	(5.00)	100.00
Increase/(Decrease) Other Current Assets	(4.00)	-
Increase/(Decrease) Financial Liabilities	15.56	(27.40)
Decrease in Other Current Liabilities	(9.90)	(4.72)
<b>Cash used in Operations Activities</b>	<b>(127.80)</b>	<b>(123.70)</b>
Income Taxes Paid	-	-
<b>Net Cash used in Operations Activities</b>	<b>(127.80)</b>	<b>(123.70)</b>
<b>Cash flows from Investing Activities</b>	-	-
<b>Cash flow from Financing Activities</b>	-	-
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(127.80)</b>	<b>(123.70)</b>
Cash and Cash Equivalents at the beginning of the year	370.65	494.35
<b>Cash and Cash Equivalents at end of the year</b>	<b>242.85</b>	<b>370.65</b>
<b>Components of Cash and Cash Equivalents (Refer Note 4 )</b>		

The above statement of cash flows should be read in conjunction with the accompanying notes (1 - 21).

As per our attached Report of even date

**For Pathak H. D. & Associates**  
**Chartered Accountants**  
**Firm Registration No. 107783W**

**For and on behalf of Board of Directors**

**Vishal D. Shah**  
**Partner**  
**Membership No. 119303**

**Debasis Mohanty**  
**Director**  
**DIN : 2565267**

**Satish Kumar Mishra**  
**Director**  
**DIN : 3538005**

**Place: Mumbai**  
**Date : April 13, 2017**

**Place: Mumbai**      **Place: Mumbai**  
**Date : April 13, 2017**      **Date : April 13, 2017**

# **Mumbai Metro Transport Private Limited**

## **Notes annexed to and forming part of the Financial Statements**

### **Note 1: Corporate Information**

Mumbai Metro Transport Private Limited (MMTPL) is a Company limited by shares, incorporated and domiciled in India. The registered office of the Company is located at 502, plot no 91/94 Prabhat Colony, Santacruz (East) Mumbai 400 055.

The Government of Maharashtra has designated Mumbai Metropolitan Region Development Authority (MMRDA) as the project implementing agency for Mass Rapid Transit System (MRTS) for 32 kilometers on an elevated structure on Charkop - Bandra - Mankhurd corridor in Mumbai on build, operate and transfer (BOT) basis.

Based on the competitive bidding process, MMRDA has awarded the bid to the consortium comprising Reliance Infrastructure Limited, Reliance Communications Limited and SNC Lavlin Inc (together herein after referred to as 'consortium partners'). The Company has been incorporated as a Special Purpose vehicle for the purpose of execution of the project. Consequently, the Government of Maharashtra and the Company have entered into a concession agreement dated January 21, 2010 for execution of the project.

However, since the financial closure for the project could not be achieved within the time set forth in Article 24.1.1 of the concession agreement, as result of which the above parties on November 11, 2014 terminated the concession agreement with mutual consent of the parties at no cost to either party and agree that neither party is liable to pay any damage, compensation and termination payments to the other party.

These financial statements of the Company for the year ended March 31, 2017 were authorised for issue by the board of directors on April 13, 2017. Pursuant to the provisions of section 130 of the Act the Central Government, income tax authorities and other statutory regulatory body and section 131 of the Act the board of directors of the Company have powers to amend / re-open the financial statements approved by the board / adopted by the members of the Company.

### **Note 2: Significant Accounting Policies**

This note provides a list of the significant accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

#### **(a) Basis of Preparation**

##### **(i) Compliance with Indian Accounting Standard (Ind AS)**

The financial statements of the Company comply in all material aspects with Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) notified under Section 133 of the Companies Act, 2013 (the Act) read with relevant rules and other accounting principles. The policies set out below have been consistently applied during the years presented.

The financial statements for all periods up to and including the year ended March 31, 2016 were prepared in accordance with the accounting standards notified under Section 133 of Companies Act, 2013 read together with the Companies (Accounts) Rules, 2014.

As these financial statements for the year ended March 31, 2017 are the first financial statements of the Company prepared in accordance with Ind AS, Ind AS 101, "First-time Adoption of Indian Accounting Standards" has been applied. An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows including reconciliations and descriptions of the effect of the transition are provided in **Note 17**.



# **Mumbai Metro Transport Private Limited**

## **Notes annexed to and forming part of the Financial Statements**

These financial statements are presented in 'Indian Rupees', which is also the Company's functional currency and all amounts, are rounded to the nearest Thousand, unless otherwise stated.

The financial statements have been prepared in accordance with the requirements of the information and disclosures mandated by Schedule III to the Act, applicable Ind AS, other applicable pronouncements and regulations.

### **(ii) Basis of Measurement - Historical Cost Convention**

The financial statements have been prepared on a historical cost convention on accrual basis.

### **(iii) New Standards and Interpretations not yet adopted**

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, "Statement of Cash Flows" The amendments are applicable to the Company from April 1, 2017.

#### **Amendment to Ind AS 7 "Statement of Cash Flows":**

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

**(iv)** Financial statements have been prepared on a going concern basis in accordance with the applicable accounting standards prescribed in the Companies (Indian Accounting Standards), Rules, 2015 issued by the Central Government.

### **(b) Current versus Non-Current classification**

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

An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.
- Held primarily for the purpose of trading

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period
- Held primarily for the purpose of trading.

## **Mumbai Metro Transport Private Limited**

### **Notes annexed to and forming part of the Financial Statements**

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

#### **(c) Revenue Recognition Policy**

The Company recognises revenue when the amount of revenue can be reliably measured; it is probable that the economic benefits associated with the transaction will flow to the entity. The Company bases its estimates on historical results, taking into consideration the type of transaction.

All the items of Income and Expense are recognized on accrual basis of accounting.

#### **(d) Income Tax**

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

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the country where the Company generates taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Income tax expense for the year comprises of current tax and deferred tax. Income tax is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized in 'Other Comprehensive Income' or directly in equity, in which case the tax is recognized in 'Other Comprehensive Income' or directly in equity, respectively.



# **Mumbai Metro Transport Private Limited**

## **Notes annexed to and forming part of the Financial Statements**

### **(e) Impairment of Non-Financial Assets**

Assessment for impairment is done at each Balance Sheet date as to whether there is any indication that a non-financial asset may be impaired. Indefinite-life intangibles are subject to a review for impairment annually or more frequently if events or circumstances indicate that it is necessary.

For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the Statement of Profit and Loss.

The impairment loss is allocated first to reduce the carrying amount of any goodwill (if any) allocated to the cash generating unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Recoverable amount is higher of an asset's or cash generating unit's fair value less cost of disposal and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased. An impairment loss recognized for goodwill is not reversed in subsequent periods.

### **(f) Cash and Cash Equivalents**

Cash and Cash Equivalent in the balance sheet comprise cash at Bank and Short Term Deposits with original maturity of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

### **(g) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financial activities of the Company are segregated based on the available information.

### **(h) Financial Instruments**

The Company recognises financial assets and liabilities when it becomes a party to the contractual provisions of the instrument. All financial assets and liabilities are recognised at fair values on initial recognition, except for trade receivables which are initially measured at transaction price.



# **Mumbai Metro Transport Private Limited**

## **Notes annexed to and forming part of the Financial Statements**

### **(I) Financial Assets :**

#### **(i) Classification:**

The Company classifies its financial assets in the following measurement categories:

- those to be measured subsequently at fair value (either through other comprehensive income, or through profit or loss), and
- those measured at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in Statement of profit and loss or other comprehensive income. For investments in debt instruments, this will depend on the business model in which the investment is held. For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

#### **(ii) Measurement**

##### **Initial**

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs of financial assets carried at fair value through profit or loss are expensed in Statement of Profit and Loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

##### **Subsequent Debt instruments**

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

- **Amortised cost:**

Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in Statement of Profit and Loss when the asset is derecognised or impaired. Interest income from these financial assets is included in finance income using the effective interest rate method.

- **Fair value through profit or loss:**

Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit or loss and is not part of a hedging relationship is recognised in the Statement of Profit and Loss and presented net in the Statement of Profit and Loss within other gains/(losses) in the period in which it arises. Interest income from these financial assets is included in other income.

# **Mumbai Metro Transport Private Limited**

## **Notes annexed to and forming part of the Financial Statements**

### **Equity instruments**

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to the Statement of Profit and Loss.

Changes in the fair value of financial assets at fair value through profit or loss are recognised in Statement of Profit and Loss. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

### **(iii) Impairment of Financial Assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

### **(iv) De recognition of Financial Assets**

A financial asset is derecognised only when:

- Right to receive cash flow from assets have expired or
- The Company has transferred the rights to receive cash flows from the financial asset or
- It retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the received cash flows in full without material delay to a third party under a "pass through" arrangement.

Where the entity has transferred an asset, the Company evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised.

Where the entity has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

## **(II) Financial Liabilities**

### **Initial recognition and measurement**

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payable.

### **Subsequent measurement**

Financial liabilities at amortized cost: After initial measurement, such financial liabilities are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance costs in the Statement of Profit and Loss.



# **Mumbai Metro Transport Private Limited**

## **Notes annexed to and forming part of the Financial Statements**

### **Derecognition**

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability.

The difference in the respective carrying amounts is recognized in the Statement of Profit and loss.

### **Trade Payable**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

#### **(i) Fair value measurement**

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

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

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

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

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

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

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities.

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.

Level 3 -Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.



## **Mumbai Metro Transport Private Limited**

### **Notes annexed to and forming part of the Financial Statements**

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's Management determines the policies and procedures for both recurring and non-recurring fair value measurement, such as derivative instruments and unquoted financial assets measured at fair value.

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

The management also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

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

Disclosures for valuation methods, significant estimates and assumptions of financial instruments (including those carried at amortised cost) and disclosures of fair value measurement hierarchy (**Refer note 18(A)**).

#### **(j) Offsetting Financial Instruments**

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

#### **(k) Property, Plant and Equipment**

On the date of transition to Ind AS, the Company has considered the fair value of Property, Plant and Equipment to be the deemed cost as per Ind AS 101 "First time adoption of Indian Accounting Standards".

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with carrying amount are included in Statement of Profit and Loss.

## **Mumbai Metro Transport Private Limited**

### **Notes annexed to and forming part of the Financial Statements**

When significant parts of the property, plant and equipments are required to be replaced, the Company derecognises the replaced parts and recognise the new part with its own associated useful life and it is depreciated accordingly. All other repair and maintenance costs are recognised in the Statement of Profit and Loss as incurred.

#### **Depreciation methods, estimated useful lives and residual value**

Property, Plant and Equipment are depreciated under the straight line method as per the useful life and in the manner prescribed in Part "C" Schedule II to the Act.

Depreciation on additions to/deductions from property, plant and equipment during the year is charged on pro-rata basis from/up to the date on which the asset is available for use/disposed. The assets' residual values, useful life and method of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate.

#### **(l) Borrowing Costs**

Borrowing cost includes interest, amortisation of ancillary cost incurred in connection with the arrangement of borrowings and the exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. General and specific borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

Other borrowing costs are expensed in the period in which they are incurred.

#### **(m) Provisions**

Provisions for legal claims and returns are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as finance cost.

#### **(n) Contingent Liabilities and Contingent Assets**

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognized because it is probable that an outflow of resources will not be required to settle the obligation. However, if the possibility of outflow of resources, arising out of present obligation, is remote, it is not even disclosed as contingent liability.



## **Mumbai Metro Transport Private Limited**

### **Notes annexed to and forming part of the Financial Statements**

A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the notes to financial statements. A Contingent asset is not recognized in financial statement, however, the same is disclosed where an inflow of economic benefit is probable.

#### **(o) Contributed Equity**

Equity shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

#### **(p) Earnings per Share**

##### **(i) Basic Earnings per Share (BEPS)**

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

##### **(ii) Diluted Earnings per Share (DEPS)**

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

#### **(q) Rounding of Amounts**

All amounts disclosed in the financial statements and notes have been rounded off to the nearest Thousand as per the requirement of Schedule III, unless otherwise stated.



**Mumbai Metro Transport Private Limited**  
**Notes to accounts forming part of Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

**3 Property, Plant and Equipment (at cost)**

<b>Particulars</b>	<b>Building</b>
<b>Net Carrying amount as on April 1, 2015</b>	<b>5,284.02</b>
<b>Year Ended March 31, 2016</b>	
<b>Gross Carrying amount</b>	
Deemed Cost as at April 1, 2015	5,284.02
Additions during the year	-
Deletion / Other Adjustments	-
<b>Closing gross carrying amount as on March 31, 2016</b>	<b>5,284.02</b>
<b>Accumulated Depreciation</b>	
Depreciation charge during the year	90.02
Deletion/Other Adjustments	-
<b>Closing accumulated depreciation as on March 31, 2016</b>	<b>90.02</b>
<b>Net carrying amount as on March 31, 2016</b>	<b>5,194.00</b>
<b>Year Ended March 31, 2017</b>	
<b>Gross Carrying amount</b>	
Opening Gross Carrying amount	5,284.02
Additions during the year	-
Deletion/ Other Adjustments	-
<b>Closing gross carrying amount as on March 31, 2017</b>	<b>5,284.02</b>
<b>Accumulated Depreciation</b>	
Opening Accumulated Depreciation	90.02
Depreciation charge during the year	90.02
Deletion/Other Adjustments	-
<b>Closing accumulated depreciation as on March 31, 2017</b>	<b>180.04</b>
<b>Net carrying amount as on March 31, 2017</b>	<b>5,103.98</b>

**Mumbai Metro Transport Private Limited**  
**Notes to accounts forming part of Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

**4 Cash and Cash Equivalents**

	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Balances with Banks in - - Current Accounts	242.85	370.65	494.35
<b>Total</b>	<b>242.85</b>	<b>370.65</b>	<b>494.35</b>

**5 Other Financial Assets**

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Security Deposits	330.00	-	325.00	-	425.00	-
<b>Total</b>	<b>330.00</b>	<b>-</b>	<b>325.00</b>	<b>-</b>	<b>425.00</b>	<b>-</b>

**6 Other Assets**

	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Current	Non-Current	Current	Non-Current	Current	Non-Current
Prepaid Expenses	4.00	-	-	-	-	-
<b>Total</b>	<b>4.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

**Mumbai Metro Transport Private Limited**  
**Notes to accounts forming part of Financial Statements**

(All amounts in INR Thousand, unless otherwise stated)

**7 Equity Share Capital**

(a) Authorised Capital	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
50,000 Equity Shares of Rs.10 each	500.00	500.00	500.00
<b>Total Authorised Share Capital</b>	<b>500.00</b>	<b>500.00</b>	<b>500.00</b>

(b) Issued, Subscribed and Fully Paid-up Equity Share Capital	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
50,000 Equity Shares of Rs. 10 each	500.00	500.00	500.00
<b>Total Issued, Subscribed and Fully Paid-up Equity Share Capital</b>	<b>500.00</b>	<b>500.00</b>	<b>500.00</b>

(c) Reconciliation of the number of Shares outstanding as at the beginning and at the end of the year	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Number of Shares outstanding as at the beginning and at the end of the year	50,000.00	50,000.00	50,000.00

**(d) Details of Shareholders holding more than 5% of the total Equity share in the Company**

Name of the Shareholders	As at March 31, 2017	
	No. of Shares	% holding
Reliance Infrastructure Limited and its nominees	24,000.00	48
Reliance Communications Limited and its nominees	13,000.00	26
SNC Lavalin Inc	13,000.00	26
	As at March 31, 2016	
Reliance Infrastructure Limited and its nominees	24,000.00	48
Reliance Communications Limited and its nominees	13,000.00	26
SNC Lavalin Inc	13,000.00	26
	As at April 1, 2015	
Reliance Infrastructure Limited and its nominees	24,000.00	48
Reliance Communications Limited and its nominees	13,000.00	26
SNC Lavalin Inc	13,000.00	26

**(e) Terms/Rights attached to Equity Shares**

The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

The Company declares and pays dividend in Indian Rupees. The Dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

**8 Other Equity**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Retained Earnings	(1,147.44)	(932.96)	(651.36)
Equity Component of financial instruments- subordinate debts (refer note below)	5,300.00	5,300.00	5,300.00
<b>Total Other Equity</b>	<b>4,152.56</b>	<b>4,367.04</b>	<b>4,648.64</b>

**Note:**

The 0% subordinate debts is taken from the Investing party M/s. Reliance Infrastructure Limited. This subordinate debts to be repaid by mutual consent of the parties only after primary lenders are paid in full and in installments as may be mutually agreed between the issuer and investor. This subordinate debts is measured at amortised cost.

**Retained Earnings**

Particulars	As at March 31, 2017	As at March 31, 2016
Balance at the beginning of year	(932.96)	(651.36)
Add: Net Loss for the year	(214.48)	(281.60)
Balance at the end of the year	(1,147.44)	(932.96)



**Mumbai Metro Transport Private Limited**  
**Notes to accounts forming part of Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

**9 Trade Payables**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Total outstanding dues to Micro and Small Enterprises	-	-	-
Total outstanding dues to others	1,028.25	1,012.69	1,040.09
<b>Total</b>	<b>1,028.25</b>	<b>1,012.69</b>	<b>1,040.09</b>

This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Principal amount due to suppliers under MSMED Act, 2006	-	-	-
Interest accrued, due to suppliers under MSMED Act on the above amount, and unpaid	-	-	-
Payment made to suppliers (other than interest) beyond the appointed day/due date during the year	-	-	-
Interest paid to suppliers under MSMED Act (other than Section 16)	-	-	-
Interest paid to suppliers under MSMED Act (Section 16)	-	-	-
Interest due and payable towards suppliers under MSMED Act for payments already made	-	-	-
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act	-	-	-
Amount of further interest remaining due and payable in succeeding years	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>

**10 Other Current Liabilities**

Particulars	As at March 31, 2017		As at March 31, 2016		As at April 1, 2015	
	Current	Non Current	Current	Non-Current	Current	Non-Current
Statutory Dues	-	-	5.60	-	5.68	-
Share Application Money due for refund (Refer Note below)	0.02	-	0.02	-	0.02	-
Others Payable	-	-	4.30	-	8.94	-
<b>Total</b>	<b>0.02</b>	<b>-</b>	<b>9.92</b>	<b>-</b>	<b>14.64</b>	<b>-</b>

**Note:**

The amount Rs. 17 represents the excess share application money received from a shareholder SNC Lavlin which would be either refunded or adjusted against further issue of shares in future.

**11 Other Income**

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Liabilities Written Back	-	13.00
<b>Total</b>	<b>-</b>	<b>13.00</b>

**12 Other Expenses**

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Rates and Taxes	6.08	33.40
Professional Charges	49.36	38.35
Repairs and Maintenance	35.41	61.48
Interest on Delayed Payments	1.14	0.24
Filing Fees	1.23	1.22
Auditors Remuneration	20.38	58.07
Bank Charges	8.57	9.43
Electricity Expenses	1.27	2.39
Miscellaneous Expenses	1.02	-
<b>Total</b>	<b>124.46</b>	<b>204.58</b>

## Mumbai Metro Transport Private Limited

### Notes to accounts forming part of Financial Statements

(All amounts in INR Thousand, unless otherwise stated)

#### 13 Contingent Liabilities

Claims against the Company not acknowledged as debts	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Claims of suppliers against the Company	58,709.96	58,709.96	58,709.96
<b>Total</b>	<b>58,709.96</b>	<b>58,709.96</b>	<b>58,709.96</b>

#### 14 Segment Reporting

The Company is primarily engaged in the business of operating and maintaining the mass rapid transit system which constitutes a single reportable segment.

#### 15 Related Party Disclosures

As per Ind AS – 24 “Related Party Disclosure” as prescribed under Section 133 of the Act, the Company’s related parties and transactions with them in the ordinary course of business are disclosed below :

##### a) List of Related parties

Description of Relationship	Names of Related Parties
1. Parties where Control exists	Reliance Infrastructure Limited
2. Investing Parties	(i) SNC lavalin Inc (ii) Reliance Communication Limited
3. Enterprises where Holding Company has significant influence	Mumbai Metro One Private Limited

##### b) Transactions with other Related Parties during the year- Nil

##### c) Balances Outstanding at the end of the year:

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
<b>Investment in Equity</b>			
Reliance Infrastructure Limited	5,540.00	5,540.00	5,540.00
Reliance Communication Limited	130.00	130.00	130.00
SNC lavalin Inc	130.00	130.00	130.00
<b>Payables</b>			
- SNC Lavin Inc- Share application money *	0.02	0.02	0.02

\* Share application money payable Rs. 17 only.

#### 16 Earnings Per Share

Particulars	Year ended March 31, 2017	Year ended March 31, 2016
Loss for the year attributable to the owners of the Company (Rs.)	(214.48)	(281.60)
Weighted Average Number of Equity Shares	50,000.00	50,000.00
Nominal Value Per Share (Rs.)	10.00	10.00
Basic Earnings Per Share (Rs.)	(4.29)	(5.63)
Diluted Earnings Per Share (Rs.) (See note below)	(4.29)	(5.63)

Note: There are no outstanding dilutive potential equity shares

**Mumbai Metro Transport Private Limited**  
**Notes to accounts forming part of Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

**17 First Time Adoption of Ind AS**

**Transition to Ind AS**

These are the Company's first financial statements prepared in accordance with Ind AS.

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2017, the comparative information presented in these financial statements for the year ended March 31, 2016 and in the preparation of an opening Ind AS balance sheet at April 1, 2015 (the Company's date of transition). In preparing its opening Ind AS balance sheet, the Company has adjusted the amounts reported previously in financial statements prepared in accordance with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended) and other relevant provisions of the Act (previous GAAP or Indian GAAP or IGAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the company's financial position, financial performance and cash flows is set out in the following tables and notes.

**Exemptions and exceptions availed**

In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity). This note explains the adjustments made by the company in restating its previous GAAP financial statements, including the Balance Sheet as at April 1, 2015 and the financial statements as at and for the year ended March 31, 2016.

**Ind AS optional exemptions**

**Deemed cost**

On the date of transition to Ind AS, the Company has considered the fair value of Property, Plant and Equipment to be the deemed cost as per Ind AS 101 "First time adoption of Indian Accounting Standards".

**Ind AS mandatory exceptions**

**Estimates**

The Company's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1 April 2015 are consistent with the estimates as at the same date made in conformity with previous GAAP.

**Classification and measurement of financial assets**

Ind AS 101 requires the company to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

Ind AS 101 requires the Company to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

**a) Effect of Ind AS Adoption on the Balance Sheet as at March 31, 2016 and April 1, 2015**

Particulars	Notes	As at March 31, 2016 (End of last period presented under previous GAAP)			As at April 1, 2015 (Date of transition)		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet	Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
<b>ASSETS</b>							
<b>Non-Current Assets</b>							
- Property, Plant and Equipment		5,194.00	-	5,194.00	5,284.02	-	5,284.02
<b>Total Non-Current Assets</b>		<b>5,194.00</b>	<b>-</b>	<b>5,194.00</b>	<b>5,284.02</b>	<b>-</b>	<b>5,284.02</b>
<b>Current Assets</b>							
(a) Financial Assets							
(i) Cash and Cash Equivalents		370.65	-	370.65	494.35	-	494.35
(ii) Other Financial Assets		325.00	-	325.00	425.00	-	425.00
(b) Other Current Assets		-	-	-	-	-	-
<b>Total Current Assets</b>		<b>695.65</b>	<b>-</b>	<b>695.65</b>	<b>919.35</b>	<b>-</b>	<b>919.35</b>
<b>Total Assets</b>		<b>5,889.65</b>	<b>-</b>	<b>5,889.65</b>	<b>6,203.37</b>	<b>-</b>	<b>6,203.37</b>
<b>EQUITY AND LIABILITIES</b>							
<b>Equity</b>							
(a) Equity Share Capital		500.00	-	500.00	500.00	-	500.00
(b) Other Equity	b	(932.96)	5,300.00	4,367.04	(651.36)	5,300.00	4,648.64
<b>Total Equity</b>		<b>(432.96)</b>	<b>5,300.00</b>	<b>4,867.04</b>	<b>(151.36)</b>	<b>5,300.00</b>	<b>5,148.64</b>
<b>LIABILITIES</b>							
<b>Non Current Liabilities</b>							
Subordinated Debts	b	5,300.00	(5,300.00)	-	5,300.00	(5,300.00)	-
<b>Total Non Current Liabilities</b>		<b>5,300.00</b>	<b>(5,300.00)</b>	<b>-</b>	<b>5,300.00</b>	<b>(5,300.00)</b>	<b>-</b>
<b>Current Liabilities</b>							
(a) Financial Liabilities							
Trade Payables		1,012.69	-	1,012.69	1,040.09	-	1,040.09
(b) Other Current Liabilities		9.92	-	9.92	14.64	-	14.64
<b>Total Current Liabilities</b>		<b>1,022.61</b>	<b>-</b>	<b>1,022.61</b>	<b>1,054.73</b>	<b>-</b>	<b>1,054.73</b>
<b>Total Liabilities</b>		<b>6,322.61</b>	<b>(5,300.00)</b>	<b>1,022.61</b>	<b>6,354.73</b>	<b>(5,300.00)</b>	<b>1,054.73</b>
<b>Total Equity and Liabilities</b>		<b>5,889.65</b>	<b>-</b>	<b>5,889.65</b>	<b>6,203.37</b>	<b>-</b>	<b>6,203.37</b>



**Mumbai Metro Transport Private Limited**  
**Notes to accounts forming part of Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

**First time adoption of Ind AS (contd..)**

**b) Effect of Ind AS adoption on the Statement of Profit and Loss for the year ended March 31, 2016**

Particulars	Notes	For the year ended March 31, 2016 (Latest period presented under previous GAAP)		
		Previous GAAP	Effect of transition to Ind AS	As per Ind AS Balance Sheet
(I) Other Income		13.00	-	13.00
<b>(II) Total Income</b>		<b>13.00</b>	<b>-</b>	<b>13.00</b>
<b>(III) Expenses</b>				
Depreciation		90.02	-	90.02
Other Expenses		204.58	-	204.58
<b>Total Expenses (IV)</b>		<b>294.60</b>	<b>-</b>	<b>294.60</b>
<b>Loss for the year</b>		<b>(281.60)</b>	<b>-</b>	<b>(281.60)</b>

**c) Reconciliation of Total Equity as at March 31, 2016 and April 1, 2015**

Particulars	Notes	As at March 31, 2016	As at April 1, 2015
<b>Equity as reported under Previous GAAP</b>		<b>(432.97)</b>	<b>(151.36)</b>
Ind AS: Adjustments		-	-
Equity Component of Financial Instruments (Subordinate debts)	b	5,300.00	5,300.00
<b>Equity as reported under Ind AS</b>		<b>4,867.03</b>	<b>5,148.64</b>

**d) Reconciliation of total income/(loss) for the year ended March 31, 2016**

Particulars	Notes	Year ended March 31, 2016
<b>Loss as per Previous GAAP</b>		<b>(281.60)</b>
Ind AS: Adjustments increase/(decrease):		-
Total adjustment to Profit and Loss		-
<b>Loss as per Ind AS</b>		<b>(281.60)</b>

**e) Material adjustments to the Statement of Cash Flows**

Particulars	For the year ended March 31, 2016		
	Previous GAAP	Ind AS adjustments	Ind AS
Net cash flows from Operating Activities	(123.70)	-	(123.70)
Net cash flows from Investing Activities	-	-	-
Net cash flows from Financing Activities	-	-	-
<b>Net increase/(decrease) in Cash and Cash Equivalents</b>	<b>(123.70)</b>	<b>-</b>	<b>(123.70)</b>
Cash and Cash Equivalents at beginning of year	494.35	-	494.35
<b>Cash and Cash Equivalents at end of year</b>	<b>370.65</b>	<b>-</b>	<b>370.65</b>

**Notes to first-time adoption**

a The Company has elected to measure all items of property, plant and equipment at fair value at the date of transition to Ind AS.

b Under previous GAAP, Subordinate Debt received from holding company was shown as borrowings. Under Ind AS same is shown as Deemed Equity Contribution.

**Mumbai Metro Transport Private Limited**  
**Notes to accounts forming part of Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

**18 Fair Value Measurements and Financial Risk Management**

**A) Fair Value Measurements**

**a) Financial Instruments by Category**

Set out below is the detail of the carrying amounts and fair values by class of Financial instruments.

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
	Amortised cost	Amortised cost	Amortised cost
<b>Financial Assets</b>			
Cash and Cash Equivalents	242.85	370.65	494.35
Security Deposits	330.00	325.00	425.00
Prepaid Expenses	4.00	-	-
<b>Total Financial Assets</b>	<b>576.85</b>	<b>695.65</b>	<b>919.35</b>
<b>Financial Liabilities</b>			
Trade Payables	1,028.25	1,012.69	1,040.09
Other Payable	0.02	9.92	14.64
<b>Total Financial Liabilities</b>	<b>1,028.27</b>	<b>1,022.61</b>	<b>1,054.73</b>

**b) Fair value hierarchy**

This section explains the judgments and estimates made in determining the fair values of the financial instruments that are (a) recognised and measured at fair value and (b) measured at amortised cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Assets and liabilities for which fair values are disclosed as at March 31, 2017	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Security Deposit			330.00	330.00
<b>Financial Liabilities</b>				
Other Payable	-	-	0.02	0.02

Assets and liabilities for which fair values are disclosed as at March 31, 2016	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Security Deposit	-	-	325.00	325.00
<b>Financial Liabilities</b>				
Other Payable	-	-	9.92	9.92

Assets and liabilities for which fair values are disclosed as at April 1, 2015	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>				
Security Deposit			425.00	425.00
Property, Plant and Equipment			5,284.02	5,284.02
<b>Financial Liabilities</b>				
Other Payable	-	-	14.64	14.64

There were no transfers between any levels during the year.

**Level 1 :** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes mutual funds that have a quoted price.

**Level 2:** The fair value of financial instruments that are not traded in an active market (for example over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities which are included in level 3.

The carrying amounts of trade payables, advances receivable in cash and cash and cash equivalents are considered to be the same as their fair values. They are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk. For financial assets and liabilities that are measured at fair value, the carrying amounts are equal to the fair values.

**Mumbai Metro Transport Private Limited**  
**Notes to accounts forming part of Financial Statements**

(All amounts in INR Thousand, unless otherwise stated)

**B) Financial Risk Management**

**(i) Credit risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations.

The Company is engaged in constructing a Metro Rail .

The Company does not have any significant exposure to credit risk.

**Credit Risk Management**

The company provides provision for expected credit loss (ECL) based on the risk of default from the counter party. The provision for ECL would be disclosed in the Statement of Profit and Loss of the reporting period and the same would be deducted from the financial asset. In the current financial year the company has not provided for ECL as the company considers the credit risk on entire financial assets as negligible.

**(ii) Cash and cash equivalents & Other Financial Asset**

The Company held cash and cash equivalents & other financial assets with credit worthy banks aggregating Rs. 242.85 Thousand and Rs 370.65 Thousand as at March 31,2017 and March 31, 2016 respectively. The credit worthiness of such banks and financial institutions is evaluated by the management on an ongoing basis and is considered to be good.

**(iii) Market risk**

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The Company is not exposed to any significant currency risk and equity price risk.

**(a) Interest rate risk**

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not exposed to any interest rate risk.

**(b) Liquidity Risk**

The table below analyses the Company's non-derivative financial liabilities and net-settled derivative financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Contractual Maturities of Financial Liabilities As at March 31, 2017	Upto 1 year	Between 1 and 5 years	Above 5 years	Total
<b>Non-derivatives</b>				
Trade Payables	1,028.25	-	-	1,028.25
<b>Total Liabilities</b>	<b>1,028.25</b>	<b>-</b>	<b>-</b>	<b>1,028.25</b>

Contractual Maturities of Financial Liabilities As at March 31, 2016	Upto 1 year	Between 1 and 5 years	Above 5 years	Total
<b>Non-derivatives</b>				
Trade Payables	1,012.69	-	-	1,012.69
<b>Total Liabilities</b>	<b>1,012.69</b>	<b>-</b>	<b>-</b>	<b>1,012.69</b>

Contractual Maturities of Financial Liabilities As at April 1, 2015	Upto 1 year	Between 1 and 5 years	Above 5 years	Total
<b>Non-derivatives</b>				
Trade Payables	1,040.09	-	-	1,040.09
<b>Total Liabilities</b>	<b>1,040.09</b>	<b>-</b>	<b>-</b>	<b>1,040.09</b>



**Mumbai Metro Transport Private Limited**  
**Notes to accounts forming part of Financial Statements**  
(All amounts in INR Thousand, unless otherwise stated)

**19 Income Tax and Deferred Tax (Net) :**

**a) Income Tax Expense**

Particulars	As at March 31, 2017	As at March 31, 2016
<b>Income tax expense</b>		
Current tax		
Current tax on profits for the year	-	-
Adjustments for current tax of prior periods	-	-
<b>Total current tax expense (A)</b>	-	-
Deferred tax		
Decrease/(increase) in deferred tax assets	-	-
(Decrease)/increase in deferred tax liabilities	-	-
<b>Total deferred tax expense/(benefit) (B)</b>	-	-
<b>Income tax expense (A+B)</b>	-	-
<b>Income tax expense is attributable to:</b>		
Loss for the year	-	-

**b) Reconciliation of tax expense and the accounting profit multiplied by India's tax rate:**

Particulars	As at March 31, 2017	As at March 31, 2016
Loss before income tax expense	(214.48)	(281.60)
<b>Tax at the Indian tax rate of 34.608%</b>	(74.23)	(97.46)
Tax losses for which no deferred income tax was recognised	(74.23)	(97.46)
Adjustments for current tax of prior periods		
<b>Income tax expense charged to Statement of Profit and Loss</b>	-	-

Note: The Company has not recognised deferred tax asset on the unabsorbed losses as it does not claim the unabsorbed losses in the income tax returns filed by the Company.

**c) Amounts recognised in respect of current tax/deferred tax directly in equity**

Particulars	As at March 31, 2017	As at March 31, 2016	As at April 1, 2015
Amounts recognised in respect of current tax/deferred tax directly in equity	-	-	-

**20 Specified Bank Notes**

The Company did not have any holding or dealing in specified bank note during the period from November 8, 2016 to December 30, 2016. Hence disclosure envisaged in notification G.S.R 308 (E) dated March 30, 2017 is not applicable to the Company.

**21 Figures for the previous year have been regrouped/reclassified/rearranged wherever necessary to make them comparable to those for the current year.**

As per our attached Report of even date

**For Pathak H. D. & Associates**  
Chartered Accountants  
Firm Registration No. 107783W

**For and on behalf of Board of Directors**

**Vishal D. Shah**  
Partner  
Membership No. 119303

**Debasis Mohanty**      **Satish Kumar Mishra**  
Director                      Director  
DIN : 2565267              DIN : 3538005

Place: Mumbai  
Date : April 13, 2017

Place: Mumbai      Place: Mumbai  
Date : April 13, 2017      Date : April 13, 2017