NOIDA METRO RAIL CORPORATION LIMITED

MAIN ADMINISTRATIVE BUILDING, SECTOR-6, NOIDA-201301

BALANCE SHEET AS AT 31.03.2015

(Amount In Rs.)

Particulars	Note No.	As At 31.03.2015	As At 31.03.2014
1	2	3	4
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share capital	3	500,000.00	-
(b) Reserves and surplus	4	431,850,479.35	-
(c) Money received against share warrants		-	-
(2) Share application money pending allotment		-	-
(3) Non-current liabilities			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long term provisions		-	-
(4) Current liabilities			
(a) Short-term borrowings		-	-
(b) Trade payables	5	172,294,120.00	-
(c) Other current liabilities	6	44,916,820.00	-
(d) Short-term provisions	7	22,472.00	-
TOTAL		**649,583,891.35**	**-**
II. ASSETS			
Non-current assets			
(1) (a) Fixed assets			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress	8	401,782,054.00	-
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		7,183,777.35	-
(d) Long term loans and advances	9	40,220,000.00	-
(e) Other non-current assets		-	-
(2) Current assets			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	10	15,332,402.00	-
(e) Short-term loans and advances	11	184,917,946.00	-
(f) Other current assets	12	147,712.00	-
TOTAL		**649,583,891.35**	**-**
NOTES FORMING PART OF FINANCIAL STATEMENTS	1-28	-	

As per our report of even date attached

For DSM & Associates

Chartered Accountants

Firm's Registration No.:001704C

22-02-2016

Mohan Lal Rathi

Partner

M.No. 091383

DSM & ASSOCIATES GHAZIABAD CHARTERED ACCOUNTANTS

Place : NOIDA

Date :

For and on behalf of the Board

Rama Raman

Managing Director

Din No: 01120265

Deepak Agrawal

Director

Din No: 07321522

30/12/15

Mrs. Anupriya Garg

Company Secretary

M.No. 18612

P D Upadhyay

Chief Financial Officer

NOIDA METRO RAIL CORPORATION LIMITED
MAIN ADMINISTRATIVE BUILDING, SECTOR-6, NOIDA-201301
PROFIT & LOSS STATEMENT FOR THE PERIOD ENDED 31.03.2015

(Amount In Rs.)

	Particulars	Note No.	As At 31.03.2015	As At 31.03.2014
	1	2	3	4
I	Revenue from operations		-	-
II	Other Income	13	5,500,000.00	-
III	**Total Revenue (I +II)**		**5,500,000.00**	-
IV	***Expenses:***			
	Cost of materials consumed		-	-
	Purchases of Stock-in-Trade		-	-
	Changes in inventories of finished goods		-	-
	Work -in-progress and Stock-in-Trade		-	-
	Employee benefits expense	14	595,161.00	-
	Finance costs		-	-
	Depreciation and amortization expense		-	-
	Other expenses	15	30,238,137.00	-
	Total Expenses		**30,833,298.00**	-
V	**Profit before exceptional and extraordinary items and tax (III-IV)**		**(25,333,298.00)**	-
VI	Exceptional items		-	-
VII	**Profit before extraordinary items and tax (V-VI)**		(25,333,298.00)	-
VIII	Extraordinary items		-	-
IX	**Profit before tax (VII-VIII)**		**(25,333,298.00)**	-
X	Tax expense:			
	(1) Current tax		-	-
	(2) Deferred tax		(7,183,777.35)	-
XI	Profit (Loss) for the period from continuing oprations (VII-VIII)		**(18,149,520.65)**	-
XII	Profit/(loss) from discontinuing operations		-	-
XIII	Tax expense of discontinuing operations		-	-
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		-	-
XV	**Profit (Loss) for the period (XI + XIV-X)**		**(18,149,520.65)**	-
XVI	**Earnings per equity share:**			
	(1) Basic		(3,629.90)	-
	(2) Diluted		(3,629.90)	-
	NOTES FORMING PART OF FINANCIAL STATEMENTS	1-28		

As per our report of even date attached
For DSM & Associates
Chartered Accountants
Firm's Registration No.:001704C

22.02.2016

DSM & ASSOCIATES GHAZIABAD CHARTERED ACCOUNTANTS

Mohan Lal Rathi
Partner
M.No. 091383

For and on behalf of the Board

Rama Raman
Managing Director
Din No: 01120265

Deepak Agrawal
Director
Din No: 07321522

30/12/15
Mrs. Anupriya Garg
Company Secretary
M.No. 18612

P D Upadhyay
Chief Financial Officer

Place : NOIDA
Date :

NOIDA METRO RAIL CORPORATION LIMITED

(Amount In Rs.)

Share Capital — **Note - 3**

Particulars	As At 31.03.2015	As At 31.03.2014
Authorised Share Capital (10,00,00,000) Ten Crore Equity Share of Rs. 100/- each	10,000,000,000.00	-
Issued , Subscribed & Paid up Share Capital (5,000) Five Thousand Equity Shares of Rs 100/- each	500,000.00	-
Total	**500,000.00**	**-**

Reconciliation of the number of equity shares and share capital — **Note-3 (i)**

Particulars	As At 31.03.2015		As At 31.03.2014	
	NUMBERS	AMOUNT	NUMBERS	AMOUNT
Issued , Subscribed & fully Paid up Shares outstanding at the beginning of the year	-	-	-	-
Add: Shares Issued during the year	5,000.00	500,000.00	-	-
Issued , Subscribed & fully Paid up Shares outstanding at the end of	5,000.00	500,000.00	-	-
Total	**5,000.00**	**500,000.00**	**-**	**-**

Shareholders holding more than 5% of equity shares at the end of — **Note-3 (ii)**

Particulars	As At 31.03.2015		As At 31.03.2014	
	NUMBERS	% OF SHARES	NUMBERS	% OF SHARES
Name of the Shareholder	-	-	-	-
New Okhla Industrial Development Authority	3,500.00	70.00	-	-
Greater Noida Industrial Development Authority	1,500.00	30.00	-	-
Total	**5,000.00**	**100.00**	**-**	**-**

DSM & ASSOCIATES
GHAZIABAD
CHARTERED ACCOUNTANTS

Reserves & Surplus Note - 4

Particulars	As At 31.03.2015	As At 31.03.2014
1) Capital Reserve	450,000,000.00	-
2) Genral Reserve	-	-
3) Profit & Loss Account :-		
Opening Balance	-	-
Profit/(Loss) during the year	(18,149,520.65)	-
Total	**431,850,479.35**	**-**

Trade Payable Note - 5

Particulars	As At 31.03.2015	As At 31.03.2014
Creditors Against Expenses.		
Internal Audit Fee Payable	307,080.00	-
Salary Payable	125,000.00	-
PMC Payable To Dmrc	171,862,040.00	
Total	**172,294,120.00**	**-**

Other Current Liabilities Note - 6

Particulars	As At 31.03.2015	As At 31.03.2014
Preliminary Exp. Payable to NOIDA	25,262,820.00	-
TDS Payable	19,654,000.00	-
Total	**44,916,820.00**	**-**

Short Term Provisions Note - 7

Particulars	As At 31.03.2015	As At 31.03.2014
Statutory Audit Fee Payable	22,472.00	-
		-
Total	**22,472.00**	**-**

DSM & ASSOCIATES * GHAZIABAD * CHARTERED ACCOUNTANTS

NOIDA METRO RAIL CORPORATION LIMITED

Fixed Assets

Note- 8

Capital Work-In-Progress

Particulars	Rate of Depreciation	GROSS BLOCK						DEPRECIATION					NET BLOCK	
		As at 31/03/2014	Additions	Acquisitions	Deletions	Other Adjustments	As at 31/03/2015	As at 31/03/2014	For the Year	Adjustment for Deletions	Impairment Loss	As at 31/03/2015	As at 31/03/2015	As at 31/03/2014
		1	2	3	4	5	6	7	8	9	10	11	12	13
NOIDA GR. NOIDA METRO CORRIDOR		-	401,782,054.00	-	-	-	401,782,054.00	-	-	-	-	-	401,782,054.00	-
TOTAL		-	401,782,054.00	-	-	-	401,782,054.00	-	-	-	-	-	401,782,054.00	-
Grand Total		-	401,782,054.00	-	-	-	401,782,054.00	-	-	-	-	-	401,782,054.00	-

Details of Cost incurred NOIDA GR. NOIDA **Note - 8.1**

Particulars	As At 31.03.2015	As At 31.03.2014
(A) Opening Balance	-	-
(B) Additions During The Year		
1.) Project Management Consultancy Fee paid to DMRC	392,200,000.00	-
2.) Cost of project paid to DMRC	9,582,054.00	
Total (A+B)	**401,782,054.00**	-

DSM & ASSOCIATES * GHAZIABAD * CHARTERED ACCOUNTANTS

Long Term Loans and Advances Note - 9

Particulars	As At 31.03.2015	As At 31.03.2014
Unsecured considered good unless otherwise stated:-		
Advance to Delhi Metro Rail Corporation	40,220,000.00	-
Total	**40,220,000.00**	**-**

Cash & Cash Equivalents Note - 10

Particulars	As At 31.03.2015	As At 31.03.2014
Cash in Hand	-	-
Bank Accounts :		
Current A/c (With Scheduled Bank)	15,332,402.00	-
Other Bank Balances	-	-
1. Fixed Deposit	-	-
2. Recurrind Deposit	-	-
Total	**15,332,402.00**	**-**

Short Term Loans and Advances Note - 11

Particulars	As At 31.03.2015	As At 31.03.2014
Unsecured considered good unless otherwise stated:-		
Advance to Delhi Metro Rail Corporation	40,417,946.00	-
Advance for Mobilisation	144,500,000.00	
Total	**184,917,946.00**	**-**

Other Current Assets Note - 12

Particulars	As At 31.03.2015	As At 31.03.2014
Prepaid Software Fee	147,712.00	-
Total	**147,712.00**	**-**

Other Income Note - 13

Particulars	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
Grant from Dedicated Urban Transport Fund	5,500,000.00	-
Total	**5,500,000.00**	**-**

SM & ASSOCIATES CHARTERED ACCOUNTANTS

Employee Benefit Expenses **Note - 14**

Particulars	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
(A) Establishment Expenses		
Salary to staff	595,161.00	-
(B) Rembursehment Expenses		
Local Travelling Exp.	-	-
Telephone Exp.	-	-
Medical Exp.	-	-
Total	**595,161.00**	**-**

Other Expenses **Note - 15**

Particulars	For the Year Ended 31.03.2015	For the Year Ended 31.03.2014
Audit Fees (Internal Audit)	707,868.00	-
Audit Fees (Statutory Audit)	22,472.00	-
Software Fees (Office 365)	21,300.00	-
Advertisement Expenses	390,264.00	-
Consulting fee-Noida & Gr Noida City Bus Service	3,797,768.00	-
Legal Expenses	12,000.00	-
Printing & Stationery Expenses	23,645.00	-
Amortisation of Preliminary Exp.	25,262,820.00	-
Total	**30,238,137.00**	**-**

As per our report of even date attached

For DSM & Associates

Chartered Accountants

Firm's Registration No.:001704C

22.02.2016

Mohan Lal Rathi

Partner

M.No. 091383

DSM & ASSOCIATES GHAZIABAD CHARTERED ACCOUNTANTS

Place : NOIDA

Date :

For and on behalf of the Board

Rama Raman
Managing Director
Din No: 01120265

Deepak Agrawal
Director
Din No: 07321522

30/12/15

Mrs. Anupriya Garg
Company Secretary
M.No. 18612

P D Upadhyay
Chief Financial Officer

NOIDA METRO RAIL CORPORATION LIMITED

MAIN ADMINISTRATIVE BUILDING, SECTOR-6, NOIDA-201301

CASH FLOW STATEMENT FOR THE YEAR ENDING AS ON 31st MARCH 2015

(AMOUNT IN Rs.)

S.NO	Particulars	For the year ended 31 March, 2015		For the year ended 31 March, 2014	
A	**A. Cash flow from operating activities**				
1	Net Profit / (Loss) before extraordinary items and tax		(25,333,298.00)	-	-
2	***Adjustments for:***				
	Depreciation and amortisation	-		-	
	Provision for impairment of fixed assets and intangibles	-		-	
	Amortisation of share issue expenses and discount on shares	-		-	
	(Profit) / loss on sale / write off of assets	-		-	
	Expense on employee stock option scheme	-		-	
	Finance costs	-		-	
	Interest income	-		-	
	Dividend income	-		-	
	Net (gain) / loss on sale of investments	-		-	
	Rental income from investment properties	-		-	
	Rental income from operating leases	-		-	
	Liabilities / provisions no longer required written back	-		-	
	Adjustments to the carrying amount of investments	-		-	
	Provision for losses of subsidiary companies	-		-	
	Provision for doubtful trade and other receivables, loans and advances	-		-	
	Provision for estimated loss on derivatives	-		-	
	Provision for warranty	-		-	
	Provision for estimated losses on onerous contracts	-		-	
	Provision for contingencies	-		-	
	Preliminry Exp Written Off	-		-	
	Net unrealised exchange (gain) / loss	-		-	
	Total (2)		-		-
3	**Operating profit / (loss) before working capital changes (1+2)**		**(25,333,298.00)**		**-**
4	***Changes in working capital:***				
	Adjustments for (increase) / decrease in operating assets:				
	Inventories	-		-	
	Trade receivables	-		-	
	Short-term loans and advances	(184,917,946.00)		-	
	Other current assets	(147,712.00)		-	
	Adjustments for increase / (decrease) in operating liabilities:				
	Trade payables	172,294,120.00		-	
	Other current liabilities	44,916,820.00		-	
	Short-term provisions	22,472.00	32,167,754.00	-	
5	**Cash flow from operating activities before tax and extraordinary items (3+4)**		**6,834,456.00**		**-**
6	Cash flow from extraordinary items	-	-	-	-

DSM & ASSOCIATES
GHAZIABAD
CHARTERED ACCOUNTANTS

7	**Cash generated from operations (5+6)**		**6,834,456.00**	**-**	**-**
8	Net income tax (paid) / refunds	-	-	-	-
A	**Net cash flow from / (used in) operating activities (A) (7-8)**		**6,834,456.00**		**-**
B	**B. Cash flow from investing activities**				
1	Capital expenditure on fixed assets, including capital advances	442,002,054.00			
2	Proceeds from sale of fixed assets	-	(442,002,054.00)	-	-
3	Inter-corporate deposits (net)	-	-		
4	Bank balances not considered as Cash and cash equivalents				
	- Placed	-	-	-	
	- Matured	-	-	-	-
5	Current investments not considered as Cash and cash equivalents				
	- Purchased	-		-	
	- Proceeds from sale	-	-	-	-
6	Purchase of long-term investments		-		-
7	Proceeds from sale of long-term investments		-		-
8	Loans and Advances given	-	-		-
9	Loans and Advances realised	-	-		-
10	Interest received		-		-
11	Dividend received		-		-
12	Rental income from investment properties		-		-
13	Rental income from operating leases		-		-
14	**Cash flow from invesing activities before tax and extraordinary items (1-13)**		**(442,002,054.00)**		**-**
15	Cash flow from extraordinary items		-		-
16	**Total Cash Flow From Investing Activities (14+15)**		**(442,002,054.00)**		**-**
17	Net income tax (paid) / refunds		-	-	-
B	**Net cash flow from / (used in) investing activities (B) (16-17)**		**(442,002,054.00)**		**-**
C	**C. Cash flow from financing activities**				
1	Proceeds from issue of equity shares		500,000.00		-
2	Proceeds from issue of preference shares		-		-
3	Preceeds from Grant Received From Government or its Body's		450,000,000.00		-
4	Proceeds from issue of share warrants		-		-
5	Share application money received / (refunded)		-		-
6	Proceeds from long-term borrowings		-		-
7	Repayment of long-term borrowings		-		-
8	Net increase / (decrease) in working capital borrowings		-		-
9	Proceeds from other short-term borrowings		-		-
10	Repayment of other short-term borrowings		-		-
11	Finance cost		-		-
12	Dividends paid		-		-
13	Tax on dividend		-		-

DSM & ASSOCIATES GHAZIABAD CHARTERED ACCOUNTANTS

14	**Total Cash flow from financing activities before extraordinary items (1-13)**		**450,500,000.00**		**-**
15	Cash flow from extraordinary items		-		-
C	**Net cash flow from / (used in) financing activities (C) 14+15**		**450,500,000.00**		**-**
	Net increase / (decrease) in Cash and cash equivalents (A+B+C)		**15,332,402.00**		**-**
	Cash and cash equivalents at the beginning of the year		-		-
	Effect of exchange differences on restatement of foreign currency Cash and cash equivalents		-		-
	Cash and cash equivalents at the end of the year		**15,332,402.00**	**-**	**-**
	NOTES FORMING PART OF FINANCIAL STATEMENTS		1-28		

As per our report of even date attached

For DSM & Associates
Chartered Accountants
Firm's Registration No.:001704C

DSM ASSOCIATES GHAZIABAD CHARTERED ACCOUNTANTS

22.02.2016

Mohan lal Rathi
Partner
M.No.091383

Place : NOIDA
Date :

For and on behalf of the Board

Rama Raman
Managing Director
Din No: 01120265

Deepak Agrawal
Director
Din No: 07321522

30/12/15

Mrs. Anupriya Garg
Company Secretary
M.No.18612

P D Upadhyay
Chief Financial Officer

NOIDA METRO RAIL CORPORATION LIMITED

Notes forming part of the Financial Statements

1. **Company Overview:**

   The Company, Noida Metro Rail Corporation Limited ('the Company' or 'NMRC'), incorporated as public limited company with the Registrar of Companies, Uttar Pradesh on 5th November 2014 by New Okhla Industrial Development Authority (NOIDA) and Greater Noida Industrial Development Authority (GNIDA) for the purpose of planning, building and establishment of mass transit and other urban transport and people mover systems of all types and disciplines. The Company has presently undertaken two major projects namely **Metro Rail** between Noida and Greater Noida and **City Bus Service** between Noida and Greater Noida and in the cities of Noida and Greater Noida. Both of these projects are under development stage.The Company has entered into an Agreement with Delhi Metro Rail Corporation Limited (DMRC) for execution of the Metro Rail project of an estimated cost of Rs.5103.00 crores.

2. **Significant Accounting Policies**

   a) **Basis of Preparation Financial Statement**

   These Financial Statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under historical cost convention on accrual basis. GAAP comprises mandatory accounting standards as prescribed under section 133 of the Companies Act 2013 ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified). These financial statements pertain to first accounting period of the Company for period from 5th November 2014 till 31st March 2015.

   The Company is implementing the setting-up of Metro Rail System and City Bus Project. Profit and Loss Account has been prepared for the period ending on 31st March 2015. The expenditureswhich are directly attributable to the project are capitalized. However, necessary details as per Part II of Schedule III of the Companies Act 2013 have been disclosed.

   b) **Use of Estimates**

   The preparation of the financial statements in conformity with Indian GAAP requires the Management to make judgments, estimates and assumptions that affect the reported balances of assets and liabilities (including disclosure of contingent liabilities) at the end of reporting period and reported amounts of income and expense during the period. The financial statements are prepared by using reasonable estimates by the Management. Actual results could be differ from these estimates and the differences between the actual results and the estimates shall be recognized in the periods in which the results are known/materialized, and if material, their effects are disclosed in the notes to the financial statements.

DSM & ASSOCIATES GHAZIABAD CHARTERED ACCOUNTANTS

c) **Revenue Recognition**

The Company has a policy of recognizing revenue according to accounting standards, only when it can be reliably measured and it is reasonable to expect ultimate collection. However, the company did not derive any income during this period.

d) **Government Grants**

(i) **Capital Grant.**

Capital Grants related to depreciable assets shall be treated as Deferred Capital Grant which shall be recognized in the profit and loss statement on a systematic and rational bases over the life of the asset. Government grant in nature of promoter's contribution are credited to capital reserve and treated as a part of shareholder's funds.

Revenue Grants

Grants received from New Okhla Industrial Development Authority (NOIDA) towards revenue expensesexcluding company incorporation expenses have been recognized in P&L Account under the Head "Other Income".

e) **Inventory**

Company has a policy of valuing inventories including consumable stores at the lower of cost and net realizable value in conformation with para-5 ofaccounting Standard - 2. However, during the financial period, the Company did not hold any inventory.

f) **Tangible Fixed Assets and Depreciation**

Tangible assets not ready for the intended use on the date of balance sheet are disclosed as 'Capital Work In Progress'. All expenses (such as consultancy fee etc.) which are specificallyattributable to construction of a project or to the acquisition of a fixed assetor bringing it to its working condition, are included as part of the cost ofthe construction project or as a part of the cost of the fixed asset. Therefore,which are in direct relationship for creation of assets have been capitalized as capital work in progress. Work in progress has been recognized on the basis of certificate of fund utilization given by DMRC.

NOIDA had entered into an agreement for Noida-Greater Noida Metro Corridor with Delhi Metro Rail Corporation Limited ("DMRC") on 18.10.2014. In compliance of clause 11 of the agreement, NOIDA had paid Rs. 14.45 Crores as mobilization fee to DMRC on 18.10.2014. NMRC had been incorporated on 05.11.2014 as a special purpose vehicle for the Noida-Greater Noida Metro Rail Project and, as per the agreement, NMRC had become the party to the agreement. NMRC has been directed to book the asset created by the payment of mobilization fee and treat it as Capital Grant in nature of promoter's contribution.Consultancy fee, plan preparation fee, project feasibility fee on city bus service has been considered as revenue expenditure, since these expenses are not incurred to acquire specific assets.

In respect of tangible fixed assets (other than freehold land and capital work-in-progress) acquired, company has a policy forcharging depreciation on the basis of

DSM & ASSOCIATES
GHAZIABAD
CHARTERED ACCOUNTANTS

systematic allocation of the depreciation amount so as to write-off the cost of the assets over the useful lives.

Since, the company didn't have any tangible or intangible fixed asset (other than capital work-in-progress) till 31.03.2015, no depreciation had been charged in the financial statement.

g) **Intangible Fixed Assets and Amortization**

The company didn't have any intangible fixed asset till 31.03.2015. Therefore, no amortization had been charged in the financial statement.

h) **Borrowing Cost**

Borrowing costs include interest; amortization of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilized for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalization of such asset are added to the cost of the assets. The company did not incur any borrowing cost till 31.03.2015.

i) **Cash and Cash Equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amount of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from thedate of purchase, to be cash equivalents.

j) **Preliminary Expenses**

Preliminary expenses incurred on incorporation of the company have been written off fully in the current financial year in view of para 56 of AS 26. These expenses were paid by NOIDA during the incorporation of the company.

k) **Investment**

Investments which are readily realizable and are intended to be held for not more than one year from the date of acquisition shall be classified as current investments. All other investments are classified as noncurrent investments. However during the year company did not held any investment.

l) **Taxes on Income**

a. Since during the year company does not have any income therefore company has no liability towards current tax. However company has a policy on tax on income for the current period, it shall be determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act 1961.
b. Deferred tax is recognized on timing difference between the income accounted in financial statements and the taxable income for the period and quantified using the tax rates and laws enacted as on balance sheet date.

DSM & ASSOCIATES GHAZIABAD CHARTERED ACCOUNTANTS

c. Deferred tax assets are carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred assets can be realized.

m) **Provisions, Contingent Liabilities and Contingent Asset**

Provision are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

a. the Company has a present obligation as a result of past events;
b. a probable outflow of resources is expected to settle the obligation, and;
c. the amount of the obligation can be reliably estimated.

Contingent liability required to disclosed in the case of

a. a present obligation arising from a past event, when it is not possible that an outflow will be required to settle the obligation;
b. a present obligation arising from past events, when no reliable estimate is possible;
c. a possible obligation arising from past events, unless the probability of outflow is remote.

During the year there is no any contingent liability.

Contingent assets are neither recognized nor disclosed.

n) **Cash Flow Statement**

Cash flows are reported using the indirect method as per AS 3, whereby profit or loss 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 financing activities of the Company are segregated based on the available information.

o) **Earnings per share**

Basic earning per share is 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. 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 is adjusted for the effects of all dilutive potential equity shares.

16 **Capital Reserve**

Grants received from New Okhla Industrial Development Authority (NOIDA) towards capital expenditure for creation of Assets are treated as Capital Grant in nature of promoter's contribution and credited to Capital Reserve.

NOIDA had entered into an agreement for Noida-Greater Noida Metro Corridor with Delhi Metro Rail Corporation Limited ("DMRC") on 18.10.2014. In compliance of

DSM & ASSOCIATES * GHAZIABAD * CHARTERED ACCOUNTANTS

clause 11 of the agreement, NOIDA had paid Rs. 14.45 Crores as mobilization fee to DMRC on 18.10.2014. NMRC had been incorporated on 05.11.2014 as a special purpose vehicle for the Noida-Greater Noida Metro Rail Project and, as per the agreement, NMRC had become the party to the agreement. NMRC has been directed to book the asset created by the payment of mobilization fee and treat it as Capital Grant in nature of promoter's contribution. This Grant has also been credited to Capital Reserve.

17 Long Term Loan and Advances

During the year company paid interest free advance to DMRC according to agreement as equal to TDS deducted on project management consultancy fee amount paid for construction of corridor. This advance shall be reimbursed or adjusted within period of three year from the date of making advance. This advance has been recognized as non-current assets under head long term loan and advances.

18 Short Term Loan and Advances

Short term loan advances appearing in the financial statement represents amount paid to DMRC for construction of metro corridor but has not been utilized by the DMRC.

19 Commitments

a. NOIDA hadentered into the MoU dated 18October 2014 with DMRC for setting-up Noida-Greater Noida Metro Rail Project. This MoU was adopted by the Company after its incorporation. According to MoU company is committed to pay estimated project cost of Rs. 5103.00 crore to DMRC. The project completion period is 3 year and 6 month. If project is delayed on part of NMRC, additional cost shall be borne by NMRC.

   If state taxes are not exempted, the estimated total cost shall be Rs. 5135.00 crore. The estimated cost of project shall be payable to DMRC as and when funds are demanded by DMRC.

   Estimated amount of above agreement remaining to be executed on capital account (net of advances) and not provided for: Rs. 5063.94 crores plus applicable taxes if any.

b. New Okhla Industrial Development Authority (NOIDA) had entered into four different contracts with Urban Mass Transit Company Limited (UMTC)for various consultancy services regarding urban mass transit system, before incorporation of

DSM & ASSOCIATES CHARTERED ACCOUNTANTS GHAZIABAD the Company. After the incorporation of the Company, NOIDA has transferred these contracts to the Company and Management of the Company has adopted these contracts. The Details of commitments are as follows:

S.No.	Name of Assignments (Services)	Gross value as per Agreements (in Rs.)	Amounts against Agreement Executed and Accounted for in Books of A/C till 31st March 2015 (in Rs.)	Amounts against Agreement to be Executed andnot provided for (in Rs.)
1	Preparation of Multimodal Public Transport Implementation and Operational Plan.	60,00,000/- plus Service Tax	54,00,000/- plus Service Tax	6,00,000/- plus Service Tax
2	Transaction Advisory Services for Operation of City Bus Services	30,00,000/- plus Service Tax	21,00,000/- plus Service Tax	9,00,000/- plus Service Tax
3	Transaction Advisory Services for Setting up of Intelligent Transport System	64,00,000/- plus Service Tax	12,80,000/- plus Service Tax	51,20,000/- plus Service Tax
4	Preparation of Integrated Comprehensive Mobility Plan	66,00,000/- inclusive of Service Tax	10,00,000/- plus Service Tax	56,00,000/- plus Service Tax
5	Rebidding Process for Selection of Private Operator for Procurement, Operation and Maintenance of City Bus Services.	7,50,000/- plus Service Tax	Nil	7,50,000/- plus Service Tax

20 **Major Components of Deferred Tax Assets and Deferred Tax Liabilities**

Particulars	FY2014-15	
	Deferred Tax Assets	**Deferred Tax Liabilities**
Tax effect on account of:		
Preliminary and other expenses deductible u/s 35D	2,52,62,820	-

DSM & ASSOCIATES GHAZIABAD CHARTERED ACCOUNTANTS

Total	2,52,62,820	
Net Deferred tax assets	71,83,777	
Net Deferred tax liabilities	-	

21 Expenditure in Foreign Currency:

The Company has not incurred any expenditure in foreign currency during this period.

22 Employee Benefits:

During the financial period, the Company has employed only two employees on its own behalf on contract basis.Employees Benefit Expense only comprises of salary paid to these employees. No other employee Benefit expenses e.g. provident fund, gratuity or leave encashment etc. were payable to these employees as per the contract.

There are some other employees also, who are on deputation from State Government/NOIDA in dual capacity. The company has neither incurred nor booked any employees benefit expense in relation to these employees.

23 Segment Reporting:

The Company is yet to commence commercial operations. Hence reporting of primary business segments and secondary segments as required in Accounting Standard 17 "Segment Reporting" does not arise.

24 Disclosure of Related Parties/Related Party Transactions:

A) Related parties and their relationship

I)Person on whose advice, directions or instructions a director or manager is accustomed to act:

a. New Okhla Industrial Development Authority
b. Greater Noida Industrial Development Authority

II) Key Management Personnel

Mr. Alok Ranjan, Chairman
Mr. Rama Raman, Managing Director
Mr. G.P. Singh, Executive Director & Chief Finance Officer
Mrs. Anupriya Garg, Company Secretary

B) Balances with related parties as at March 31, 2015:

DSM & ASSOCIATES
GHAZIABAD
CHARTERED ACCOUNTANTS

Person on whom advice, directions or instructions a director or manager is accustomed to act:

- New Okhla Industrial Development Authority:
  For Preliminary Expenses: Rs. 2,52.62,820.00 Cr.
- Mrs. Anupriya Garg:
  For Salary Payable: Rs. 1,25,000/-

C) Disclosure of material transactions with related parties

Grant received from New Okhla Industrial Development Authority: Rs. 45,55,00,000.00

Shares Issued to:
New Okhla Industrial Development Authority: Rs. 3,50,000.00
Greater Noida Industrial Development Authority: Rs. 1,50,000.00

Remuneration to Key Management Personnel
Mrs. Anupriya Garg : Rs. 4,51,613/-

25 <u>Auditors' Remuneration:</u>
Auditor's Remuneration (excluding service tax) and expenses provided in the accounts:

Audit Fee	Rs. 22472/-
Out of Pocket Expenses	NIL

26 <u>Dues to Micro, Small and Medium Enterprises:</u>
There are no amounts that needed to be disclosed in accordance with the Micro, Small and Medium Enterprises Act, 2006 (the MSMED') pertaining to micro or small enterprises.

For the period ended March 31, 2015, no supplier has intimated the Company about its status as micro or small enterprises or its registration with the appropriate authority under MSMED.

27 <u>Previous Year's Figures</u>
These are first financial statements of the Company therefore corresponding previous year's figures could not be provided.

28 Accounts approved by the board in its meeting held on 12.09.2015 were subsequently amended/revised incorporating changes recommended by the Statutory Auditors in their Independent Auditors observation. These amendments are for fair presentation of State of Affairs of the Company.

29 <u>Rounding off</u>
Figures have been rounded off to the nearest rupee.

DSM & ASSOCIATES
GHAZIABAD
CHARTERED ACCOUNTANTS

DSM & ASSOCIATES
Chartered Accountants

5th Floor, Plot No. 2C,
Sector-14, Kaushambi,
Ghaziabad, (U. P.) 201010
Ph. : 0120-4905125 / 35
E-mail : dsm@cadelhi.com

INDEPENDENT AUDITOR'S REPORT

The Members

NOIDA METRO RAIL CORPORATION LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Noida Metro Rail Corporation Limited which comprise the Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss, the Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for matters stated in Section 134(5) of the Companies Act 2013 ('the Act) with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of Act read with rule 7 of the Companies (Accounts) Rules, 2014. 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 the design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We 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 there under.

We conducted our audit 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

DSM & ASSOCIATES GHAZIABAD CHARTERED ACCOUNTANTS

and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information so required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

(a) In the case of the balance sheet of the state of affairs of the Company as at March 31, 2015 and
(b) In the case of the profit and loss account of the *loss* for the year ended on that date.
(c) In case of Cash Flow Statement of the company for the year ended on that date.

Other matter

1. As per the Companies Act,2013 "Government Company" means any company in which not less than 51% of the paid-up share capital is held by the Central Government, or by any State Government or Governments or partly by Central Government and one or more State Government and includes a Company which is a Subsidiary of such a Government Company. The Share Capital of the company is held by NOIDA Authority and Greater NOIDA Authority in the proportion of 3500 and 1500 shares respectively which are the autonomous bodies of the government. Section 2 (45) does not include autonomous body to be termed as government company. However as per the memorandum of articles of the company NMRC is a Government Company.

DSM & ASSOCIATES GHAZIABAD CHARTERED ACCOUNTANTS

2. As per letter dated 05.01.2015 in respect of grant, NMRC shall maintain a separate account of the grant provided by Noida for undertaking the project. During the year the company maintained a single account for administrative expenses and capital expenses for setting up Noida Metro Project.

3. The company has made payment of Rs. 9,21,240/- on 12.02.2015 and Rs 25,38,528/- on 19.03.2015 to UMTC against the bills issued to NOIDA. Board in its meeting held on 13.03.2015 has decided that UMTC will work under NMRC. However no proposal was approved to make the payments of various bills already received by NOIDA . Hence such payments needs board approval.

4. Policy for procurement of Goods and Services are not in place. The Company should form such policy to avoid losses to the company in future.

5. The Management has not provided us Management Representation Letter SA-580 and has not provided us external confirmation as required by SA-505 issued by Institute of Chartered Accountants of India.

Our report is not qualified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is applicable to the company.

2. As required by section 143(3) of the Act, we report that:

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

b. In our opinion proper books of account as required by law have been kept by the company so far as appears from our examination of those books;

c. The balance sheet and statement of profit and loss dealt with by this report are in agreement with the books of accounts.

d. In our opinion, the aforesaid financial statement comply with the Accounting Standards referred to in section133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014.

DSM & ASSOCIATES * GHAZIABAD * CHARTERED ACCOUNTANTS

e. On the basis of written representations received from the directors as on March 31, 2015, taken on record by the board of directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164(2) of the Act.

f. 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:

1) the Company does not have any pending litigations which would impact its financial position;
2) the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
3) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For DSM & Associates
Chartered Accountants

Mohan Lal Rathi
(Partner)
M.No-091383
FRN No.: 007104C

DSM & ASSOCIATES
GHAZIABAD
CHARTERED ACCOUNTANTS

Place: Noida
Date: 22.02.2016

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of NOIDA METRO RAIL CORPORATION LIMITED for the year ended 31st March, 2015.

On the basis of the information and explanation given to us during the course of our audit, we report that:

1. Since the company does not have any fixed assets, so this clause is not applicable to the company.

2. Since the company does not have any Inventories, so this clause is not applicable to the company.

3. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 189 of the Companies Act. Thus sub clauses (a) & (b) are not applicable to the company.

4. In our opinion and according to the information and explanations given to us, the internal control is adequate commensurate with the size of the company and the nature of its business, for the payment for expenses & for sale of goods.

5. In our opinion and according to the information and explanations given to us company hasn't accepted any deposits, from the directives issued by the Reserve Bank of India and as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act

6. As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.

7. a According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2015 for a period of more than six months from the date they became payable.

   b According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes.

   c The company is not liable to transfer the amount to investor education and protection fund in accordance with the relevant provisions of the Companies Act, 2013 and rules made there under within time. So this clause is not applicable to the company.

8. The Company has been incorporated on 05.11.2014 and this is the first year of the company. This clause is not applicable to the company.

9. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.

10. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.

11. The company has not taken any loan. This clause is not applicable to the company.

12. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For DSM & Associates
Chartered Accountants

Mohan Lal Rathi
(Partner)
M.No-091383
FRN No.: 007104C

DSM & ASSOCIATES GHAZIABAD CHARTERED ACCOUNTANTS

Place: Noida
Date: 22.02.2016