

THE CENTRAL PROVINCES RAILWAY CO. LTD.

103rd ANNUAL

REPORT

FOR THE YEAR ENDED



31st MARCH, 2013



THE CENTRAL PROVINCES RAILWAY CO LTD.

DIRECTORS:

MR. PRAKASH FULCHAND NAGORI

MR. RAJEEV KUMAR AGARWALLA

MR. AMITKUMAR RANDE

MR. ARVIND KUMAR GUPTA

BANKERS:

Allahabad Bank

AUDITORS:

S.B.JAJOO & CO

Chartered Accountants

REGISTERED OFFICE:

Basement, Commercial Union House, , No.9,

Wallace Street, Fort, Mumbai-400001.

REGISTRAR AND SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd.

E-2, Ansa Industrial Estate, Saki Vihar Road,

Saki Naka, Andheri (E), Mumbai 400 072

NOTICE

NOTICE is hereby given that the 103rd Annual General Meeting of the members of **THE CENTRAL PROVINCES RAILWAYS COMPANY LIMITED** will be held on, the 28th September, 2013 at 10.30 a.m. at B-35 Ganjawala Shopping Center, S.V.P. Road, Borivali (west), Mumbai – 400092, to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended 31st March, 2013 and Balance Sheet as at that date together with the Reports of Board of Directors and Auditors thereon.
2. To appoint as a Director in place of Mr. Prakash Fulchand Nagori, who retires by rotation, and being eligible, offers himself for reappointment.
3. To appoint S.B.JAJOO & CO, Chartered Accountants, Thane as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General meeting and to fix their remuneration, the following resolution :

“RESOLVED THAT pursuant to the provisions of Section 224 of the Companies Act 1956 S B JAJOO & CO., Chartered Accountants, B-108 Gautam Nagar, Bldg no. 4, Holy Cross School, Bhayander (W) Thane – 401 101, be and are hereby re- appointed as the Auditors of the company to hold such office until the conclusion of the next AGM at a remuneration of as may be mutually agreed plus out of pocket expenses, if any ”

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass, with or without modification(s), the following Resolution as an **ORDINARY RESOLUTION:**

“RESOLVED THAT Mr. Amit Kumar Rander who was appointed by the Board of Directors of the Company as an Additional Director with effect from 21st March, 2013 pursuant to Section 260 of the Companies Act, 1956 and who holds office upto the date of the ensuing Annual General Meeting of the Company and in respect of whom a notice under Section 257 of the Companies Act, 1956, has been received from a member signifying his intention to propose Mr. Amit Kumar Rander as a candidate for the Office of Director, be and is hereby appointed as a Director of the Company. “

Registered Office:

Basement, Commercial Union House,
9, Wallace Street, Fort
Mumbai – 400 001
Dated :02.09.2013

By Order of the Board of Directors

Prakash Nagori
Director

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. The instrument appointing proxy should, however, be deposited at the registered office of the company not later than 48 hours before the commencement of the meeting.
3. The register of members and share transfer books of the company will remain closed from Monday, the 23rd September, 2013 to Saturday the 28th September, 2013 (both days inclusive) for the purpose of annual general meeting.
4. The Companies (Amendment) Act 1999 has introduced through Section 109A, the facility of nomination to shareholders. Such facility is mainly useful for the investors holding the shares in single name. They are advised to avail this facility to avoid process of transmission by law. Investors holding shares in physical form may send the nomination form duly filled in and signed to the Company's Registrar and Transfer Agents (Prescribed form 2B). However, if shares are held in dematerialized form, the nomination has to be submitted to the depository participant of the National Securities Depository Ltd. / Central Depository Services (India) Ltd. as the case may be as per format prescribed by them.
5. Members are requested to notify immediately any change in their address to the Company's Registrar and Transfer Agents viz., Bigshare Services Pvt. Ltd., E2 &3, Ansa Industrial Estate, Saki-vihar Road, Saki Naka, Andheri (E), Mumbai-400 072. Tele.91-22-28470652 / 40430200 / 28470653. Fax : 91-22-28475207. E-mail: **www.bigshareonline.com**
6. The Equity Shares of the Company are listed on the Bombay Stock Exchange Ltd., Mumbai, Sir. P. J. Towers, Dalal Street, Mumbai. The listing fee up to Financial year 2013-2014 has been paid by the Company. The ISIN No. of the Company is: INE631B01020.
7. As part of the Green Initiative in Corporate Governance, the Ministry of Corporate Affairs("MCA"), Government of India, through its Circular nos. 17/2011 and 18/2011, dated April 21, 2011 and April 29, 2011 respectively, has allowed companies to send official documents through electronic mode. We, therefore, appeal to the members to register their name in getting the said documents in electronic mode by sending an email giving their Registered Folio No. and/or DP Id/Client Id to the dedicated e mail address at **cprclimited@gmail.com**

ANNEXURE TO THE NOTICE**Explanatory Statement under Section 173 (2) of the Companies Act, 1956****ITEM NO.4**

Mr.Amit Kumar Rander was appointed as an additional Director of the Company by the Board of Directors with effect from 21st March, 2013 under Section 260 of the Companies Act, 1956. He holds office as Director up to the date of the ensuing Annual General Meeting. The Company has received a Notice from a Member proposing his candidature for the office of Director along with a deposit of Rs.500/- under provisions of Section 257 of the Companies Act, 1956.

The Board commends the Resolution for acceptance by the Members. None of the Directors, except Mr.Amit Kumar Rander is, in any way, interested or concerned in this Resolution.

Registered Office :

Basement, Commercial Union House,
9, Wallace Street, Fort,
Mumbai – 400 001
Dated: 02.09.2013

By Order of the Board of Directors

Prakash Nagori
Director

DIRECTORS' REPORT

The Directors present their 103rd Annual Report together with Audited Statement of Accounts for the Financial Year ended 31st March, 2013.

FINANCIAL RESULTS:

PARTICULARS	2012 – 2013	2011 – 2012
	Rupees	Rupees
The Profit/(Loss) for the year before Tax	(1,51,00,436)	(1,33,836)
Provision for Tax	---	---
Net Profit/ (Loss) for the year	(1,51,00,436)	(1,33,836)
Balance brought forward from previous year	---	---
Transfer From General Reserve	16,30,160	1,33,836
Balance carried forward	(1,34,70,276)	---

OPERATIONS DURING THE YEAR:

The Central Railway had demanded a sum of Rs.18.72 Crores in December 2002 towards repairs, rehabilitation, renewals and replacements of the railway assets. During the year also the dispute remains unresolved.

The Company has disowned the liability on the ground that these liabilities being in the nature of replacement are to be borne by the Central Railway, as per the Contracts. But in spite of disowning the liability by your Company, the Central Railway has adjusted an amount of Rs.1,93,73,147/- being the railway earnings of your Company for the period from October, 2002 to 31st March, 2013. Hence, your Company thought it proper and as an abundant caution and not to harm the interest of shareholders of the Company and therefore decided not to include the said Income from railways amounting to Rs.7,57,012.09/- in the Accounts for the year ended 31st March, 2013.

DEPOSITORY SYSTEM:

The equity shares of the Company are available for dematerialization through Depository participants, on both the Depositories viz. National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

DIVIDEND:

As the company suffers losses during the year your Directors do not recommend any dividend for the year ended 31st March, 2013.

DIRECTOR'S RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statement pursuant to Section 217(2AA) of the Companies Act, 1956.

1. That in the preparation of Annual accounts for the year ended March 31, 2013; the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
2. That the appropriate accounting policies had been selected and applied consistently, and judgments and estimates have been made that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2013 and of the profits of the company for the said year.
3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the accounts have been prepared on a "going concern basis".

PARTICULARS OF EMPLOYEES:

Statement giving particulars of employees as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, as amended, is not annexed to this report as no employee was in receipt of the remuneration in excess of the prescribed sum during the year.

STATEMENT UNDER SECTION 217(I)(e):

Statement pursuant to Section 217(I)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, is given below:

- a) The Company has no activities relating to conservation of energy.
- b) i) The Company has made no provision for research and development expenditure.
ii) The Company has no activity relating to technology absorption, adoption and innovation.
- c) The Company has no activity relating to foreign exchange earnings and outgo.

DIRECTORATE:

Mr. Prakash Fulchand Nagori, who retires by rotation, and being eligible, offers himself for reappointment. Your Directors propose his re-appointment.

During the year under review Mr. Amit Kumar Rander is appointed as Additional Director with effects from 21st March, 2013. He shall hold office as Additional Director up to the ensuing Annual General Meeting (AGM) and being eligible offers himself for reappointment.

CORPORATE GOVERNANCE:

Since the paid up capital of the Company is less than Rs.3 Crores, there four Reports on Cooperate Governance And Management Discussion & Analysis clause 49 of the Listing Agreement is not Applicable.

FIXED DEPOSITS:

Your company has neither invited nor accepted any Fixed Deposits from the public during the financial year under review.

LISTING AGREEMENTS REQUIREMENTS:

The securities of your company are listed at BSE Limited. The Company has paid listing fees for the year 2013-14.

AUDITORS:

M/s. S B Jajoo & Co., who are the Statutory Auditors of the Company hold office until the conclusion of the Annual General Meeting. A certificate has been received from the Auditors to the effect that their appointment, is made, would be within the limits prescribed under section 224 (1B) of the Companies Act, 1956. The Auditors have advised that they have subjected themselves to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

AUDITORS REMARKS:

Auditors Remarks have been fully explained under para “Operations During the Year” of this Report as well as in point No. 1 (I) (c) in Notes to Accounts.

APPRECIATION:

The Board of Directors wish to place on record their appreciation for the co-operation and support of the Company’s Bankers, its valued customers, employees and all other intermediaries concerned with the company’s business.

Your directors sincerely thank all members for supporting us during the difficult days. We look forward to your continued support and reiterate that we are determined to ensure that the plans are successfully implemented.

REGISTERED OFFICE:

Basement, Commercial Union House,
No.9, Wallace Street, Fort,
Mumbai - 400 001.

For and on behalf of Board of Directors of

Prakash Nagori
Director

Dated : 02.09.2013

DECLARATION

As provided in the SEBI circular No. SEBI/CFD/DIL/CG/1/2004/12/10 dated October 29, 2004 the provisions of Clause 49 of the Listing Agreement with the Stock Exchanges, are not applicable to the Company as the Paid up Capital of the company is less than RS. 3 Crores. for the financial year ended 31st March 2013.

for and on behalf of the Board of Directors
The Central Provinces Railways Co. Ltd.

Date: 2nd September, 2013

Prakash Nagori

Place: Mumbai

Director

INDEPENDENT AUDITOR'S REPORT

To
The Members of
The Central Provinces Railway Company Limited

Report on the Financial Statements

1. We have audited the accompanying financial statements of **The Central Provinces Railway Company Limited**, which comprise the Balance Sheet as at 31 March, 2013, the Statement of Profit and Loss and 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 Financial Statements

2. The Company's Management is responsible for the preparation of these 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

3. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.
4. 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 the internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

6. Subject to our remark in para 7 below, in our opinion and to the best of our information and according to the explanations given to us, the 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:
 - (a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013.
 - (b) In the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date, and
 - (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Emphasis of Other Matter

7. The Company has, as a matter of prudence not recognized income accrued from Railways for the period 1st April 2012 to 31st March 2013 amounting to Rs 7,57,012.09 (Rs.25,17,886) on the ground that the same has been adjusted by the Central Railways against capital expenditure of Rs.18.72 corers in December 2002. Claimed to have been incurred by them. No provision has been made for this liability nor has the assets been recognized in the financial statements on the ground that the company has disowned the entire liability. (Refer Note 19).

Report on Other Legal and Regulatory Requirements

8. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
9. As required by Section 227(3) of the Act, we report that:
- (a) We have 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, 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 Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For **S.B.JAJOO & CO,**
Chartered Accountants.
Registration no.125915W

(SANTOSH .B. JAJOO)
Proprietor
Membership No.118622

Place: Mumbai
Date: 28.05.2013

THE ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report of even date)

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) No records are available for Fixed Capital Expenditure on Railway Construction account as shown in schedule No. 3 annexed to Balance Sheet which is in possession and control of the Central Railway.

(b) Physical verification could not be conducted by the management of fixed Assets under railway construction account since the assets are in possession and control of the Central Railway and hence discrepancies, if any are not presently ascertainable.

(c) In our opinion and according to the information and explanations given to us, no fixed asset has been disposed during the year and therefore does not affect the going concern assumption.

2. (a) As explained to us, shares are held as stock in trade which treated as inventories which have been physically verified during the year by the management at reasonable intervals.

(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.

(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.

3. (a) 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 301 of the Companies Act, 1956. Consequently, the provisions of clauses iii (b), iii(c) and iii (d) of the order are not applicable to the Company.

(e) 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 taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Thus sub clauses (f) & (g) are not applicable to the company.

4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.

5. a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, there were no contracts or arrangements referred to in section 301 of the Act, 1956. Hence Clause 4(v) of the said order is not applicable.

6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.

7. As per information & explanations given by the management, the Company did not have any internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, the company was not required to maintain cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act, 1956.
9. (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, 2013 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.
10. The Company has accumulated loss and has incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. 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.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares. Proper records & timely entries have been maintained.
15. 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.
16. Based on our audit procedures and on the information given by the management, we report that the company has not raised any term loans during the year.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2013, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.

20. The Company has not raised any money by public issue during the year.

21. 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 S.B.JAJOO & CO,

Chartered Accountants.

Registration no.125915W

(SANTOSH .B. JAJOO)

Proprietor

Membership No: 118622

Place: Mumbai

Date: 28.05.2013

BALANCE SHEET AS AT 31ST MARCH, 2013			
Particulars	Note	As at 31st March 2013	As at 31st March 2012
		Rupees	Rupees
I.EQUITY AND LIABILITIES			
(1)Shareholders' funds			
(a)Share Capital	1	9,400,000	9,400,000
(b)Reserves and Surplus	2	(13,470,276)	(1,630,160)
		(4,070,276)	11,030,160
(2)Current liabilities			
(a)Short Term Borrowings	3	18,352,235	827,142
(b)Trade Payables	4	58,701	Nil
(c)Other Current Liabilities	5	80,562	52,472
		18,491,498	879,614
TOTAL		14,421,222	11,909,774
II.ASSETS			
(1)Non-current assets			
(a)Fixed Assets			
(i) Tangible Assets	6	5,158,370	5,158,370
(ii) Capital work in Progress		1,961,482	1,961,482
		7,119,852	7,119,852
(b) Long-Term Loans and Advances	7	118,252	118,252
(2)Current assets			
(a) Current Investments	8	17,207	17,207
(b)Inventories	9	2,470,870	Nil
(c)Trade receivables	10	95,193	6,200
(d)Cash and cash equivalents	11	18,693	67,108
(e)Short Term Loans and Advances	12	2,000,000	2,000,000
(f)Other Current assets	13	2,581,155	2,581,155
		7,183,118	4,671,670
TOTAL		14,421,222	11,909,774
Significant Accounting Policies And notes to Accounts	1 to 19		
The accompanying notes are an integral part of the financial statements As per our report of even date			
For S.B.JAJOO & CO, Chartered Accountants (Reg. No. 125915W)		For and on behalf of the Board of Directorsof The Central Provinces Railway Company Ltd	
(SANTOSH .B. JAJOO) Proprietor Membership No.118622 Place : Mumbai Dated : 28.05.2013		Prakash Nagori	Director
		A.K.Gupta	Director
		Place : Mumbai	
		Dated : 28.05.2013	

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2013			
Particulars	Note	Year Ended 31st March 2013	Year Ended 31st March 2012
		Rupees	Rupees
I. Revenue from operations	14	1,848,000	Nil
II. Other income		Nil	Nil
III. Total Revenue(I+II)		1,848,000	Nil
IV. EXPENSES			
(a) Purchase of Stock-in-Trade	15	19,232,153	NIL
(b) (Increase)/Decrease in inventories	16	(2,470,870)	NIL
(c) Other expenses	17	187,153	142,182
Total Expenses(IV)		16,948,436	142,182
V. Profit / (Loss) before exceptional Item (III-VI)		(15,100,436)	(142,182)
VI. Exceptional Item		Nil	8,346
VII. Profit / (Loss) For the Period (V-VI)		(15,100,436)	(133,836)
VII. Earnings per equity share:			
(i) Basic		(16.06)	(0.14)
(ii) Diluted	18	(16.06)	(0.14)
Significant Accounting Policies	19		
Notes on Account	1 to 19		
The accompanying notes are an integral part of the financial statements In accordance with our report attached			
For S.B.JAJOO & CO, Chartered Accountants (Reg. No. 126991W)		For and on behalf of the Board of Directors of The Central Provinces Railway Company Ltd	
(SANTOSH .B. JAJOO) Proprietor Membership No. 118622 Place : Mumbai Dated : 28.05.2013		Prakash Nagori	Director
		A.K.Gupta	Director
		Place : Mumbai	
		Dated : 28.05.2013	

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013		
Particulars	Year Ended 31st March 2013	Year Ended 31st March 2012
	Rupees	Rupees
A) <u>CASH FLOW FROM OPERATING ACTIVITIES</u> :		
Net Profit / (Loss) for the year Before Tax	(15,100,436)	(133,836)
Adjustments For :		
(Increase)/Decrease in Receivables	(88,993)	1,400
(Increase)/Decrease in Inventories	(2,470,870)	-
(Increase)/Decrease in Sundry Creditors	58,701	-
(Increase)/Decrease in other Current Liabilities & Provisions	28,090	(253,911)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	(17,573,508)	(386,347)
B) <u>CASH FLOW FROM INVESTING ACTIVITIES</u> :		
CASH PAID FOR INVESTING ACTIVITIES (B)	Nil	Nil
C) <u>CASH FLOW FROM FINANCING ACTIVITIES</u> :		
Proceeds from short term borrowings	17,525,093	274,932
NET CASH INFLOW (USED) FROM FINANCING ACTIVITIES (C)	17,525,093	274,932
NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(48,415)	(111,415)
CASH AND CASH EQUIVALENTS OPENING BALANCE	67,108	178,523
CASH AND CASH EQUIVALENTS CLOSING BALANCE	18,693	67,108
Cash & Cash equivalents:		
Cash and cash equivalents consist of cash on hand and balance with banks, and investments in money market instruments. Cash and cash equivalents included in the statement of cash flows comprise the following amounts in the balance sheet:		
In accordance with our report attached		
For S.B.JAJOO & CO, Chartered Accountants (Reg. No. 126991W)	For and on behalf of the Board of Directors of The Central Provinces Railway Company Ltd	
(SANTOSH .B. JAJOO) Proprietor Membership No. 118622 Place : Mumbai Dated : 28.05.2013	Prakash Nagori	Director
	A.K.Gupta	Director
	Place : Mumbai	
	Dated : 28.05.2013	

Notes on Financial Statements**Note 1 Share Capital**

Particulars	As at 31st March 2013		As at 31st March 2012	
	No. of shares	Rupees	No. of shares	Rupees
Authorized:				
Equity Shares of Rs. 10/- each	2,000,000	20,000,000	2,000,000	20,000,000
	2,000,000	20,000,000	2,000,000	20,000,000
Issued, subscribed and fully paid up:				
Equity Shares of Rs. 10/- each	940,000	9,400,000	940,000	9,400,000
	940,000	9,400,000	940,000	9,400,000

a) Rights & restriction attached to equity shareholders

The Company has only one class of equity shares having a face value of Rs. 10/- each. Every Shareholder is entitled for one vote per share. The dividend proposed by the Board of Directors is subject to the approval of shareholders, except in cash of interim dividend. In the event of liquidation, the equity shareholders are entitled to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion of their shareholding.

b) Reconciliation of the number of Shares outstanding at the beginning and at the end of the reporting period**Equity Shares Outstanding**

Particulars	As at 31st March 2013		As at 31st March 2012	
	No. of shares	Value of Shares	No. of shares	Value of Shares
Number of equity shares at the beginning of the year	940,000	9,400,000	940,000	9,400,000
Add:-Number of additional equity shares issued & subscribed during the year	-	-	-	-
Number of equity shares outstanding at the end of the year	940,000	9,400,000	940,000	9,400,000

c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of Shareholders	As at 31st March 2013		As at 31st March 2012	
	No. of shares	% of Holdings	No. of shares	% of Holdings
a) Life Insurance Corporation of India Ltd	140,699	14.97	140,699	14.97
b) S.G.Glass Works Pvt Ltd.	54,310	5.78	54,310	5.78

Note 2 Reserves and Surplus		
Particulars	As at March31,2013 Rupees	As at March31,2012 Rupees
General Reserves		
Opening Balance	1,630,160	1,763,996
Less : Transfer to Profit & Loss Account	(1,630,160)	(133,836)
Closing Balance	-	1,630,160
Profit & Loss Account :		
Opening Balance	-	-
Add : Profit/(Loss) for the Year	(15,100,436)	(133,836)
Add : Transfer From General Reserve	1,630,160	133,836
Closing Balance	(13,470,276)	-
Total	(13,470,276)	1,630,160
Particulars	As at March31,2013 Rupees	As at March31,2012 Rupees
Note 3: Short-term borrowings		
Others (Unsecured)	18,352,235	827,142
Total	18,352,235	827,142
Note 4 Trade payables		
Due to Others	58,701	-
Total	58,701	-
Note 5: Other current liabilities		
Sundry Creditors for Expenses	80,562	52,472
Total	80,562	52,472
Note 6: Fixed assets		
Fixed assets	7,119,852*	7,119,852
Total *As per Annexure	7,119,852	7,119,852

Particulars	As at	As at
	March31,2013	March31,2012
	Rupees	Rupees
Note 7: Long Term Loans and Advance		
Balance with Tax and Government authorities receivable	118,252	118,252
Total	118,252	118,252
Note 8: Current Investments		
Investments in Bond	17,207	17,207
Total	17,207	17,207
Note 9: Inventories		
Shares *	2,470,870	-
Total	2,470,870	-
*Inventories, have been valued at lower of cost or market value		
Note 10: Trade receivable		
<u>Domestic Trade Receivables</u>		
Trade Receivables outstanding for a period less than six months from the date they are due for the payment (Unsecured, Considered good)		
- Domestic Trade Receivables	95,193	6,200
Total	95,193	6,200
Note11: Cash and cash equivalents		
Cash in hand	8,073	8,073
<u>Balance with Banks</u>		
- in Current Account	10,620	59,035
Total	18,693	67,108
Note12: Short-term loans and advances		
Loans and advances (Unsecured)	2,000,000	2,000,000
Total	2,000,000	2,000,000

Particular	As at March 31,2013 Rupees	As at March 31,2012 Rupees
Note 13: Other Current assets		
Other	2,581,155	2,581,155
Total	2,581,155	2,581,155
Note 14 : Revenue from operations		
<u>Operating Revenue</u>		
Domestic Sales	1,848,000	-
Operating Revenue	1,848,000	-
Domestic Sales	1,848,000	-
Less:- Excise Duty	-	-
Net Domestic Sales	1,848,000	-
Note 15 : Purchase of Stock-in-Trade		
Shares	19,232,153	-
Total	19,232,153	-
Note 16 :(increase)/Decrease in inventories		
Inventories at the end of the year	2,470,870	-
Inventories at the beginning of the year	-	-
Net (increase) / decrease	(2,470,870)	-
Note 17 : Other expenses		
Advertisement Expenses	2139	-
Printing & Stationery	3,506	-
Communication Expenses	1,851	-
Postage & Courier Charges	28,745	-
Bank Charges	5,415	-
Depository & Other Expenses	40,740	-
Stock Exchange Fees	16,854	-
Legal & Professional Expenses	59,813	-
Miscellaneous expenses	-	112,182
<u>Auditors Remuneration:-</u>		
Audit Fees	28,090	30,000
Total	187,153	142,182
Note18: Exceptional Item		
Provision For F.B.T.07-08 withdrawn	-	8,346
Total	-	8,346

ANNEXURE (6) FIXED ASSETS										
ASSETS	COST OF ASSETS AS AT 01.04.2012	ADDITIONS DURING THE YEAR	DEDUCTIONS DURING THE YEAR	COST OF ASSETS AS AT 31.03.2013	DEPRECIATION				NET BLOCK VALUE AS AT	
					UPTO 31.03.2012	DEDUCTIONS ON DISCARDING OF ASSETS	FOR THE YEAR	TOTAL 31.03.2013	31.03.2013	31.03.2012
TANGIBLE ASSETS										
Building	808,906	-	-	808,906	-	-	-	-	808,906	808,906
Plant & Machinery	91,614	-	-	91,614	-	-	-	-	91,614	91,614
Ballast & Permanent Ways	2,512,055	-	-	2,512,055	-	-	-	-	2,512,055	2,512,055
Bridge Work	1,616,243	-	-	1,616,243	-	-	-	-	1,616,243	1,616,243
Electric Work	6,877	-	-	6,877	-	-	-	-	6,877	6,877
Fencing	122,675	-	-	122,675	-	-	-	-	122,675	122,675
Capital Work-in Progress	1,961,482	-	-	1,961,482	-	-	-	-	1,961,482	1,961,482
SUB TOTAL	7,119,852	-	-	7,119,852	-	-	-	-	7,119,852	7,119,852
PREVIOUS YEARS	7,119,852	-	-	7,119,852	-	-	-	-	7,119,852	7,119,852

Note 19 : Significant Accounting Policies & Notes to accounts**1. Business**

The Central Provinces Railways Company Limited is public limited listed company. Company is in the business of transportation through railways & trading in various products.

2. Income

- a) Financial statements are prepared under historical cost convention on accrual basis in accordance with the requirement of the Companies Act, 1956.
- b) Income from Railway represents the net earnings received from Central Railway in terms of the Contracts for the Construction and Working of the Ellichipur Murtajapur Yeotamal Railway and Pulgaon-Arvi Railway.
- c) Income from Central Railways shown in their books of accounts is Rs.7,57,012.09 /-(Rs.25,17,886/-) as certified by the management, being the Company's share of income for the period 01.04.2012 to 31.03.2013 has been adjusted by the Central Railway against expenditure claimed to have been incurred by them for and on account of the company. Liability for any part of the said expenditure has been disowned by the company. However, the Company has thought it prudent not to account for the aforesaid amount of Rs.7,57,012.09 (Rs.25,17,886/-) adjusted in the aforesaid manner by Central Railway. In the past also company has followed this policy of recognition of revenue and there is no change in the policy on this account.

3. Inventories:

Shares held are as stock-in-trade; in case of quoted shares the same are valued at lower of cost & market value.

4. Investments

Investments are long term in the nature and stated at cost. Interest is accounted on accrual basis. However the current status of the investments is not available with the management.

5. Fixed Assets

Fixed assets are stated at historical cost of acquisition less depreciation.

6. Depreciation

Under the terms of the agreement with the Government, the working agency namely Central Railway, is responsible for maintaining and renewing the railway. The assets shown as fixed capital expenditure on railway construction account in Schedule '3' annexed are in the physical possession of the Central Railway. In view of the legal opinion obtained in the past that the extent of depreciation under Section 205 and 350 of the Companies Act, 1956 in respect of these assets is nil, the Company has, consistent with the past practice not provided for any depreciation on these assets. However, the Central Railway have in their letter addressed to the Company raised various legal issues such as liability of the Company for certain expenditure incurred by them, provision for depreciation in respect of the assets in their possession etc. The Company is seeking legal opinion in the matter. The issues when resolved may have impact on various items disclosed in the accounts.

7. Revenue Recognition

For dealing in Shares & Securities in cash market segment the same are accounted for on the basis of bill dates received from the brokers.

8. Information required under Para 3 (ii) (b) of Part II of Schedule VI to the Companies Act, 1956 in respect of items traded during the year:

- a. Since the Company is in the business of trading, the provisions regarding licensed and installed capacity, as well as production & raw - material consumption are not applicable.
- b. Details of items traded –

(i) Equity Shares

Particulars	Current Year		Previous Year	
	Units (Nos.)	Amount (Rs.)	Units (Nos.)	Amount (Rs.)
Opening Stock	NIL	NIL	NIL	NIL
Purchases	3,01,500	1,92,32,153	NIL	NIL
Sales	(2,00,000)	(18,48,000)	NIL	NIL
Closing Stock	1,01,500	24,70,870	NIL	NIL

9. Provisions and Contingencies

A provision is recognized when there is a present obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made when there is a possible or present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent Assets are neither recognized nor disclosed in the financial statements.

10. Privilege Leave Encashment

Employees are entitled to accumulate their privilege leave within specified limit and can claim encashment thereof while in service or on separation or superannuation or otherwise. This is not treated as a specific retiral benefit and the cost thereof is accounted for, in the year of its payment.

11. Taxes on Income

a) Provision for is made on the basis of the estimated taxable income as per the provisions of the Income Tax Act, 1961 and the relevant Finance Act, after taking into consideration judicial pronouncements and opinions of the Company's tax advisors.

b) Deferred tax is recognized, subject to the consideration of prudence on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

12. Impairment of Assets

Where carrying amount of fixed assets exceeds the recoverable amount on the reporting date, the carrying amount is reduced to the recoverable amount. The recoverable amount is measured as the higher of the net selling price and the value in use determined by the present value of estimated future cash flow.

13. The Company does not owe any sum to Small Scale Industrial Undertakings.

14. Contingent Liabilities

Claims against the Company by Central Railway for Capital Expenditure claimed to have been incurred by them on behalf of the company Rs.16,78,26,853/- (Rs.18,72,00,000/- – Rs.193,73,147/-) , Previous Year Rs. 16,85,83,865/- (Rs.18,72,00,000/- – Rs.1,86,16,135/-) being the Company's share of income for the period 01.10.2002 to 31.3.2013 adjusted by them and not treated by the Company as income.

As per the terms of agreement between the Company and the then Secretary of State for, the Construction and Working of Ellichipur Murtagapur Yeotamal Railway and Pulgaon-Arvi Railway the said Secretary of State (now the Railway Board) has a right to terminate the contract by purchasing the assets of the Company at a price which shall not be less than the total capital cost incurred by the Company. In view of the said contract, no provision for depreciation or impairment of asset is deemed necessary.

15. As per the terms of agreement between the Company and the then Secretary of State for, the Construction and Working of Ellichipur Murtagapur Yeotamal Railway and Pulgaon-Arvi Railway the said Secretary of State (now the Railway Board) has a right to terminate the contract by purchasing the assets of the Company at a price which shall not be less than the total capital cost incurred by the Company. In view of the said contract, no provision for depreciation or impairment of asset is deemed necessary.

16. The Company had granted in earlier year an unsecured interest bearing loan to M/s. Killick Nixon Limited amounting to Rs. 20,00,000/-. Interest on the said loan is not being received, accordingly no provision has been made for interest on the said inter corporate loan w.e.f. 1st April, 2005 in terms of resolution passed by the Board of Directors on 21st January, 2006.

17. Related Party Disclosure

Related Party Disclosure under AS-18 issued by the Institute of Chartered Accounts of India. The Management has informed that all the transactions entered during the previous year with various parties do not fall within the purview of the Accounting standard 18 "Related Party Transaction" issued by the Institute of Chartered Accountants of India.

18. Statutory information

Particulars	As at 31st March 2013	As at 31st March 2012
a. Managerial remuneration	Nil	Nil
b. Remuneration to Auditors	28090	30000
c. Expenditure in Foreign	Nil	Nil
d. Currency Earnings in Foreign Currency	Nil	Nil

19. No provision for Contingent Liabilities, if any has been made in these accounts.

20. Figures have been rounded off to the nearest rupee.

21. Loans & Advances and Debtors are subject to confirmations.

22. Previous year's figures have been regrouped & rearranged wherever necessary.

As per my report of even date

For S B Jajoo & Co.
Chartered Accountants.

Reg. no.125915W

For and on Behalf of the Board
The Central Provinces Railways Company Limited

(SANTOSH .B. JAJOO)
Proprietor
Membership No: 118622

Place: Mumbai

Date: 27.05.2013

Paresh Nagori
Director

A.K.Gupta
Director

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PROXY FORM

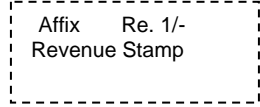
Reg.FolioNO _____ No.of hares: _____

D.P.I.D* _____ Client ID* _____

I / we _____ of _____ being a share holder / shareholders of a The Central Province Railways Company Limited hereby appoint _____ or failing him/her _____

as my/ our proxy to attend and vote for me / us and on my/ our behalf at the Annual General meeting of the Company to be held on 28th September, 2013 at B-35, Ganjawala Shopping Center, S.V.P.Road, Borivali(west), Mumbai – 400092, 10.30 A.M. and at any adjournment thereof.

Signed this _____ day of _____, 2013



Signature of the shareholder _____

[Signature of Proxy]

Note: The Proxy form duly completed and signed must be deposited at the Registered office of the company not less than 48 hours before the time for holding the Meeting

*Applicable for shares held in electronic form.

THE CENTRAL PROVINCE RAILWAYS COMPANY LTD.

Regd. Off: No.09, Basement, Commercial Union House, Wallace Street, Fort, Mumbai-400001.

**ATTENDANCE SLIP
Annual General Meeting**

Reg.Folio NO. _____

No. of shares held _____

Name of the Attending Member _____

D.P.I.D* _____ Client I.D.* _____

I/We hereby record my/our presence at the Annual General Meeting of the company being held on 28th September 2013 at B-35 Ganjawala Shopping Center, S.V.P.Road, Borivali(west), Mumbai – 400092. At 10.30 A.M

Signature of the shareholder(s), / Proxy/ Representative _____

Note:

- 1) Member / proxy holder wishing to attend the meeting must bring the attendance slip to the meeting and hand over the same duly signed at the Venue.

BOOK POST

If undelivered please return to:

THE CENTRAL PROVINCES RAILWAY COMPANY LIMITED.

Reg.Off:-

No.09,Basement,Commercial Union House,

Wallance Street,Fort,

Mumbai- 400001.