



27th April, 2016

To
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Mumbai- 400001

Sub: L&T Metro Rail (Hyderabad) Limited – Audited Financial Results for the Financial Year ended 31st March 2016.

Dear Sir/ Madam,

We are enclosing herewith Annual Audited Financial Results for the Financial Year ended 31st March 2016 along with the Audit Report.

Request you to take note of the above.

Thanking you
For L&T Metro Rail (Hyderabad) Limited

A handwritten signature in black ink, appearing to read 'Ashish Malhotra'.

Ashish Malhotra
Head Legal & Company Secretary

Encl: a/a



L&T Metro Rail
Hyderabad



L&T METRO RAIL (HYDERABAD) LIMITED

CIN : U45300A2010PLC070121

Registered office: Hyderabad Metro Rail Administrative Building, Uppal Main Road, Hyderabad - 500039, Telangana, India

Audited Standalone Financial Results for the Year ended 31st March, 2016

					(Rs. lakh)
Particulars	6 Months ended 31/03/2016	Corresponding 6 Months ended in the previous year 31/03/2015	Year to date figures for current period ended 31/03/2016	Previous accounting year ended 31/03/2015	
	Audited	Audited	Audited	Audited	
1 Net Income from sales/ services	-	-	-	-	
2 Expenditure	-	-	-	-	
(a) Increase/decrease in stock in trade and work in progress	-	-	-	-	
(b) Consumption of raw materials/components	-	-	-	-	
(c) Purchase of traded goods	-	-	-	-	
(d) Employees Cost	-	-	-	-	
(e) Depreciation	-	-	-	-	
(f) Operating Interest on Lease Finance	-	-	-	-	
(g) Other expenditure	1,392.07	1,172.33	2,140.24	1,929.36	
(h) Total (a to g)	1,392.07	1,172.33	2,140.24	1,929.36	
3 Profit from Operations before Other Income, Interest and Exceptional Items (1- 2)	-1,392.07	-1,172.33	-2,140.24	-1,929.36	
4 Other Income	1,093.73	352.50	1,426.62	547.78	
5 Operating Profit before interest and Exceptional Items (3 +4)	-298.35	-819.83	-713.62	-1,381.58	
6 Interest	-	-	-	-	
7 Exceptional Items	-	-	-	-	
8 Profit (+)/Loss (-) from Ordinary Activities before tax (5)- (6+7)	-298.35	-819.83	-713.62	-1,381.58	
9 Tax Expense	-	20.81	-	29.14	
10 Net Profit (+)/ Loss (-) from Ordinary Activities after tax (8-9)	-298.35	-840.65	-713.62	-1,410.72	
11 Extraordinary items (net of tax expense)	-	-	-	-	
12 Profit (+)/Loss(-) for the period(10-11)	-298.35	-840.65	-713.62	-1,410.72	
13 Paid-up equity share capital (Face value of Rs.10/- each)	2,03,066	1,98,140	2,03,066	1,98,140	
14 Paid up Debt Capital	6,81,286	4,53,897	6,81,286	4,53,897	
15 Reserves excluding Revaluation Reserves (as per balance sheet) of previous accounting year	-	-	-648.19	-1,153.86	
16 Debenture Redemption Reserve	-	-	-	-	
17 Earning per Share of Rs.10 /-each					
Basic EPS (Rs.)	-0.01	-0.04	-0.04	-0.10	
Diluted EPS (Rs.)	-0.01	-0.04	-0.04	-0.10	
18 Debt Equity Ratio	3.35	2.29	3.35	2.29	
19 Debt Service Coverage Ratio (DSCR)*	Not Applicable	Not Applicable	Not Applicable	Not Applicable	
20 Interest Service Coverage Ratio (ISCR)*	Not Applicable	Not Applicable	Not Applicable	Not Applicable	

*Strike of whichever is not applicable

(1) ISCR = (Earnings before Interest and Tax + Operating Interest on Lease Finance) / (Interest + Operating Interest on Finance Lease).

(2) DSCR = (Earnings before Interest and Tax + Operating Interest on Lease Finance) / (Interest+Operating Interest on Lease Finance + Principal Repayment)

* The company is in the construction phase of implementing the project and hence disclosure of the ratio is not applicable

Note:

- The above results have been reviewed by the Audit Committee and approved by the Board of Directors on 26th April 2016
- Previous periods figures have been regrouped wherever necessary to confirm to the presentation of the current period's accounts.

For and on behalf of the Board of Directors
L&T Metro Rail (Hyderabad) Limited

V.B.GADGIL

Chief Executive and Managing Director
(DIN : 00240803)

Place : Hyderabad
Date : 26-04-2016

L&T Metro Rail (Hyderabad) Limited

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CIN : U45300AP2010PLC070121

M.K. DANDEKER & CO.,
Chartered Accountants

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E-mail : dandeker@vsnl.com
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Wellington Estate Society,
No.53, Ethiraj Salai, Egmore,
CHENNAI - 600 008.

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF L&T METRO RAIL (HYDERABAD) LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **L&T Metro Rail (Hyderabad) Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the 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 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 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 standalone 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 thereunder.

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 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. 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 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31st March, 2016, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the order
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 purposes of our audit.
 - (b) 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.
 - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) 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"; and

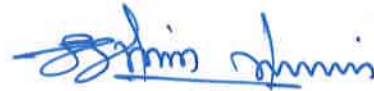


- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note H to the financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Place : Hyderabad

Date : 26.04.2016

for **M.K. DANDEKER & CO.,**
Chartered Accountants
(Firm Registration No. 000679S)



S. Poosaidurai

Partner

Membership No. 223754



ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT
(Referred to in our Report of even date)

1. a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- b. The Fixed Assets have been physically verified by the Management at regular intervals and no material discrepancies were noticed on such verification.
- c. The title deeds of immovable properties are held in the name of the company.
2. The Company is engaged in the business of infrastructure development and maintenance and hence clause 3 (ii) of the Companies (Auditor's Report) Order 2016 relating to inventory is not applicable.
3. The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
4. According to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act, 2013 are complied with in respect of loans, investments, guarantees and securities given by the Company, if any.
5. The Company has not accepted any deposits from Public.
6. The company is not required to maintain cost records specified by the Central Government under sub-section (1) of section 148 of the Companies Act.
7. a. According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues with the appropriate authorities.



- b. According to the information and explanation given to us, the following of the statutory dues which have not been deposited on account of disputes.

Name of the statute	Nature of dues	Amount (in Rs)	Period to which the amount relates	Forum where dispute is pending
Customs Act, 1962	Customs Duty	26,52,46,888	May 2014 to March 2015	Madras High Court

8. The Company has not defaulted in payment of Interest on Borrowings, repayment of borrowings due to a financial institution, bank, Government or debenture holders, if any.
9. The money raised by way of debt instruments and term loans were applied for the purpose for which those are raised.
10. Based on the information and explanation given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act 2013.
12. The Company is not a Nidhi Company and hence clause 3 (xii) of the Companies (Auditor's Report) Order 2016 is not applicable.
13. 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 sections 177 and 188 of the Companies Act 2013, where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.




15. 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 any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
16. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

Place : Hyderabad

Date : 26.04.2016

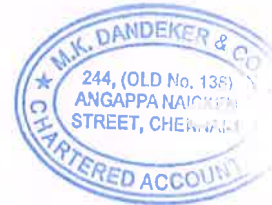
for **M.K. DANDEKER & CO.,**
Chartered Accountants
(Firm Registration No. 000679S)



S. Poosaidurai

Partner

Membership No. 223754



Annexure - B to the Independent Auditors' Report

Report on the Internal Financial Controls 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 L&T Metro Rail (Hyderabad) Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone 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 (the "Guidance Note"). 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 Companies Act, 2013.

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 and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. 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 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.



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 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 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 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.

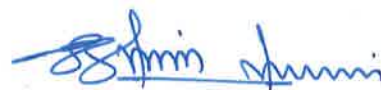
Opinion

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, 2016, 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.

Place : Hyderabad

Date : 26.04.2016

for M.K. DANDEKER & CO.,
Chartered Accountants
(Firm Registration No. 000679S)



S. Poosaidurai

Partner

Membership No. 223754

