

# 4<sup>th</sup> Annual Report

2019-20

## Indore Smart City Development Limited

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*Regd. Off.:* Smart City Office, Nehru Park Campus, Indore, M.P., 452003

*Ph. No.:* 0731-2535572; *E-mail:* [smartcityindore16@gmail.com](mailto:smartcityindore16@gmail.com)

*CIN:* U75100MP2016SGC035528; *Website:* [www.smartcityindore.org](http://www.smartcityindore.org)

**NOTICE** is hereby given that the 4<sup>th</sup> Annual General Meeting of the Members of the Company shall be held at shorter notice on Saturday, the 26<sup>th</sup> day of December 2020 at 5.55 PM at the Registered Office of the Company at Smart City Office, Nehru Park Campus, Indore, MP, 452003 through video conferencing to transact the following business. The meeting link is: meet.google.com/sdp-uedr-bes

**I. ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet and Statement of Profit & Loss of the Company for the year ended 31<sup>st</sup> March, 2020 together with the Board's Report & Independent Auditor's Report thereon.
2. To take note of appoint the Statutory Auditors of the Company, and to fix their remuneration and to consider and if thought fit, to pass with or without modification(s), the following resolution as an ordinary resolution:-

**“RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any of the Companies Act 2013 and the rules made thereunder (including any statutory modification/s or re-enactment thereof for the time being in force), the Board be and is considered and took note of appointment of M/s Mehta & Boraskar (having FRN: 008016C), Chartered Accountants of Indore as Statutory Auditor of Company for the Financial Year 2020-21 appointed by Comptroller and Auditor General of India through their letter No./V/COY/MADHYA PRADESH, ISCDL(1)/982 dated 26.08.2020 at remuneration of Rs. 50,000/-.”

**I. SPECIAL BUSINESS:**

1. To consider the appointment of Shri Nayan C. Parikh as Independent Director of the Company

**Place: Indore**  
**Date: 26.12.2020**

**By order of Board of Directors of**  
**Indore Smart City Development Limited**

  
**Anurag Kumar Saxena**  
**Company Secretary**  
**FCS No.:8115**

**NOTE:**

1. A member has option to attend meeting physically or through OAVM.

2. A member entitled to attend and vote is entitled to appoint a proxy and vote on a poll instead of himself and proxy need not be a member of the Company but the members who are attending the meeting through the Video Conferencing or other Audio Visual Means are not eligible to appoint the meeting through proxy.
3. **A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN (10) PERCENT OF THE SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT ONE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER.**
4. **PROXIES IN ORDER TO BE EFFECTIVE MUST BE LODGED WITH THE COMPANY AT LEAST 48 HOURS BEFORE THE MEETING. THE INSTRUMENT APPOINTING THE PROXY IS ANNEXED AS ANNEXURE-I.**
5. Members are requested to notify immediately any change in their addresses to the Company at its Registered Office.
6. Members / Proxies should bring duly filled Attendance Slip to attend the Annual General Meeting.
7. Corporate Members intending to send their authorised representative to attend the meeting are requested to send to the Company certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
8. Relevant documents referred to in the accompanying notice and the statement is open for inspection by the Members at the Registered Office of the Company on all working days, during business hours up to the date of the meeting.
9. An explanatory statement pursuant to section 102 of the Companies Act, 2013 is given below and forms part of this notice.
10. In view of the massive outbreak of the COVID-19 pandemic, social distancing is to be a pre-requisite and pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, physical attendance of the Members to the EGM is optional, Members can attend and participate in the ensuing Annual General Meeting through VC/OAVM.
11. The Members can join the Annual General Meeting in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
12. The attendance of the Members attending the Annual General Meeting through VC/OAVM will be counted for the purpose of reckoning the quorum under Section 103 of the Companies Act, 2013.
13. All documents referred to in the Notice calling the Annual General Meeting are attached herewith along with the notice.
14. Annual General Meeting has been convened through VC/OAVM in compliance with applicable provisions of the Companies Act, 2013 read with MCA Circular No. 14/2020 dated April 08, 2020 and MCA Circular No. 17/2020 dated April 13, 2020 and circular o. 20/2020 dated May 5, 2020.
15. During the meeting held through Video Conferencing and any other Audio Visual Facility, where a poll on any item is required, the members shall cast their vote on the resolution only by sending the email addresses which are registered with the company. The said emails shall only be sent to the designated email address circulated by the company in advance.
16. In case the counting of votes required time, the said meeting may be adjourned and called later to declare the result.

## **EXPLANATORY STATEMENT**

Following Explanatory Statement, pursuant to the provisions of Section 102 of the Companies Act, 2013 sets out the material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM NO. : 1

Board of directors of the Company has taken on record the appointment of Mr. Shri Nayan Chimanlal Parikh in the meeting held on 02.03.2020 as Independent Director of the Company w.e.f. 22.02.2020 for the tenure of 5 years effective from the MPUDCL Letter dated 22.02.2020 subject to consideration and approval of members of the Company in the ensuing annual General Meeting of the Company.

Therefore the appointment of Shri Nayan Chimanlal Parikh as Independent Director cum Non executive Director is hereby placed before Members for their consideration.

None of the Directors and KMP or their relative is interested in aforesaid resolution.

**ATTENDANCE SLIP**  
**4<sup>TH</sup> ADJOURNED ANNUAL GENERAL MEETING**

<b>Folio No.</b>	
<b>No. of shares(s) held</b>	
<b>Name &amp; Address of Registered shareholder</b>	

I certify that I/we am/are a registered shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the 4<sup>th</sup> Annual General Meeting of the Company convened on Saturday, the 26<sup>th</sup> day of December 2020 at Smart City Office, Nehru Park Campus, Indore, MP, 452003.

.....  
Member's / Proxy's Signature

Note: Please complete this and hand it over at the entrance of the hall.

**Form No. MGT-11**

**Proxy Form**

**[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

**CIN:** U75100MP2016SGC035528

**Name of the Company:** Indore Smart City Development Limited

**Registered office:** Smart City Office, Nehru Park Campus, Indore, MP, 452003

**Name of the member (s):**

**Registered address:**

**Email ID:**

**Folio No.:**

I/We, being the members of shares of the above named company, hereby appoint

**1. Name:**

**Address:**

**Email ID:**

**Signature: .....,or failing him**

**2. Name:**

**Address:**

**Email ID:**

**Signature: .....,or failing him**

**3. Name:**

**Address:**

**Email ID:**

**Signature: .....**

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 4<sup>th</sup> Annual General Meeting of the Company, to be held on Saturday, the 26<sup>th</sup> day of December 2020 at Smart City Office, Nehru Park Campus, Indore, MP, 452003 and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No.**

1. ....

2. ....

3. ....

4. ....

5. ....

- 6. ....
- 7. ....
- 8. ....
- 9. ....
- 10. ....

Signed this.....day of .....2020.

Signature of shareholder(s)

Affix Revenue Stamp
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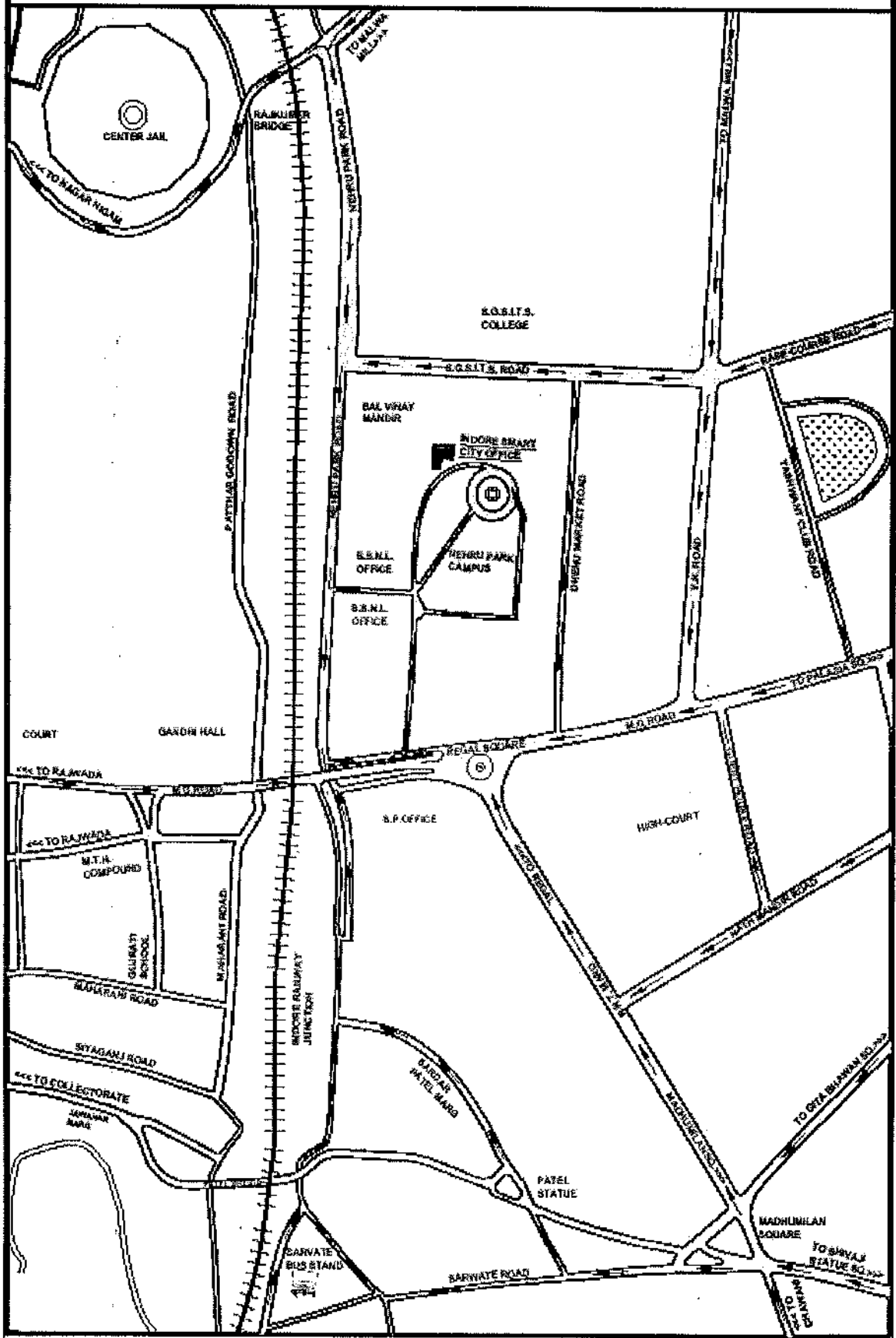
Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

**Notes:**

- 1. Proxy to be deposited at the Registered Office of the Company, not later than FORTY-EIGHT hours before the meeting.
- 2. All alterations made in the Form of Proxy should be initialed.
- 3. Please affix appropriate Revenue Stamp before putting signature.
- 4. In case of multiple proxies, proxy later in time shall be accepted.
- 5. A proxy need not be a shareholder of the Company

Route Map of Registered Office of Company i.e. "Smart City Office, Nehru Park Campus, Indore, MP, 452003"





NOTICE is hereby given that the **adjourned** 4<sup>th</sup> Annual General Meeting of the Members of the Company shall be held at shorter notice on Wednesday, the 15<sup>th</sup> day of September 2021 at 5.55 PM at the Registered Office of the Company at Smart City Office, Nehru Park Campus, Indore, MP, 452003, to attend meeting physically or through video conferencing facility to transact the following business. The meeting link is: [meet.google.com/exn-dafd-jdz](https://meet.google.com/exn-dafd-jdz).

**I. ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet and Statement of Profit & Loss of the Company for the year ended 31<sup>st</sup> March, 2020 together with the Board's Report & Independent Auditor's Report with comments from Comptroller and Auditor-General of India thereon.

Place: Indore  
Date: 15.09.2021

By order of Board of Directors of  
Indore Smart City Development Limited

Sd/-  
Anurag Kumar Saxena  
Company Secretary  
FCS No.:8115

**NOTE:**

1. A member has option to attend meeting physically or through OAVM. A member entitled to attend and vote is entitled to appoint a proxy and vote on a poll instead of himself and proxy need not be a member of the Company but the members who are attending the meeting through the Video Conferencing or other Audio Visual Means are not eligible to appoint the meeting through proxy.
2. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY. A MEMBER HOLDING MORE THAN TEN (10) PERCENT OF THE SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT ONE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER PERSON OR MEMBER.
3. PROXIES IN ORDER TO BE EFFECTIVE MUST BE LODGED WITH THE COMPANY IN THE INSTRUMENT APPOINTING THE PROXY.
4. Members are requested to notify immediately any change in their addresses to the Company at its Registered Office.

5. Members / Proxies should bring duly filled Attendance Slip to attend the Annual General Meeting.
6. Corporate Members intending to send their authorised representative to attend the meeting are requested to send to the Company certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
7. Relevant documents referred to in the accompanying notice and the statement is open for inspection by the Members at the Registered Office of the Company on all working days, during business hours up to the date of the meeting.
8. An explanatory statement pursuant to section 102 of the Companies Act, 2013 is given below and forms part of this notice.
9. In view of the massive outbreak of the COVID-19 pandemic, social distancing is to be a pre-requisite and pursuant to the Circular No. 14/2020 dated April 08, 2020, issued by the Ministry of Corporate Affairs, physical attendance of the Members to the EGM venue is optional, Members can attend and participate in the ensuing Annual General Meeting through VC/OAVM.
10. The Members can join the Annual General Meeting in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
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12. All documents referred to in the Notice calling the Annual General Meeting are attached herewith along with the notice.
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15. In case the counting of voted required time, the said meeting may be adjourned and called later to declare the result.

**Place: Indore**  
**Date: 15.09.2021**

**By order of Board of Directors of**  
**Indore Smart City Development Limited**

**Sd/-**  
**Anurag Kumar Saxena**  
**Company Secretary**  
**FCS No.:8115**

**ATTENDANCE SLIP**  
**ADJOURNED 4<sup>TH</sup> ANNUAL GENERAL MEETING**

<b>Folio No.</b>	
<b>No. of shares(s) held</b>	
<b>Name &amp; Address of Registered shareholder</b>	

I certify that I/we am/are a registered shareholder / proxy for the registered shareholder of the Company.

I hereby record my presence at the **Adjourned 4<sup>th</sup> Annual General Meeting** of the Company convened on **Wednesday, the 15<sup>th</sup> day of September 2021** at **Smart City Office, Nehru Park Campus, Indore, MP, 452003.**

.....  
**Member's / Proxy's Signature**

Note: Please complete this and hand it over at the entrance of the hall.

**Form No. MGT-11**

**Proxy Form**

**[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

**CIN:** U75100MP2016SGC035528

**Name of the Company:** Indore Smart City Development Limited

**Registered office:** Smart City Office, Nehru Park Campus, Indore, MP, 452003

**Name of the member (s):**

**Registered address:**

**Email ID:**

**Folio No.:**

I/We, being the members of shares of the above named company, hereby appoint

**1. Name:**

**Address:**

**Email ID:**

**Signature: .....,or failing him**

**2. Name:**

**Address:**

**Email ID:**

**Signature: .....,or failing him**

**3. Name:**

**Address:**

**Email ID:**

**Signature: .....**

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **Adjourned 4<sup>th</sup> Annual General Meeting** of the Company, to be held on the **Wednesday, the 15<sup>th</sup> day of September 2021** at **Smart City Office, Nehru Park Campus, Indore, MP, 452003** and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No.**

**1. ....**

Signed this.....day of .....2021.

Affix  
Revenue  
Stamp

Signature of shareholder(s)

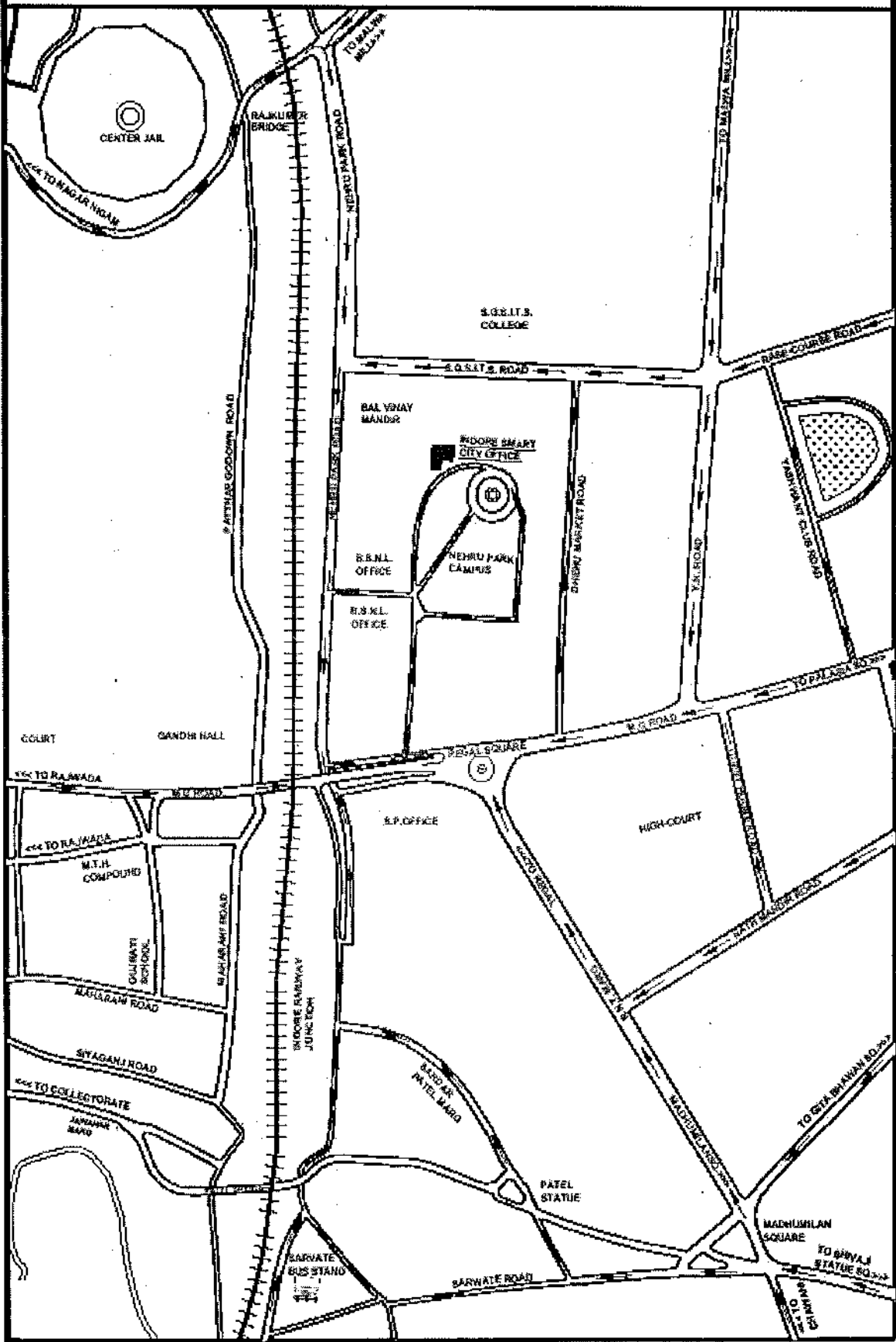
Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

*Notes:*

1. Proxy to be deposited at the Registered Office of the Company, not later than FORTY-EIGHT hours before the meeting.
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5. A proxy need not be a shareholder of the Company

Route Map of Registered Office of Company I.e.\*Smart City Office, Nehru Park Campus, Indore, MP, 452003\*



## **BOARD'S REPORT**

To,  
The Members,  
Indore Smart City Development Limited,  
Indore

The Directors of your Company are pleased to present the 4<sup>th</sup> Board's Report together with the Audited Financial Statements of the Company for the financial year ended on 31<sup>st</sup> March, 2020:

### **1. STATE OF AFFAIR, FINANCIAL PERFORMANCE AND FUTURE OUTLOOK**

#### **i) Financial Results**

The Financial Results for the year ended 31<sup>st</sup> March 2020 have been summarized as under:

(Rs. in Lakhs)

<b>Particulars</b>		<b>Current Year</b>	<b>Previous Year</b>
Revenue from Operation		220.13	169.34
Total expenditure incurred towards the project charged to P&L		3225.84	3,278.85
Other Income			
- Grant Transferred to Profit & Loss Statement	4673.44		
- Others	200.84	4874.28	4441.84
Total expense incurred towards the administrative expense met out from the grant received		691.30	882.85
Profit/loss before providing Depreciation and Interest		1177.27	449.47
Less: Depreciation		1118.26	422.74
Less: Interest		59.01	26.73
Profit/loss after depreciation		0.00	0.00
Less: Exceptional Item		0.00	0.00
Less: Extraordinary Item		0.00	0.00
Less: Current Tax		0.00	0.00
Less: Deferred Tax		(32.15)	397.17
Profit /Loss after taxation		32.15	(397.17)

The Company has prepared its accounts under Ind AS as required by u/s 133 of the Companies Act 2013, hence certain adjustments have been made considering the requirements under Indian Accounting Standards. The figures for the previous year have also been rearranged as required by Indian Accounting Standards.

## **ii) Operations and Performance Review**

The Company was formed as Special Purpose Vehicle under the Smart City Mission of Government of India to implement the vision of Smart City Mission with objective to provide core infrastructure in Indore City and give a decent quality of life to its citizens, a clean and sustainable environment and application of 'Smart' Solutions. The core infrastructure elements in a smart city includes adequate water supply, assured electricity supply, sanitation which includes solid waste management, efficient urban mobility and public transport, affordable housing especially for the poor, robust IT connectivity and digitalization, good governance, especially e-Governance and citizen participation, sustainable environment, safety and security of citizens particularly women, children and the elderly, and health and education.

The Company has taken-up projects defined in Smart City Proposal under SCM, Convergence and PPP mode. The overall performance of the Company is satisfactory towards the main object of company. Many projects have also been completed and projects which are in undergoing stage are running in full swings.

As per the Central MIS of Ministry of Housing and Urban Affairs, Government of India the Company was ranked at 3<sup>rd</sup> position on 22.06.2020 out of total 100 Smart Cities of India.

Under the Project Award Category (Theme-Built Environment), the Company has been awarded for India Smart Cities Awards Contest (ISAC) 2019 for outstanding achievement in implementing the project of "*Riverfront Development at Harisiddhi Park and stretch from Chandrabhaga Bridge to Harisiddhi Bridge*" under Smart Cities Mission.

In the ClimateSmart Cities Assessment Framework the Indore was on first position in India. The assessment was done for many sectors including Energy and Green Buildings, Urban Planning, Green Cover, Biodiversity, Mobility and Air Quality, Water Resource Management and Waste Management and city performance was vetted by a National Expert Committee and thematic area sub committees.

Recently on 27-28 November 2020, ETGovernment Global Smart Cities Forum 2020 has selected Indore Smart City Development Limited as winner under three award categories. The Company was Gold Winner under '*Best Startup Initiative by Smart Cities*' category for Mobile Waste Converter and Silver Winner under category of '*Best Public-Private Partnership (PPP) Initiative of the Year*' for Material Recovery Facility and also '*Best Smart City (India)*' category.

The Company on its part has taken various initiatives to improve its operating efficiency and revenue earning potential to bring profitability of Company. Your Directors are committed to



take stringent measures to ensure Company's success in this challenging Smart City Mission. The Company is in the process of implementing strategies to capitalize available opportunities.

***iii) Transfer to Reserves***

The Company has not transferred any amount to General Reserve during the year under review.

***iv) Dividend***

Due to requirement of funds for ongoing projects and to strengthen the capital base of the Company, your Directors do not recommend any dividend for the Financial Year ended on March 31, 2020.

***v) Change in nature of Business***

During the year under review there was no change in business activity of the Company.

***vi) Material Changes and Commitments affecting financial position between the end of the Financial Year and date of Report***

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year and the date of this report.

**2. CAPITAL AND DEBT STRUCTURE**

***i) Changes in Share Capital***

Since inception date the Authorized Share Capital of the Company is Rs. 200.00 Crore in terms of guidelines issued by Urban Administration and Development Directorate, GoMP, Bhopal through letter dtd. 02.02.2016. The Company had raised its paid-up share capital upto Rs. 200.00 Crore w.e.f. 31.03.2018, which is equivalent to Authorized Share Capital.

Hence, during the year under review there was no change in capital structure of the company and there is no outstanding shares issued with differential rights, sweat equity or ESOS.

***ii) Disclosure regarding issue of Sweat Equity Shares***

During the Financial Year under review, the Company has not issued Sweat Equity Shares pursuant to provisions of Section 54 of Companies Act 2013 read with Rule 8 of the Companies (Share Capital and Debenture) Rules, 2014.

***iii) Disclosure regarding issue of Employee Stock Option Scheme***

During the Financial Year under review, the Company has not issued shares under Employees Stock Options Scheme pursuant to provisions of Rule 12 of the Companies (Share Capital and Debenture) Rules, 2014.

### 3. **MANAGEMENT**

#### *i) Directors and Key Managerial Personnels*

##### Change in Directors:-

During the financial year 2019-20, Shri Shiv Kant Mudgal, Shri Deepak Ratnawat, Shri Vivek Sarotriya and Shri Sanjay Mohase were appointed as Nominee Directors of the Company w.e.f. 11.04.2019, 11.04.2019, 01.07.2019 and 05.08.2019 respectively. Shri Rajesh Nagal, Shri Krishna Kumar Songaria and Shri Gajra Mehta ceased to hold Directorship of Company w.e.f. 11.04.2019, 11.04.2019 and 05.08.2019 respectively.

Shri Ashwini Kumar was re-appointed as Nominee Director on behalf of Central Government w.e.f. 09.08.2019.

Nominee Director on behalf of MPUDCL, Shri Rahul Jain, *LAS* ceased to hold directorship of company w.e.f. 06.12.2019 and Shri Manish Singh, *LAS* joined the Board as Nominee Director in his place. Shri Manish Singh, *LAS* ceased to hold Directorship of Company on behalf of MPUDCL w.e.f. 19.03.2020 and Shri Tejaswi Subray Naik, *LAS* was appointed as Nominee Director in his place.

Independent Director Shri Rishikesh Thiruvankata Krishnan has resigned from Board on 07.01.2020. Shri Nayan Chimanlal Parikh is appointed as Independent Director of the Company w.e.f. 22.02.2020.

Due to dissolution of Mayor-in-Council of Indore Municipal Corporation, the office of Directorship for Mayor's representative Shri Shankar Yadav has also been ceased w.e.f. 19.02.2020.

During the running financial year 2020-21, Shri Lokesh Kumar Jatav, *LAS* ceased to hold Directorship in the Company w.e.f. 13.05.2020 and in his place, Shri Manish Singh, *LAS* was appointed as Chairman cum Nominee Director of the Company w.e.f. 13.05.2020. Shri Asheesh Singh, *LAS* ceased to hold Directorship w.e.f. 13.05.2020 and Smt. Pratibha Pal, *LAS* joined the Board in his place w.e.f. 13.05.2020 as Executive Director of the Company.

Nominee Director on behalf of MPUDCL, Shri Tejaswi Subray Naik, *IAS* ceased to hold Directorship of Company w.e.f. 18.05.2020 and Shri Cheeran Unny Roy joined the ISCDL Board in his place as Nominee Director w.e.f. 18.05.2020. Nominee Director Shri Swatantra Kumar Singh, *IAS* also ceased to hold Directorship in Company w.e.f. 22.09.2020 and Smt. Ruchika Chauhan, *IAS* has been nominated as Director for ISCDL board in his place. Shri Cheeran Unny Roy ceased to hold Directorship of Company on behalf of MPUDCL w.e.f. 15.12.2020 and Shri P.C. Jain has been appointed as Nominee Director in his place.

Except above there was no change in Directors of the Company during the financial year 2019-20 and running financial year 2020-21.

For Central Government's representative the appointment/cessation of directorship in the Company is done in compliance with order/s of MoHUA, GoI, New Delhi issued from time to time in this regard. Other changes in ISCDL Board are done after obtaining approval/consent from M/s Madhya Pradesh Urban Development Co. Limited (the 'Holding Company').

The Company has also placed the Code of Conduct for Independent Directors. This Code is a guide to professional conduct for Independent Directors. Independent Director adhere these standards and fulfilled their responsibilities in a professional and faithful manner.

As company is a Government Company and as per MCA Notification dtd. 13.06.2017 Section 152(6) of Companies Act 2013 is not applicable on Government Companies; hence no such Director of Company is liable for retirement by rotation.

**Change in KMPs:-**

During the financial year 2019-20, Smt. Aditi Garg, *IAS* has been posted as Chief Executive Officer, Indore Smart City Development Limited vide GAD, GoMP Order No. E-1, 282/2019/5/One Bhopal dated 24.06.2019. She has joined and taken over charge of CEO from former CEO, Shri Sandeep Kumar Soni on 25.06.2019. Smt. Aditi Garg, *IAS* is also appointed as Key Managerial Personnel of ISCDL in terms of Section 203 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Smt. Aditi Garg, *IAS* was on maternity leave from 18.11.2019 to 19.07.2020; during this period Shri Sandeep Kumar Soni, Additional Commissioner, Indore Municipal Corporation has exercised the powers and performed duties as CEO (in-change) of ISCDL in terms of order no. 1409/M.C./19 dtd. 16.11.2019 issued by Commissioner, Indore Municipal Corporation and order no. B-1/187/2019/2/One dtd. 25.11.2019 issued by General Administration Department, GoMP, Bhopal.

Shri Anurag Kumar Saxena was appointed as Company Secretary as well as Key Managerial Personnel of the ISCDL in terms of Section 203 of Companies Act, 2013 for a period of 3 years w.e.f. 02.09.2016 which was expired on 01.09.2019. In the Board Meeting held on 14.06.2019 the Board expressed their consent for renewal of contract tenure of Shri Anurag Kumar Saxena for further term of 3 years at same terms and conditions of existing Contract Agreement for Appointment of Full Time Company Secretary dtd. 02.09.2016.

Smt. Rachna Gaur is appointed as Chief Financial Officer as well as Key Managerial Personnel of the ISCDL in terms of Section 203 of Companies Act, 2013 for a period of 3 years w.e.f. 29.09.2017 which was expired on 28.09.2020. As Executive Director of Company have financial and administrative powers of company as per provisions of Articles of Association of Company. Hence, considering COVID-19 pandemic conditions and requirement of ISCDL staff to fight against Covid-19 situations, the Executive Director has extended the service period of 20 staff (including Smt. Rachna Gaur) till 31.03.2021.

Except above there is no change in Key Managerial Personnel of the Company in terms of Section 203 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 during the Financial Year 2019-20 and running Financial Year 2020-21.

## **ii) Independent Directors**

The Company is required to appoint minimum number of Independent Directors in the Board of ISCDL for sake of compliance required under Companies Act 2013. Presently Company has two Independent Directors Smt. Deepti Vyas and Shri Nayan Chimanlal Parikh who had joined the Board w.e.f. 12.11.2018 and w.e.f. 22.02.2020 respectively.

Smt. Deepti Vyas is a practicing Architect, registered with Council of Architecture, India, M. Tech. in Town Planning from Sardar Patel University, Gujrat, an ECBC Architect empanelled with Bureau of Energy Efficiency (BEE), Govt. India and a Government Registered Valuer under Wealth Tax Act. She is having experience of 27 years in the fields of planning and Architect. She has Certificate of Entrepreneur programme from Indian School of Business (ISB), Hyderabad and also having Membership of many institutes and societies. She had worked Joint Secretary of Institute of Town Planners, M.P. Regional Chapter, Bhopal, Council Member of Institute of Town Planners, M. P. Chapter, Bhopal & Indian Institute of Architects, M.P. Chapter and Hon. Secretary, Indian Institute of Architect M.P. Chapter. Under the Smart City Project, Planning is the one of the core infrastructure element and being an Architect, Smt. Deepti Vyas is valuable source of inputs in smart city mission.

Shri Nayan Chimanlal Parikh is Managing Director of M/s Nayan Parikh & Consultants, Ahmedabad. He is post-graduate in Management from the Indian Institute of Management,

Ahmedabad and Commerce & Law graduate. He is on the Board of Governors of Ganpat University, Academy of Human Resources Development, Bapu Gujarat Knowledge Village, Karnavati University and also Board of Director of M/s Bhopal Smart City Development Corporation Limited. He is former Chairman of Textile Committee, Ministry of Textiles, Government of India. He was the Advisor to the Chief Minister of Madhya Pradesh for privatization of roads and water and also advisor to the Chief Minister of Chhattisgarh for infrastructure Development. He worked as Co-Chairman of Lead Angels, Ahmedabad chapter. He is an accomplished orator and speaks on various platforms, like TV and radio. He is also a TEDx speaker. He is author of three books on success and has written regular columns on the subject in popular newspapers. He is an Advisor for strategic management services to Industrial groups helping them to achieve impressive growth. He has been involved with CII, GCCI, FICCI and chaired their various committees. He is a Guest Faculty at Indian Institute of Management, Ahmedabad and various other educational Institutes. He is having expertise knowledge and experience in the field of infrastructure, project, finance and strategy management, which will help in Smart City Project of the Company.

***iii) Statement on Declaration by Independent Director***

The Company has received declaration from the Independent Directors of the company confirming that he/she meet the criteria of independence under sub-section (6) of Section 149 of the Companies Act 2013.

***iv) Disqualifications of Directors***

Being a Government Company, Section 164(2) of the Companies Act 2013 is not applicable on ISCDL in terms of Gazette Notification dtd. 05.06.2015. However, under the good corporate practices the declarations are received from the Director/s before his/her appointment or re-appointment, about his/her qualification. Board appraised the same and found that none of the Director is disqualified for holding office as director.

***v) Details of Board Meeting(s)***

During the year under review Four (4) meetings of the Board of Directors were held on 14.06.2019, 26.09.2019, 27.12.2019 and 02.03.2020 in respect of which proper notices were given and proceedings were properly recorded in Minutes Book. The Board composition and details of director's attendance in Board Meetings held in Financial Year 2019-20 and previous Annual General Meeting are as follows:-

<b>Sr. No</b>	<b>Name of Director</b>	<b>Designation in ISCDL</b>	<b>Representing Department and/or Designation</b>	<b>Date of Appointment</b>	<b>Date of Cessation</b>	<b>Eligible to attend total Board Meetings</b>	<b>Total Board Meetings Attended (Physically / Electronically)</b>	<b>Attendance at the previous AGM held on 26.09.2019 (Adjourned)</b>	<b>Board composition on Board's Report date</b>
1	Shri Ashwini Kumar	Nominee Director	Representative of the Central Government	09.08.2019	-	3	0	No	Shri Ashwini Kumar
2	Shri Rahul Jain, IAS	Nominee Director	Representatives of the State Government or the State Government Undertaking	16.07.2018	06.12.2019	2	2	Yes	
	Shri Manish Singh, IAS			06.12.2019	19.03.2020	2	0	NA	
	Shri Tejaswi Subray Naik, IAS			19.03.2020	18.05.2020	NA	NA	NA	
	Shri Cheeran Unny Roy			18.05.2020	15.12.2020	NA	NA	NA	
	Shri P.C. Jain*			DIN allotment date	-	NA	NA	NA	
3	Shri Swatantra Kumar Singh, IAS	Nominee Director		12.11.2018	22.09.2020	4	1	No	
	Smt. Ruchika Chauhan, IAS*			DIN allotment date	-	NA	NA	NA	
4	Shri Lokesh Kumar Jatav, IAS	Chairman cum Nominee Director	District Collector	07.03.2019	13.05.2020	4	4	Yes	Shri Manish Singh, IAS
	Shri Manish Singh, IAS	Nominee Director		13.05.2020	-	NA	NA	NA	
5	Shri Asheesh Singh, IAS	Executive Director cum Nominee Director	Municipal Commissioner, Indore Municipal Corporation	18.05.2018	13.05.2020	4	4	Yes	Smt. Pratibha Pal, IAS
	Smt. Pratibha Pal, IAS	Nominee Director		13.05.2020	-	NA	NA	NA	
6	Shri Vivek	Nominee	Chief	01.07.2019	-	3	2	Yes	Shri Vivek

<b>Sr. No</b>	<b>Name of Director</b>	<b>Designation In ISCDL</b>	<b>Representing Department and/or Designation</b>	<b>Date of Appointment</b>	<b>Date of Cessation</b>	<b>Eligible to attend total Board Meetings</b>	<b>Total Board Meetings Attended</b> <small>(Physically / Electronically)</small>	<b>Attendance at the previous AGM held on 26.09.2019 (Adjourned)</b>	<b>Board composition on Board's Report date</b>
	Sarotriya	Director	Executive Officer, Indore Development Authority						Sarotriya
7	Shri Rajesh Nagal	Nominee Director	Joint Director, Indore.	16.09.2016	11.04.2019	NA	NA	NA	Shri Shiv Kant Mudgal
	Shri Shiv Kant Mudgal		Directorate of Town & Country Planning, GoMP	11.04.2019	-	4	3	Yes	
8	Shri Gajra Mehta	Nominee Director	Chief Engineer, Madhya Pradesh Pashchim Kshetriya Vidyut Vitaran Company Limited	16.09.2016	05.08.2019	1	0	NA	Shri Sanjay Mohase
	Shri Sanjay Mohase			05.08.2019	-	3	1	Yes	
9	Shri Krishna Kumar Songaria	Nominee Director	Chief Engineer, Public Health and Engineering Department	15.06.2018	11.04.2019	NA	NA	NA	Shri Deepak Ratnawat
	Shri Deepak Ratnawat			11.04.2019	-	4	2	Yes	
10	Shri Shankar Yadav	Nominee Director	Nominee of Mayor of Indore Municipal Corporation	19.12.2016	19.02.2020	3	1	No	-

Sr. No.	Name of Director	Designation in ISCDL	Representing Department and/or Designation	Date of Appointment	Date of Cessation	Eligible to attend total Board Meetings	Total Board Meetings Attended (Physically / Electronically)	Attendance at the previous AGM held on 26.09.2019 (Adjourned)	Board composition on Board's Report date
11	Shri Rishiksha Thiruvenkata Krishnan	Independent Director	Independent Director	12.05.2017	07.01.2020	3	1	No	Shri Nayan Chimanlal Parikh
	Shri Nayan Chimanlal Parikh			22.02.2020	-	1	1	NA	
12	Smt. Deepti Vyas	Independent Director	Independent Director	12.11.2018	-	4	4	Yes	Smt. Deepti Vyas

\* Smt. Ruchika Chauhan, IAS and Shri P.C. Jain have been nominated as Directors of ISCDL on behalf of MPUDCL vide its order/s dtd. 22.09.2020 and 15.12.2020 respectively. The effective date for appointment of both Nominee Directors shall be their DIN allotment date/s.

**Resolution(s) by Circulation:** During the financial year under review following Board Resolution(s) were proposed and duly passed by majority of Board Members by way of "Resolution by Circulation" under Section 175 of the Companies Act, 2013, which were also discussed/recorded in Board Meeting held thereafter on 14.06.2019:-

Sr. No.	Agenda for Board Approval	Board Resolution No.	Date of Approval
1	To re-constitute the Audit Committee of ISCDL	CBR-01/2019-20	29.05.2019
2	To re-constitute the Nomination and Remuneration Committee of ISCDL	CBR-02/2019-20	29.05.2019
3	To re-constitute the Stakeholders Relationship Committee of ISCDL	CBR-03/2019-20	29.05.2019

**vi) Audit Committee**

The Company is required to constitute Audit Committee under Section 177 (1) of Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. The Company has constituted Audit Committee in the Board Meeting held on 16.11.2017 with one Independent Director and two Non-executive Directors; and thereafter re-constituted from time to time with majority of Independent Directors as required due to change in Board Members.



Due to transfer of Non-executive Director, Shri Rajesh Nagal and appointment of Shri Shiv Kant Mudgal in his place w.e.f. 11.04.2019, the reconstitution of Audit Committee was required. Consequently, the Committee was re-constituted by majority of Board Members by way of passing "Resolution by Circulation" under Section 175 of the Companies Act, 2013 on 29.05.2019 with the following Board Members:-

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Category</b>	<b>Chairperson / Member</b>
1	Shri Rishiksha Thiruvankata Krishnan	Independent Director	Chairman
2	Smt. Deepti Vyas	Independent Director	Member
3	Shri Shiv Kant Mudgal	Non-executive Director	Member

Further, due to resignation of Independent Director, Prof. Shri Rishiksha Thiruvankata Krishnan and appointment of Shri Nayan Chimanlal Parikh in his place w.e.f. 22.02.2020, the Audit Committee was re-constituted with the following Board Members by passing necessary resolution in its Board Meeting held on 02.03.2020:-

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Category</b>	<b>Chairperson / Member</b>
1	Shri Nayan Chimanlal Parikh	Independent Director	Chairman
2	Smt. Deepti Vyas	Independent Director	Member
3	Shri Shiv Kant Mudgal	Non-executive Director	Member

**vii) Stakeholders Relationship Committee**

Pursuant to compliance of provisions of Articles of Association of Company the Stakeholders Relationship Committee was constituted on 16.11.2017 comprising of a Chairperson who shall be a non-executive director. Due to change in Board Members, the Committee was re-constituted from time to time with majority of Independent Directors. However, the Company is not required to constitute Stakeholders Relationship Committee in terms of Section 178 of Companies Act, 2013.

Due to transfer of Non-executive Director, Shri Rajesh Nagal, the Stakeholder Relationship Committee was re-constituted with majority of Independent Directors by way of passing Board "Resolution by Circulation" under Section 175 of the Companies Act, 2013 on 29.05.2019 with the following Board Members:-

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Category</b>	<b>Chairperson / Member</b>
1	Shri Gajra Mehta	Non-executive Director	Chairman
2	Smt. Deepti Vyas	Independent Director	Member
3	Shri Rishiksha Thiruvankata Krishnan	Independent Director	Member

Further, due to transfer of Non-executive Director, Shri Gajra Mehta and appointment of Shri Sanjay Mohase in his place w.e.f. 05.08.2019, the Stakeholders Relationship Committee was re-constituted with the following Board Members by passing necessary resolution in its Board Meeting held on 26.09.2019:-

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Category</b>	<b>Chairperson / Member</b>
1	Shri Sanjay Mohase	Non-executive Director	Chairman
2	Smt. Deepti Vyas	Independent Director	Member
3	Shri Rishiksha Thiruvankata Krishnan	Independent Director	Member

As Independent Director, Shri Rishiksha Thiruvankata Krishnan has been resigned and in his place Shri Nayan Chimanlal Parikh has been appointed in the Board of ISCDL w.e.f. 22.02.2020. Consequently, the Stakeholders Relationship Committee has been re-constituted on 02.03.2020 with the following Board Members:-

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Category</b>	<b>Chairperson / Member</b>
1	Shri Sanjay Mohase	Non-executive Director	Chairman
2	Smt. Deepti Vyas	Independent Director	Member
3	Shri Nayan Chimanlal Parikh	Independent Director	Member

**viii) Nomination And Remuneration Committee**

The Company is required to constitute Nomination and Remuneration Committee under Section 178(1) of the Companies Act, 2013 and Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014. The Company has constituted its Nomination and Remuneration Committee in the Board Meeting held on 20.12.2018 with majority of Independent Directors. The Committee has been re-constituted from time to time with majority of Independent Directors, as required due to change in Board Members.

Due to transfer of Non-executive Director, Shri Rajesh Nagal w.e.f. 11.04.2019, the re-constitution of Nomination and Remuneration Committee was required. Consequently, the Committee was re-constituted by majority of Board Members by way of passing "Resolution

by Circulation” under Section 175 of the Companies Act, 2013 on 29.05.2019 with the following Board Members:-

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Category</b>	<b>Chairperson / Member</b>
1	Smt. Deepti Vyas	Independent Director	Chairperson
2	Shri Rishiksha Thiruvenkata Krishnan	Independent Director	Member
3	Shri Deepak Ratnawat	Non-executive Director	Member

Further, Independent Director, Shri Rishiksha Thiruvenkata Krishnan has been resigned and in his place Shri Nayan Chimanlal Parikh has been appointed in Board of ISCDL w.e.f. 22.02.2020. Consequently, the Nomination and Remuneration Committee has been re-constituted on 02.03.2020 with the following Board Members:-

<b>Sr. No.</b>	<b>Name of Director</b>	<b>Category</b>	<b>Chairperson / Member</b>
1	Smt. Deepti Vyas	Independent Director	Chairperson
2	Shri Nayan Chimanlal Parikh	Independent Director	Member
3	Shri Deepak Ratnawat	Non-executive Director	Member

**ix) Details of Committee(s) Meetings**

During the financial year under review the Members of Audit Committee were duly met 3 (three) times on 14.06.2019, 26.09.2019 and 27.12.2019. The details of Audit Committee Meetings and Member’s attendance therein are as follows:-

<b>Sr. No.</b>	<b>Name of Committee Member</b>	<b>No. of Committee Meetings Held</b>	<b>No. of Committee Meetings Attended (Physically/Electronically)</b>
1	Smt. Deepti Vyas	3	3
2	Shri Rajesh Nagal <sup>(1)</sup>	NA	NA
3	Shri Shiv Kant Mudgal <sup>(1)</sup>	3	3
4	Shri Rishiksha Thiruvenkata Krishnan <sup>(2)</sup>	3	1
5	Shri Nayan Chimanlal Parikh <sup>(2)</sup>	NA	NA

**Note:-**

1. Shri Rajesh Nagal has ceased to be a Nominee Director w.e.f. 11.04.2019 and Shri Shiv Kant Mudgal appointed as a Nominee Director of ISCDL in his place w.e.f. 11.04.2019 and joined the Committee w.e.f. 29.05.2019.
2. Shri Rishiksha Thiruvenkata Krishnan has ceased to be an Independent Director w.e.f. 07.01.2020 and Shri Nayan Chimanlal Parikh was appointed as an Independent director w.e.f. 22.02.2020 and joined the Committee w.e.f. 02.03.2020.

The Members of Nomination and Remuneration Committee were duly met 3 (three) times during the financial year under review on 14.06.2019, 26.09.2019 and 27.12.2019. The details of Nomination and Remuneration Committee Meetings and Member's attendance therein are as follows:-

<b>Sr. No.</b>	<b>Name of Committee Member</b>	<b>Total No. of Committee Meetings Held</b>	<b>Total No. of Committee Meetings Attended (Physically/Electronically)</b>
1	Smt. Deepti Vyas	3	3
2	Shri Rajesh Nagal <sup>(1)</sup>	NA	NA
3	Shri Deepak Ratnawat <sup>(1)</sup>	3	3
4	Shri Rishiksha Thiruvankata Krishnan <sup>(2)</sup>	3	1
5	Shri Nayan Chimanlal Parikh <sup>(2)</sup>	NA	NA

**Note:-**

1. Shri Rajesh Nagal has ceased to be a Nominee Director w.e.f. 11.04.2019 and Shri Deepak Ratnawat appointed as a Nominee Director of ISCDL w.e.f. 11.04.2019 and joined the Committee w.e.f. 29.05.2019.
2. Shri Rishiksha Thiruvankata Krishnan has ceased to be an Independent Director w.e.f. 07.01.2020 and Shri Nayan Chimanlal Parikh was appointed as an Independent Director w.e.f. 22.02.2020 and joined the Committee w.e.f. 02.03.2020

During the financial year under review, the Members of Stakeholders Relationship Committee were duly met 2 (two) times on 14.06.2019 and 26.09.2019. The details of such Committee Meetings and Member's attendance therein are as follows:-

<b>Sr. No.</b>	<b>Name of Committee Member</b>	<b>Total No. of Committee Meetings Held</b>	<b>Total No. of Committee Meetings Attended (Physically/Electronically)</b>
1	Shri Rajesh Nagal <sup>(1)</sup>	NA	NA
2	Smt. Deepti Vyas <sup>(1)</sup>	2	2
3	Shri Gajra Mehta <sup>(2)</sup>	1	1
4	Shri Sanjay Mohase <sup>(2)</sup>	1	1
5	Shri Rishiksha Thiruvankata Krishnan <sup>(3)</sup>	2	1
6	Shri Nayan Chimanlal Parikh <sup>(3)</sup>	NA	NA

**Note:-**

1. Shri Rajesh Nagal has ceased to be a Nominee Director w.e.f. 11.04.2019 and Smt. Deepti Vyas joined the Committee w.e.f. 29.05.2019.
2. Shri Gajra Mehta has ceased to be as Nominee Director w.e.f. 05.08.2019 and Shri Sanjay Mohase appointed as a Nominee Director of ISCDL w.e.f. 05.08.2019 in his place and joined the Committee w.e.f. 26.09.2019.
3. Shri Rishiksha Thiruvankata Krishnan has ceased to be an Independent Director w.e.f. 07.01.2020 and Shri Nayan Chimanlal Parikh was appointed in his place as an Independent director w.e.f. 22.02.2020 and joined the Committee w.e.f. 02.03.2020.

During the financial year under review, the Independent Directors were duly met one time on 02.03.2020. The details of such Meeting and Directors attendance therein are as follows:-

<b>Sr. No.</b>	<b>Name of Independent Directors</b>	<b>Total No. of Meetings Held</b>	<b>Total No. of Meetings Attended (Physically/Electronically)</b>
1	Smt. Deepti Vyas	1	1
2	Shri Rishiksha Thiruvenkata Krishnan <sup>(1)</sup>	NA	NA
3	Shri Nayan Chimanlal Parikh <sup>(1)</sup>	1	1

**Note:-**

1. Shri Rishiksha Thiruvenkata Krishnan has ceased to be an Independent Director w.e.f. 07.01.2020 and Shri Nayan Chimanlal Parikh was appointed in his place as an Independent director w.e.f. 22.02.2020.

**x) Recommendation of Audit Committee**

The Board always honored the views of Audit Committee given on any agenda item and there was no subject matter on which Board did not accept recommendation of Audit Committee.

**xi) Annual Evaluation of Performance of Board**

Being a Government Company, it is not required to carry formal annual evaluation by the Board of its own performance and that of its committees and individual directors pursuant to Section 134(3)(p) of the Companies Act, 2013 and Rule 8(4) of the Companies (Accounts) Rules, 2014. Although, Directors of the company are vigilant towards their duties and responsibilities as Director of the Company.

**xii) Particulars of Employees**

As per Gazette Notification dtd. 05.06.2015, Section 197 of the Companies Act 2013 is not applicable on ISCDL being as Government Company. Although none of the Employee of the Company is drawing remuneration of Rs. 1,02,00,000/- (Rupees One Crore and Two Lakh) per annum or more if employed throughout the Financial Year or Rs. 8,50,000/- (Rupees Eight Lakh and Fifty Thousand) per month if employed for a part of the Financial Year. Further, none of the Employee was in receipt of remuneration in excess of that drawn by the Managing Director or Whole-time Director or Manager (wherever they are appointed), and does not hold by himself or along with his spouse and dependent children, 2(two) percent or more equity shares of the Company. However, the mentioned disclosure is for the employees other than Directors of the Company and details regarding Directors have been given in '**Form No.-MGT-9**' which is annexed as **Annexure-I** with this report.

**xiii) Remuneration/Commission received by Directors from Holding**

As per Gazette Notification dtd. 05.06.2015, Section 197 of the Companies Act 2013 is not applicable on ISCDL being as Government Company. Although, during the year under review

none of the director of the company in receipt of the commission or remuneration from holding company of ISCDL, if any as provided under Section 197(14) of Companies Act, 2013.

**xiv) Directors' Responsibility Statement**

Pursuant to the provisions of Section 134(5) of the Companies Act, 2013, (the Act) your Directors confirm that:

- a) In the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The Directors had prepared the annual accounts on a going concern basis;
- e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;
- f) The Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.

*Explanation:* For the purposes of this clause, the term "Internal Financial Controls" means the policies and procedures adopted by the company 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.

**xv) Internal Control System and their adequacy**

The internal control system with respect to financial statement and there adequacy has been duly taken care by the Board of Directors of the Company. The internal controls exist in the system and that sufficient measures are taken to update the internal control system, as and when needed. The system also ensures that all transaction are appropriately authorized, recorded and reported as and when required.

**xvi) Reporting of Fraud by Auditors**

There was no fraud in the Company, which was required to report by Auditors (Statutory Auditor or Secretarial Auditor) of the Company to the Audit Committee/Board under sub-section (12) of section 143 of Companies Act, 2013.

#### **4. *SUBSIDIARY, ASSOCIATE COMPANIES AND JOINT VENTURE***

The Company does not have any Subsidiary Company, Joint Venture or Associate Company. Although, the Company is a Subsidiary Company of M/s Madhya Pradesh Urban Development Co. Limited in terms of Section 2(87)(i) of the Companies Act, 2013.

#### **5. *DEPOSITS***

The Company has not accepted any deposits from public within the meaning of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014.

#### **6. *PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186***

During the year under review your Company has not provided any loans/guarantees and made investments in terms of Section 186 of the Companies Act, 2013, if any.

#### **7. *RELATED PARTY TRANSACTIONS***

Details of transactions entered by Company which falls under Section 188(1) of the Companies Act, 2013 are already forming part of Financial Statement. Kindly refer to notes to the accounts attached with the Financial Statements.

#### **8. *CORPORATE SOCIAL RESPONSIBILITY STATEMENTS***

As the Company does not fall under the criteria provided under Section 135(1) of Companies Act, 2013, therefore no such committee was constituted; and the Company is not required to provide statement on Corporate Social Responsibility as per Section 134(3)(o) of the Companies Act, 2013.

#### **9. *CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING & OUTGO***

##### **1) Conservation of Energy:**

- a. The steps taken or impact on conservation of energy: - The company is putting continues efforts to reduce the consumption of energy and maximum possible saving of energy.

- b. The steps taken by the company for utilizing alternate sources of energy: - The Company has used alternate source of energy, whenever and to the extent possible. In this connection Company has installed Solar Power Plants at various places in the city under the Smart City Mission.
- c. The capital investment on energy conservation equipments:- NIL

## **2) Technology Absorption:**

- a. The effort made towards technology absorption:- The Company continues to use the latest technologies for improving the quality of its services.
- b. The benefits derived like product improvement, cost reduction, product development or import substitution:-The improvement of product, reduction of cost and development of products are major benefits of technology absorption.
- c. In case of technology imported during the last three years reckoned from the beginning of the financial year:- NA
- d. The expenditure incurred on Research & Development:- NIL

## **3) Foreign Exchange Earnings and Outgo**

There are no Foreign Exchange earnings and outgoings were taken place during the financial year as required by the Companies (Accounts) Rules, 2014.

## ***10. STATEMENT INDICATING DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT POLICY***

The Board of Directors of the Company state that risk associated in the ordinary course of business is duly taken care by the Board while taking business decisions. Further, the Company need not required to formulate any specified Risk Management Policy.

## ***11. ESTABLISHMENT OF VIGIL MECHANISM***

Your company does not meet the requirements of Section 177(9) of Companies Act, 2013 read with rule 7 of the Companies (Meetings of Board and its Powers) Rules 2014 for establishing Vigil Mechanism, therefore no such mechanism was established by the Board. The ISCDL Board through its Executive Director oversees the vigil mechanism.

## ***12. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS***



There are no significant material orders passed by the Regulators/Courts/Tribunals impacting the going concern status of the Company and its future operations. Although, one case related to allotment of tender for 'Infrastructure Upgradation and Improvement for Commuter safety on percentage rate contract basis under the Smart City Mission' is pending with court.

One appeal is pending with CIT Appeals for Income Tax for Assessment Year 2017-18 for demand of Rs. 692.25 Lakhs. Minimum 20% amount of such demand (i.e. Rs. 138.50 Lakhs) has already deposited as per requirement of filing of such appeal.

### **13. AUDITORS**

**M/s Gupta and Ashok**, Chartered Accountants of Indore were appointed as Statutory Auditor of the Company for financial year 2016-17, 2017-18, 2018-19 and 2019-2020 by virtue of Orders of Comptroller and Auditor-General of India (C&AG) issued from time to time for appointment of Statutory Auditor and their remuneration.

**M/s Mehta & Bhorkar**, Chartered Accountants of Indore are appointed as Statutory Auditor of the Company for financial year 2020-21 by virtue of C&AG order No. CA. V/COY/MADHYA PRADESH, ISCDL(1)/982 dated 26.08.2020. The Member's approval shall be obtained in forthcoming 4<sup>th</sup> Annual General Meeting of Company. M/s Mehta & Bhorkar, Chartered Accountants have given their consent to act as Statutory Auditor of the Company as required under Section 139 of the Companies Act, 2013.

**M/s P.S. Tripathi & Associates**, Company Secretaries, Indore were appointed Secretarial Auditors of the Company for 3 years w.e.f. 01.09.2016; and in terms of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 their service tenure has been extended by Board of Directors in its 15<sup>th</sup> meeting held on 14.06.2019 for further term of 3 years at same terms and conditions of existing Contract Agreement dated 31.08.2016.

**M/s M. Mehta And Company**, Chartered Accountants, Indore were appointed as Internal Auditors of the Company for 2 years w.e.f. 16.08.2018 and their service tenure has been extended for further period of 1 (one) year at same terms and conditions. In this connection Board confirmation in terms of Section 138 of the Companies Act, 2013 shall be obtained in their 19<sup>th</sup> Board Meeting.

### **14. SECRETARIAL AUDIT REPORT**

Secretarial Audit is applicable to the Company under the provisions of Section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Secretarial Auditors of the Company M/s P.S. Tripathi &

Associates, Company Secretaries, Indore has conducted the audit and issued a report for Financial Year 2019-20. The '**Secretarial Audit Report**' attached as **Annexure-II** has following qualifications (cited in Point No. 1 of the Report), which are explained below:-

- a. As per clause no. 12.1 of Articles of Association, the post of Nominee of Mayor (Indore Municipal Corporation) is vacant as Mr. Shankar Yadav ceased to be a Director w.e.f. 19.02.2020 due to dissolution of Mayor-in-Council of Indore Municipal Corporation.

*Board Explanation:* The election of Mayor-in-Council is not declared till date. The position of nominee director of Mayor (Indore Municipal Corporation) shall be filled as soon as nomination received from future Mayor.

- b. The Company has filed Adopted Financial Statements for the Financial Year 2016-17 on 28.03.2018, whereas the comments from C & AG were received on 04.02.2019 i.e. after filing the Adopted Financial Statements.

*Board Explanation:* The Financial Statement, Auditors' Report, Board's Report alongwith all Annexure related to 1<sup>st</sup> Financial Year ended on 31.03.2017 are already been adopted by Members in their 1<sup>st</sup> Annual General Meeting held on 23.12.2017. Such Financial Statement were submitted to Comptroller and Auditor-General of India (C&AG) for their review and comments thereon. The C&AG had issued their comments through their letter dated 04.02.2019 and instructed to publish such comments as Annexure to Board's Report. The C&AG Comments and Management Explanations thereon were also been placed before Board for their consideration in 15<sup>th</sup> Board Meeting held on 14.06.2019 and for the sake of compliance under Section 143(6)(b) the Board's Report with C&AG comments alongwith explanations thereon were sent to Shareholders with Notice calling adjourned 2<sup>nd</sup> Annual General Meeting. The Shareholders considered and duly adopted such comments by passing resolution in such adjourned 2<sup>nd</sup> AGM held on 26.09.2019.

- c. Adjourned Annual General Meeting for the FY 2017-18, which was required to be held on or before 31.12.2018 was held on 26.09.2019 for the adoption of Financial Statements for the FY 2017-18, which is beyond statutory time period and falling under the non compliance of section 137 of the Act. The Company has filed adopted Financial Statement for the FY 2017-18 with ROC as on 25.10.2019.

*Board Explanation:* The 2<sup>nd</sup> Annual General Meeting for the FY 2017-18 was adjourned beyond statutory time limit due to non-availability of C&AG comment on Financial Statement etc. related to F.Y. 2017-18. However, provisional un-adopted financial statement of FY 2017-18 was submitted to RoC on 29.01.2019. The Company has received C&AG comments through their letter dated 09.08.2019 and such comments were placed before

Members in the adjourned 2<sup>nd</sup> AGM held on 26.09.2019. For the sake of compliance required under Section 137 of the Companies Act 2013, the adopted Financial Statement was duly filed with RoC on 25.10.2019.

- d. Adjourned Annual General Meeting for the FY 2018-19, which was required to be held on or before 10.12.2019, could not be recalled till date and Financial Statement for the FY 2018-19 is not laid before the members of the Company and thereby falls under the non compliance of section 92 and 137 of the Act. However, Company has filed Un-adopted Financial Statement for the FY 2018-19 with ROC.

*Board Explanation:* The 3<sup>rd</sup> Annual General Meeting for the FY 2018-19 was adjourned beyond statutory time limit due to non-availability of C&AG comment on Financial Statement etc. related to F.Y. 2018-19. However, provisional un-adopted financial statement of FY 2018-19 was submitted to RoC on 25.10.2019. The Company has received C&AG comments through their letter dated 28.07.2020 and such comments shall be placed before Members in their adjourned 3<sup>rd</sup> AGM which is to be called on such date which will be decided by Board of Director in its 19<sup>th</sup> Board Meeting.

- e. Company has not constituted various other committees as mentioned in clause no. 12.15 Articles of Association of the Company.

*Board Explanation:* The Audit Committee, Stakeholders Relationship Committee (in lieu of 'Share Transfer and Allotment Committee'), Nomination and Remuneration Committee had already been constituted comprising three members. Remaining committees will be constituted subject to review of applicability of such committees on company and their needs to the Company's operation.

- f. There is delay in signing of minutes of one Meeting of Board by the Chairman, held during the year.

*Board Explanation:* The final Minutes of 17<sup>th</sup> Board Meeting held on 27.12.2019 were duly recorded in Minute Book on 24.01.2020 (within 30 days from date of meeting). Such Minutes were signed by the Chairman of 18<sup>th</sup> Board Meeting on 11.03.2020, which is in accordance with "Secretarial Standard-1" issued by the Institute of Company Secretaries of India.

- g. There is a gap of more than one hundred and twenty days between the Board meetings held on 20.12.2018 and 14.06.2019.

*Board Explanation:* Due to official works related to Parliamentary Election 2019 and enforcement of Model Code of Conducts for Parliamentary Election 2019, the Board

Meeting was not held in March 2019 quarter. The Board took note on such matter in its 15<sup>th</sup> Board Meeting held on 14.06.2019.

### **15. AUDITOR'S REPORT**

The Auditor, in their report have referred to the Notes forming part of the Final Account, considering the principle of the materiality; the notes are self explanatory except for the observation/qualification/matter of emphasis for which management's reply is as under;

Although, following comment is cited by the Auditors in their report under Section 143(5) of the Companies Act, 2013:

Point No. 1- Whether the company has taken adequate measures to prevent encroachment of idle land owned by it. Whether any land of the company is encroached, under litigation, not put to use or declared surplus? Details may be provided.

Auditor's Comment- The Madhya Pradesh Government has allotted 16.413-hectare land to the Company at MOG line Indore without any monetary consideration. We are unable to comment upon encroachment, if any, over the said land, as any such information is not available.

*Board Explanation:* The land being allotted for redevelopment purpose and the same is not encroached but occupied by existing state government employees and recently the government has issued notices to all such employees to vacate the same.

The Financial Statement, Auditors' Report, Board's Report alongwith all Annexure related to 4<sup>th</sup> Financial Year ended on 31.03.2020 shall be submitted to Comptroller and Auditor-General of India (C&AG) for their review and comments thereon; and these will be placed before Members in forthcoming 4<sup>th</sup> Annual General Meeting for the purpose of adoption. Any comments received from C&AG in future shall be placed before Board for their consideration and necessary action thereon.

For financial year 2018-19, the 3<sup>rd</sup> AGM was called on 26.09.2019 and the ordinary business related to 'receiving, considering and adoption of the Audited Balance Sheet and Statement of Profit & Loss of the Company for the year ended 31st March, 2019 together with the Board's Report & Independent Auditor's Report thereon' was not transacted due to non-availability of comments from C&AG on Financial Statement, Auditors' Report etc. In this view, the 3<sup>rd</sup> AGM of the Company had been adjourned *sine die*. The Financial Statement, Auditors' Report, Board's Report alongwith all Annexure related to 3<sup>rd</sup> Financial Year ended on 31.03.2019 were submitted to C&AG for their review and comments thereon. The Company has received C&AG Comments through their letter dated 28.07.2020 and such comments shall be placed before Members in the adjourned 3<sup>rd</sup> AGM to be called on such date which will be decided by

Board in their 19<sup>th</sup> Board Meeting; and thereafter adopted Financial Statement for the FY 2018-19 shall be submitted to RoC.

The Financial Statement, Auditors' Report, Board's Report alongwith all Annexure related to 2<sup>nd</sup> Financial Year ended on 31.03.2018 were submitted to C&AG for their review and comments thereon and the C&AG comments have also been received through their letter dtd. 09.08.2019 with instructions to publish such comments as Annexure to Board's Report. Such C&AG comments related to F.Y. 2017-18 were sent to Shareholders for their consideration and adoption in adjourned 2<sup>nd</sup> AGM of the Company. The Audited Balance Sheet and Statement of Profit & Loss of the Company for the year ended 31<sup>st</sup> March, 2018 together with the Board Report & Independent Auditor's Report with comments from C&AG of India were received, considered and duly adopted in such adjourned 2<sup>nd</sup> AGM of the Company held on 26.09.2019.

The AGM for 1<sup>st</sup> Financial Year ended on 31.03.2017 was held on 23.12.2017 and agenda for adoption of Audited Annual Accounts for year 2016-17 were also transacted in such meeting. The Financial Statements, Auditor's Report, Board's Report along with all Annexure thereto were already been adopted by members in their 1<sup>st</sup> AGM held on 23.12.2017. The C&AG issued their comments on Financial Statement related to F.Y. 2016-17 through their letter dated 04.02.2019 and instructed to publish such comments as Annexure to Board's Report. Such C&AG comments were also sent to Shareholders for their consideration and adoption in adjourned 2<sup>nd</sup> AGM of the Company and such C&AG comments were received, considered and duly adopted by shareholders in such adjourned 2<sup>nd</sup> AGM held on 26.09.2019.

#### ***16. COST RECORD AND/OR COST AUDIT***

The Company does not falls within the provisions of Section 148 of Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014, therefore no such records required to be maintained.

#### ***17. COMPLIANCE WITH SECRETARIAL STANDARDS***

During the year under review, the Company has complied with the provisions of all applicable Secretarial Standards issued from time to time by the Institute of Company Secretaries of India.

#### ***18. CORPORATE INSOLVENCY RESOLUTION***

During the year under review, there was no situation of corporate insolvency. Valuable resources of the Company including capital, manpower, machinery and management are deployed in fair manner and for financial viable business. Hence, no need for Corporate Insolvency Resolution under the Insolvency and Bankruptcy Code, 2016.

## 19. FAILURE TO IMPLEMENT ANY CORPORATE ACTION

During the year under review there was no such corporate action in the Company consequently no such failure to implement any corporate action including issuance and allotment of securities.

## 20. EXTRACT OF ANNUAL RETURN

The details forming part of the 'Extract of the Annual Return' in 'Form No.-MGT 9', as required under Section 92 of the Companies Act, 2013 is included in this report as 'Annexure-I' which is also available on Company's Website and may be accessed from <https://www.smartcityindore.org/investor-relations/>

## 21. VISHAKA COMMITTEE

Pursuant to requirement under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules made thereunder, the Internal Complaint Committee of the Company was constituted by the Board in their meeting held on 31.03.2018. The constitution of Committee is as under:

Sr. No.	Name of Person	Category	Chairperson / Member
1	Smt. Rachna Gaur	Chief Financial Officer, ISCDL	Presiding Officer
2	Shri Sunil Dubey	Executive Engineer (Electrical), ISCDL	Member
3	Smt. Rashmi Chaudhari	Communication (IEC/BCC) Expert, ISCDL	Member
4	Smt. Reeta Lahiri	Non-Governmental Organizations Member	Member

Two meetings of Internal Complaint Committee were duly held on 29.08.2019 and 02.01.2020.

## 22. VOTING RIGHTS OF EMPLOYEES

During the year under review the Company has not given loan to any employee for purchase of its own shares as per Section 67(3)(c) of Companies Act, 2013. Therefore the Company is not required to make any disclosure as per rule 16 of Companies (Share Capital and Debentures) Rules, 2014.

## 23. ACKNOWLEDGEMENT

Your Directors are thankful to the Members of the Company for their faith and confidence in the Management of the Company.

Place: Indore

Date: 26.12.2020

For & on behalf of Board of  
Indore Smart City Development Limited

  
PRATIBHA PAL, IAS  
(Executive Director)  
DIN: 07923882

  
MANISH SINGH, IAS  
(Chairman)  
DIN: 05277748

Annexure-I

**FORM NO. - MGT 9**

**Extract of Annual Return**

As on financial year ended on 31/03/2020

*Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company  
(Management & Administration) Rules, 2014*

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U75100MP2016SGC035528
2.	Registration Date	11/03/2016
3.	Name of the Company	Indore Smart City Development Limited
4.	Category/Sub-category of the Company	Company limited by share/ State Government Company
5.	Address of the Registered office & contact details	Smart City Office, Nehru Park Campus, Indore, MP, 452003, IN Email address: smartcityindore16@gmail.com Contact No.: 0731-2535572
6.	Whether listed company	No
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Not Applicable



## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company are stated as below:-

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the
1	Advertising	74300	55.46%
2	O&M for Material Recovery (Others)	74999	35.61%

## III. PARTICULAR OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Company is not having any Subsidiary/ Joint Venture/ Associate. Details of Holding Company is as under:-

S. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Share Held	Applicable Section
1.	Madhya Pradesh Urban Development Co. Limited	U75110MP2015SGC034139	Holding	50%	Section 2(87)(i) read with clause (b) of explanation

## IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)-

### i) CATEGORY-WISE SHARE HOLDING --



Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2019]				No. of Shares held at the end of the year (As on 31-March-2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter(s)</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	-	50	50	0.00	-	50	50	0.00	Nil
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	9,99,99,990	9,99,99,990	50.00	-	9,99,99,990	9,99,99,990	50.00	Nil
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other (Local body)	-	9,99,99,960	9,99,99,960	50.00	-	9,99,99,960	9,99,99,960	50.00	Nil
<b>Sub- total (A) (1):-</b>	Nil	20,00,00,000	20,00,00,000	100.00	Nil	20,00,00,000	20,00,00,000	100.00	Nil
<b>(2) Foreign</b>	-	-	-	-	-	-	-	-	-
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub total (A) (2):-</b>	-	-	-	-	-	-	-	-	-
<b>Total Shareholding of Promoters (A) = (A) (1) + (A) (2)</b>	Nil	20,00,00,000	20,00,00,000	100.00	Nil	20,00,00,000	20,00,00,000	100.00	Nil
<b>B. Public Shareholding</b>	-	-	-	-	-	-	-	-	-
<b>1. Institutions</b>	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2019]			No. of Shares held at the end of the year [As on 31-March-2020]			% Change during the year		
	Demat	Physical	Total	% of Total Shares	Demat	Physical		Total	% of Total Shares
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):-</b>	-	-	-	-	-	-	-	-	-
<b>2. Non-Institutions</b>	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others (specify)	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year [As on 01-April-2019]				No. of Shares held at the end of the year [As on 31-March-2020]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Sub-total (B)(2):-	-	-	-	-	-	-	-	-	-
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	-	-	-	-	-	-	-	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	Nil	20,00,00,000	20,00,00,000	100.00	Nil	20,00,00,000	20,00,00,000	100.00	Nil

\* 50 shares held by Individuals in the capacity of nominee of State Government Undertaking and Urban Local Body.

## ii) SHAREHOLDING OF PROMOTER -

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	*Shri Lokesh Kumar Jatav, IAS	10	0.00	-	10	0.00	-	-
2	Indore Municipal Corporation	9,99,99,960	50.00	-	9,99,99,960	50.00	-	-
3	*Shri Rohan Saxena	10	0.00	-	-	-	-	-
	* Smt Aditi Garg, IAS	-	-	-	10	0.00	-	-
4	* Shri Vivek	10	0.00	-	10	0.00	-	-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
	Sarotriya							
5	* Shri Rajesh Nagal,	10	0.00	-	-	-	-	-
	* Shri Shiv Kant Mudgal	-	-	-	10	0.00	-	-
6	Madhya Pradesh Urban Development Co. Limited	9,99,99.990	50.00	-	9,99,99.990	50.00	-	-
7	**Shri Swatantra Kumar Singh. IAS	10	0.00	-	10	0.00	-	-

\*Shares are held as Nominee of Indore Municipal Corporation.

\*\* Shares are held as Nominee of Madhya Pradesh Urban Development Co. Limited.

iii) CHANGE IN PROMOTERS' SHAREHOLDING (please specify, if there is no change)

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>*Shri Lokesh Kumar Jatav, IAS</b>				
	At the beginning of the year	10	0.00	10	0.00
	Transactions During the Year	-	-	10	0.00
	At the end of the year	10	0.00	10	0.00
2.	<b>Indore Municipal Corporation</b>				
	At the beginning of the year	9,99,99,960	50.00	9,99,99,960	50.00
	Transactions During the Year	-	-	9,99,99,960	0.00

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the end of the year	9,99,99,960	50.00	9,99,99,960	50.00
	<b>*Shri Roban Saxena</b>				
	At the beginning of the year	10	0.00	10	0.00
	Transferred on 26.09.2019	(10)	(0.00)	0	0.00
3.	At the end of the year	0	0.00	0	0.00
	<b>*Smt Aditi Garg, IAS</b>				
	At the beginning of the year	0	0.00	0	0.00
	Acquired through Transfer on 26.09.2019	10	0.00	10	0.00
	At the end of the year	10	0.00	10	0.00
	<b>*Shri Vivek Sarotriya</b>				
	At the beginning of the year	10	0.00	10	0.00
4.	Transactions During the Year	-	-	10	0.00
	At the end of the year	10	0.00	10	0.00
	<b>* Sbri Rajesh Nagal</b>				
	At the beginning of the year	10	0.00	10	0.00
	Transferred on 14.06.2019	(10)	(0.00)	0	0.00
	At the end of the year	0	0.00	0	0.00
5.	<b>* Sbri Shiv Kant Mudgal</b>				
	At the beginning of the year	0	0.00	0	0.00
	Acquired through Transfer on 14.06.2019	10	0.00	10	0.00
	At the end of the year	10	0.00	10	0.00
	<b>Madhya Pradesh Urban Development Co. Limited</b>				
6.	At the beginning of the year	9,99,99,990	50.00	9,99,99,990	50.00
	Transactions During the Year	-	-	9,99,99,990	0.00

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the end of the year	9,99,99,990	50.00	9,99,99,990	50.00
7.	<b>**Shri Swatantra Kumar Singh, IAS</b>				
	At the beginning of the year	10	0.00	10	0.00
	Transactions During the Year	-	-	10	0.00
	At the end of the year	10	0.00	10	0.00

\*Shares held as Nominee of Indore Municipal Corporation.

\*\* Shares held as Nominee of Madhya Pradesh Urban Development Co Limited.

iv) **SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS:** Not Applicable

(Other than Directors, Promoters and Holders of GDRs and ADRs):-

SN	For each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Transactions During the Year	-	-	-	-
	At the end of the year	-	-	-	-

v) **SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year	Cumulative Shareholding during the year

		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Shri Lokesh Kumar Jatav, IAS <sup>(1)</sup></b>				
	At the beginning of the year	10	0.00	10	0.00
	Transactions During the Year	-	-	10	0.00
	At the end of the year	10	0.00	10	0.00
2.	<b>Shri Asheesh Singh<sup>(2)</sup></b>				
	At the beginning of the year	-	-	-	-
	Transactions During the Year	-	-	-	-
	At the end of the year	-	-	-	-
3.	<b>Shri Ashwini Kumar <sup>(3)</sup></b>				
	At the beginning of the year	-	-	-	-
	Transactions During the Year	-	-	-	-
	At the end of the year	-	-	-	-
4.	<b>Shri Swatantra Kumar Singh, IAS <sup>(4)</sup></b>				
	At the beginning of the year	10	0.00	10	0.00
	Transactions During the Year	-	-	10	0.00
	At the end of the year	10	0.00	10	0.00
5.	<b>Shri Rahul Jain, IAS <sup>(5)</sup></b>				
	At the beginning of the year	-	-	-	-
	Transactions During the Year	-	-	-	-
	At the end of the year	-	-	-	-
6.	<b>Shri Manish Singh, IAS <sup>(6)</sup></b>				
	At the beginning of the year	-	-	-	-
	Transactions During the Year	-	-	-	-
	At the end of the year	-	-	-	-
7.	<b>Shri Tejaswi Subray Naik, IAS <sup>(7)</sup></b>				
	At the beginning of the year	-	-	-	-
	Transactions During the Year	-	-	-	-

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the end of the year	-	-	-	-
8.	<b>Shri Vivek Sarotriya (8)</b>				
	At the beginning of the year	10	0.00	10	0.00
	Transactions During the Year	-	-	10	0.00
	At the end of the year	10	0.00	10	0.00
9.	<b>Shri Rajesh Nagal (9)</b>				
	At the beginning of the year	10	0.00	10	0.00
	Transferred on 14.06.2019	(10)	(0.00)	0	0.00
	At the end of the year	0	0.00	0	0.00
10.	<b>Sbri Shiv Kant Mudgal (10)</b>				
	At the beginning of the year	0	0.00	0	0.00
	Acquired through Transfer on 14.06.2019	10	0.00	10	0.00
	At the end of the year	10	0.00	10	0.00
11.	<b>Shri Gajra Mehta (11)</b>				
	At the beginning of the year	-	-	-	-
	Transactions During the Year	-	-	-	-
	At the end of the year	-	-	-	-
12.	<b>Shri Sanjay Mohase (12)</b>				
	At the beginning of the year	-	-	-	-
	Transactions During the Year	-	-	-	-
	At the end of the year	-	-	-	-
13.	<b>Sbri Krishna Kumar Songaria (13)</b>				
	At the beginning of the year	-	-	-	-
	Transactions During the Year	-	-	-	-



SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the end of the year	-	-	-	-
14.	<b>Shri Deepak Ratnawat</b> <sup>(14)</sup>				
	At the beginning of the year	-	-	-	-
	Transactions During the Year	-	-	-	-
	At the end of the year	-	-	-	-
15.	<b>Shri Shankar Yadav</b> <sup>(15)</sup>				
	At the beginning of the year	-	-	-	-
	Transactions During the Year	-	-	-	-
	At the end of the year	-	-	-	-
16.	<b>Shri Rishikesh Thiruvenkata Krishnan</b> <sup>(16)</sup>				
	At the beginning of the year	-	-	-	-
	Transactions During the Year	-	-	-	-
	At the end of the year	-	-	-	-
17.	<b>Shri Nayan Chimaolal Parikh</b> <sup>(17)</sup>				
	At the beginning of the year	-	-	-	-
	Transactions During the Year	-	-	-	-
	At the end of the year	-	-	-	-
18.	<b>Smt. Deepthi Vyas</b> <sup>(18)</sup>				
	At the beginning of the year	-	-	-	-
	Transactions During the Year	-	-	-	-
	At the end of the year	-	-	-	-
19.	<b>Shri Rohan Saxena</b> <sup>(19)</sup>				
	At the beginning of the year	10	0.00	10	0.00
	Transferred on 26.09.2019	(10)	(0.00)	0	0.00

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the end of the year	0	0.00	0	0.00
20.	<b>Shri Sandeep Kumar Soni</b> <sup>(20)</sup>				
	At the beginning of the year	-	-	-	-
	Transactions During the Year	-	-	-	-
	At the end of the year	-	-	-	-
21.	<b>Smt Aditi Garg, IAS</b> <sup>(21)</sup>				
	At the beginning of the year	0	0.00	0	0.00
	Acquired through Transfer on 26.09.2019	10	0.00	10	0.00
	At the end of the year	10	0.00	10	0.00
22.	<b>Smt. Rachna Gaur</b> <sup>(22)</sup>				
	At the beginning of the year	-	-	-	-
	Transactions During the Year	-	-	-	-
	At the end of the year	-	-	-	-
23.	<b>Shri Anurag Kumar Saxena</b> <sup>(23)</sup>				
	At the beginning of the year	-	-	-	-
	Transactions During the Year	-	-	-	-
	At the end of the year	-	-	-	-

**Note:**

1. Shares held as Nominee of IMC.
2. Joined the Board as Executive Director w.e.f. 18.05.2018.
3. Joined the Board as Nominee Director w.e.f. 09.08.2019.
4. Shares held as Nominee of MPUDCL.
5. Ceased to hold Directorship w.e.f. 06.12.2019.
6. Joined the Board as Nominee Director w.e.f. 06.12.2019 and ceased to be Director w.e.f. 19.03.2020.
7. Joined the Board as Nominee Director w.e.f. 19.03.2020.
8. Joined the Board as Nominee Director w.e.f. 01.07.2019 and Shares held as Nominee of IMC.
9. Ceased to hold Directorship w.e.f. 11.04.2019.
10. Joined the Board as Nominee Director w.e.f. 11.04.2019 and Shares held as Nominee of IMC.
11. Ceased to hold Directorship w.e.f. 05.08.2019.
12. Joined the Board as Nominee Director w.e.f. 05.08.2019.
13. Ceased to hold Directorship w.e.f. 11.04.2019

14. Joined the Board as Nominee Director w.e.f. 11.04.2019.  
15. Ceased to hold Directorship w.e.f. 19.02.2020.  
16. Ceases to hold Directorship w.e.f. 07.01.2020.  
17. Joined the Board as Independent Director w.e.f. 22.02.2020.  
18. Joined the Board as Independent Director w.e.f. 12.11.202018.  
19. Ceased from office of Chief Executive Officer w.e.f. 23.03.2019.  
20. Ceased from office of Chief Executive Officer w.e.f. 25.06.2019.  
21. Joined the Company as Chief Executive Officer w.e.f. 25.06.2019 and Shares held as Nominee of IMC.  
22. Joined the Company as Chief Financial Officer w.e.f. 29.09.2017.  
23. Joined the Company as Company Secretary w.e.f. 02.09.2016.

**V. INDEBTEDNESS** - Indebtedness of the Company including interest outstanding/accrued but not due for payment- **NIL**

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-
<b>Change in Indebtedness during the financial year</b>				
• Addition	-	-	-	-
▪ Reduction	-	-	-	-
<b>Net Change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	-	-	-

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERAL PERSONNEL-**

**A. Remuneration to Managing Director, Whole-Time Directors and/or Manager:- NIL**

SN	Particulars of Remuneration	Directors		Total Amount
1.	Gross salary	-	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2.	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit - others, specify...			
5.	Others, please specify	-	-	-
6.	Total (A)	-	-	-
7.	Ceiling as per the Act	-	-	-

#### B. Remuneration to Other Directors –

S N	Particulars of Remuneration	Name of Directors			Total Amount (In Rs.)
		Nayan Chimanlal Parikh	Rishiksha Thiruvenkata Krishnan	Deepti Vyas	
1.	Independent Directors	Nil	Nil	Nil	Nil
	Fee for attending board/committee meetings	25000	45000	150000	220000
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil
	Total (1)	25000	45000	150000	220000
2.	Other Non-Executive Directors	Nil	Nil	Nil	Nil
	Fee for attending board committee meetings	Nil	Nil	Nil	Nil
	Commission	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil

S N	Particulars of Remuneration	Name of Directors			Total Amount (In Rs.)
		Nayan Chimantlal Parikh	Rishikesha Thiruvenkata Krishnan	Deepti Vyas	
3.	Total (2)	Nil	Nil	Nil	Nil
4.	Total (B)=(1+2)	25000	45000	150000	220000
5.	Total Managerial Remuneration	25000	45000	150000	220000
6.	Overall Ceiling as per the Act	-	-	-	-

**C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD -**

S N	Particulars of Remuneration	Key Managerial Personnel (Rs. in Lakhs)			
		CEO	CS	CFO	Total
		Aditi Garg, IAS	Anurag Kumar Saxena	Rachna Gaur	
	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7.81	7.76	8.66	24.23
1.	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil
4.	Commission	Nil	Nil	Nil	Nil
	- as % of profit	Nil	Nil	Nil	Nil
	others, specify	Nil	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil	Nil
	Total	7.81	7.76	8.66	24.23

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: - NIL**

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>B. DIRECTORS</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

Place: Indore

Date: 26.12.2020

For & on behalf of Board of

Indore Smart City Development Limited

  
PRATIBHA PAL, IAS

(Executive Director)

DIN: 07923882

  
MANISH SINGH, IAS

(Chairman)

DIN: 05277748

## Form No. MR-3

### SECRETARIAL AUDIT REPORT

For The Financial Year Ended 31<sup>ST</sup> March, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies  
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**Indore Smart City Development Limited,**  
**Indore**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Indore Smart City Development Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of **Indore Smart City Development Limited's** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31<sup>ST</sup> March, 2020, has complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

**1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by Indore Smart City Development Limited for the period ended on 31<sup>ST</sup> March, 2020 according to the provisions of:**

- (i) The Companies Act, 2013 (**the Act**) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 (**'SCRA'**) and the Rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder  
(**Not applicable to the Company during the Audit Period**);



**Indore Smart City Development Limited**  
Secretarial Audit Report for FY 2019-20

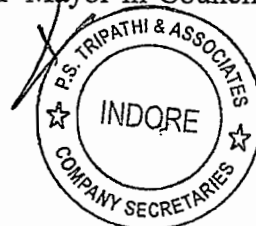
- (iv) The Foreign Exchange Management Act, 1999 and the Rules and Regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings, **(no such transactions reported)**;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- **(Not applicable to the Company during the Audit Period)**
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period); and
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the Audit Period);
- (vi) Other Laws specifically applicable to the Company, as informed by management:-  
**NIL**

**2. We have also examined compliance with the applicable clauses of the following:**

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, the Company has materially complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to followings :-

- a. As per clause no. 12.1 of Articles of Association, the post of Nominee of Mayor (Indore Municipal Corporation) is vacant as Mr. Shankar Yadav ceased to be a Director w.e.f. 19.02.2020 due to dissolution of Mayor-in-Council of Indore Municipal Corporation.





**Indore Smart City Development Limited**  
Secretarial Audit Report for FY 2019-20

- b. The Company has filed Adopted Financial Statements for the Financial Year 2016-17 on 28.03.2018, whereas the comments from C & AG were received on 04.02.2019 i.e. after filing the Adopted Financial Statements.
- c. Adjourned Annual General Meeting for the FY 2017-18, which was required to be held on or before 31.12.2018 was held on 26.09.2019 for the adoption of Financial Statements for the FY 2017-18, which is beyond statutory time period and falling under the non compliance of section 137 of the Act. The Company has filed adopted Financial Statement for the FY 2017-18 with ROC as on 25.10.2019.
- d. Adjourned Annual General Meeting for the FY 2018-19, which was required to be held on or before 10.12.2019, could not be recalled till date and Financial Statement for the FY 2018-19 is not laid before the members of the Company and thereby falls under the non compliance of section 92 and 137 of the Act. However, Company has filed Un-adopted Financial Statement for the FY 2018-19 with ROC.
- e. Company has not constituted various other committees as mentioned in clause no. 12.15 Articles of Association of the Company.
- f. There is delay in signing of minutes of one Meeting of Board by the Chairman, held during the year.
- g. There is a gap of more than one hundred and twenty days between the Board meetings held on 20.12.2018 and 14.06.2019.

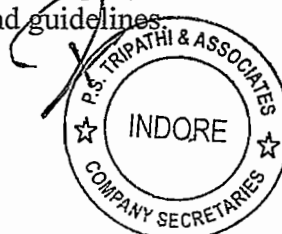
**3. We further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or with shorter period, wherever required, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes, wherever exist.

- 4. We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



**Indore Smart City Development Limited**  
Secretarial Audit Report for FY 2019-20

5. We further report that during the audit period the company has not issued and allotted equity Shares on right issue basis.

**For P.S. Tripathi & Associates**  
Company Secretaries



**Pratik Tripathi**  
Partner  
C.P. No. 5358

**Place: Indore**

**Date: 26.12.2020**

**UDIN: F005812B001714123**

(Generated on 29.12.2020)

**Note:**

- A. This report is to be read with Annexure to Secretarial Audit Report of even date which is annexed with this report and forms an integral part of this report.
- B. Due to COVID-19 and the consequent lockdown restrictions imposed by Government majority of information and documents are provided by company through e mail and secretarial audit has been done on the basis of documents and information which are provided by company through email and no physical verification of documents has been done at registered office of company.

**Annexure to Secretarial Audit Report**

To,  
The Members,  
**Indore Smart City Development Limited**  
**Indore**

Our report for FY 2019-20 of even date is to be read along with this letter.

1. Maintenances of secretarial records are the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion. Our report is based on said secretarial records.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The compliance of the provisions of corporate and other specifically applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis. We have not gone through the laws which are general in nature and applicable to the Company.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. Where ever required, we have obtained the management representation and declaration about the compliance of laws, rules and regulation and happening of events etc.

**For P.S. Tripathi & Associates**  
Company Secretaries



**Pratik Tripathi**  
Partner  
C.P. No. 5358

**Place: Indore**  
**Date: 26.12.2020**  
**UDIN: F005812B001714123**  
(Generated on 29.12.2020)



पत्र सं. ए.एम.जी. II/इंदौर/लेखा/जा.-101  
दिनांक: 13.08.2021

प्रति

मुख्य कार्यपालन अधिकारी,  
इंदौर स्मार्ट सिटी डेवलपमेंट लिमिटेड,  
स्मार्ट सिटी कार्यालय, नेहरू पार्क कैम्पस  
इंदौर,  
मध्य प्रदेश, 452 003

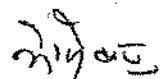
विषय:- इंदौर स्मार्ट सिटी डेवलपमेंट लिमिटेड, के 31 मार्च, 2020 को समाप्त वर्ष के लेखाओं पर कंपनी अधिनियम 2013 की धारा 143 (6) (ख) के अधीन भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियाँ ।

महोदय,

विषयांतर्गत इंदौर स्मार्ट सिटी डेवलपमेंट लिमिटेड, के 31 मार्च, 2020 को समाप्त वर्ष के लेखाओं पर कंपनी अधिनियम, 2013 की धारा 143 (6) (ख) के अधीन भारत के नियंत्रक-महालेखापरीक्षक की टिप्पणियों का प्रमाण पत्र संलग्न प्रेषित है। इसे आप अंशदाताओं की वार्षिक सभा में प्रस्तुत करें एवं इस पत्र की पावती भिजवाएं।

संलग्नक: यथोपरि

भवदीय,

  
उपमहालेखाकार/ए.एम.जी II

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA  
UNDER SECTION 143 (6) (b) READ WITH THE SECTION 129 (4) OF THE  
COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF INDORE  
SMART CITY DEVELOPMENT LIMITED, INDORE FOR THE YEAR ENDED  
31 MARCH, 2020**

The preparation of financial statements of Indore Smart City Development Limited, Indore for the year ended 31 March, 2020 in accordance with financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The Statutory Auditor appointed by the Comptroller and Auditor General of India under section 139(5) is responsible for expressing opinion on these financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated 26 December 2020.

I, on behalf of Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Indore Smart City Development Limited for the year ended 31 March 2020 under section 143(6)(a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matter under Section 143(6)(b) of the Act which have come to my attention and which, in my view, are necessary for enabling a better understanding of the financial statements and the related Audit Report:

**A. Comment on Financial Position**

**Balance Sheet**

**Property, Plant and Equipment (Note 3) - Rs 150.05 crore**

- 1) The company capitalized three construction and demolition centers valuing Rs. 4.55 crore during 2019-20 instead of 2018-19 when the assets were completed and put to use and charged depreciation from the date of capitalization. This has resulted in

understatement of Depreciation and amortization expense by Rs. 0.49 crore with corresponding overstatement of Property, plant and equipment and understatement of loss to the same extent. The same should also be disclosed in notes as prior period depreciation.

#### **Inventories**

- 2) As per Guidance Note on Accounting for Self-generated Certified Emission Reductions (CERs) issued by ICAI para 34, an entity should present certified emission rights as part of Inventories, in the balance sheet, separately from other categories of inventories such as Raw Materials, Work-in-process, Finished goods and others.

The Company earned 170407 nos. carbon credit on projects during the period October 2017 to June 2019 and sold the carbon credits on 20 November 2020 for Rs. 0.47 crore. As the company sold the carbon credits before the date of adoption of accounts for the year 2019-20 (26/12/2020), the same should have accounted as inventory in 2019-20 as per Ind AS 10-Events after the Reporting Period. This has resulted in understatement of inventory and understatement of profit by Rs. 47.00 lakh.

#### **B. Comment on Profit and Loss**

##### **Expenses**

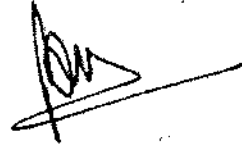
##### **Finance Cost (Note:-26) Rs. 0.59 crore**

- 1) The above includes Rs. 58.85 lakh being interest on security deposit (unwinding) calculated at the rate of 10 *per cent* based on interest charged from contractor on mobilization advance. Since, security deposit received from the contractor was either kept in saving bank account or in fixed deposit, interest on security deposit should have been calculated at the normal yield rate of 6.41 *per cent* on conservative basis which amounts to Rs. 138.34 lakh. This has resulted in understatement of finance cost by Rs.79.49 lakh (Rs.138.34 lakh-Rs. 58.85 lakh) with corresponding understatement of security deposit.

**C. Comment on Disclosure**

As per the Schedule-II of the Companies Act 2013, useful life of electrical installation and equipment is 10 years for providing depreciation. However, the company provided depreciation on Energy Efficient LED Street Lighting considering 7 years as its useful life. The company has not given any disclosure justifying the use of different useful life. Disclosure is deficient to that extent.

For and on the behalf of the  
**COMPTROLLER AND AUDITOR GENERAL OF INDIA**



(Bijit Kumar Mukherjee)  
Accountant General,  
Audit-II  
Madhya Pradesh, Bhopal

Place: Bhopal

Date: 12.08.2021



**INDORE SMART CITY DEVELOPMENT LTD**

Nehru Park Campus, Near BSNL Office, Indore

Ph. no.0731-2535572, E-mail, [Smartcityindorecfo@gmail.com](mailto:Smartcityindorecfo@gmail.com)

CIN: U75100MP2016SGC035528

**Management Reply to comments of the Comptroller and Auditor-General of India on the Financial Statements of Indore smart city development Ltd for the year F.Y 2019-20**

Sl.No.	Comment	Reply of the Management
A	<b>Comment on Financial Position</b>	
	<p><b>1)Balance Sheet</b>  <b>Property, Plant and Equipment (Note3) – Rs. 150.05 Crore</b>            The company capitalized three construction and demolition centres valuing Rs. 4.55 crore during 2019-20 instead of 2018-19 when the assets were completed and put to use and charged depreciation from the date of capitalization. This has resulted in understatement of Depreciation and amortization expense by Rs. 0.49 crore with corresponding overstatement of property, plant and Equipment and understatement of loss to the same extent. The same should also be disclosed in notes as prior period depreciation.</p>	<p>That in regard to compost plant capitalized in the financial statements of FY 2019-20 even though the same was put to use during the financial year 2018-19, in this regard we would like to submit that as per para 7 of IND AS 16, property, Plant &amp; Equipment, "The cost of an item of property, plant and equipment shall be recognized as an asset if, and only if:</p> <p>(a) It is probable that future economic benefits associated with the item will flow to the entity; and</p> <p>(b) The cost of the item can be measured reliably.</p> <p>That is present case the physical completion certificate of the assets was issued in the FY 2018-19 but the final bill was received later in next financial year and it was not possible to measure the cost of asset reliably in absence of final bill. Hence the same has been capitalized as and when second condition was also fulfilled i.e. final bill was received. Hence capitalization is correctly done as per IND AS.</p> <p>Further we would like to state that, as per para 49 of IND AS 8 disclosure is required while applying para 42 and as per para 42 of IND AS 8 "an entity shall correct material prior period errors"</p>



		<p>That as per para 5 of IND AS 8 "material omissions or misstatements of items are material if they could, individually or collectively, influence the economic decisions that users can make on the basis of financial statements."</p> <p>As the same is not material which could affect the economic decision of users and there is no requirement as per IND AS -8 to disclose the same.</p>
	<p><b>2) Inventories</b>  As per Guidance Note on Accounting for Self-Generated Certificate Emission Reduction (CERs) issued by ICAI para 34, an entity should present certified emission rights as part of Inventories, in the balance sheet, separately from other categories of Inventories such as Raw Materials, Work-in-process, Finished goods and other.</p> <p>The Company earned 170407 nos. carbon credit on projects during the period October 2017 to June 2019 and sold the carbon credit on 20 November 2020 for Rs. 0.47 crore. As the company sold the carbon credits before the date of adoption of accounts for the year 2019-20 (26/12/2020), the same should have accounted as inventory in 2019-20 as per IND AS 10- Events after the Reporting Period. This has resulted in understatement of inventory and understatement of profit by Rs. 47.00 lakh.</p>	<p>That in regard to recognition of 170407 Nos carbon credits as part inventory in the balance sheet as on 31.03.2020, in this regard we would like to submit that, as per para.14 of the guidance note on accounting for self-generated Certified Emission Reductions (CERs) issued by ICAI, "In order to generate CERs, an entity undertakes a CDM project activity and thereby reduces carbon emissions. It is mentioned in paragraph 9 above that various stages are involved in a CDM project activity to generate CERs. After a successful registration, as the CDM project is operated, carbon emission reductions are generated and these continue to be generated over the course of the project. However, at this stage, i.e., when the emission reductions are taking place, CERs do not arise."</p> <p>"In this regard, it is noted that issuance of CERs is subject to the verification process"</p> <p>"The generating entity becomes eligible to receive CERs from UNFCCC. However, whether CERs will actually arise and be received by the generating entity or not will depend on a future uncertain event, i.e., certification of the same by UNFCCC."</p> <p>In the present case the carbon credits are being certified by the agency Verra.</p> <p>As per Para 15 of the said guidance note, "It follows from the above that a CER comes into</p>

		<p>existence and meets the definition of an asset only when the communication of credit of CERs is received by the generating entity This is because only at this stage the CER becomes a resource controlled by the generating entity and therefore leads to expected future economic benefits in the form of cash and cash equivalents which would arise on the future sale of CERs. As stated above, at other earlier stages of the CDM project activity, there is no resource in existence for the generating entity, and hence the question of 'resource controlled' and 'expected future economic benefits' therefore do not arise. Accordingly, CER is an 'asset', when it comes into existence as stated aforesaid."</p> <p>That as per para 18 "An asset is recognised in the balance sheet when it is probable that the future economic benefits associated with it will flow to the enterprise and the asset has a cost or value that can be measured reliably."</p> <p>That the CER's can only be paid after payment of registration fees and the same has been paid at the time of first sale out of the sale proceed of carbon credit. The invoice for registration fees was also issued in the month of July-20, hence it does not fulfil the recognition criterion as on the reporting date hence the same cannot be recognised as an asset as on 31.03.2020.</p> <p>That we have already raised invoice in FY 2020-21 on sale of these carbon credits and hence income has been recognised in the books of accounts.</p>
<b>B</b>	<b>Comments on Profit and Loss</b>	
	<p><b>Expenses</b></p> <p><b>Finance Cost ( Note :-26) Rs. 0.59 crore</b></p> <p>1) The above includes Rs. 58.85 lakh being interest on security deposit (unwinding)</p>	<p>That in Financial statements for FY 2018-19 and 2019-20 discounting has been done @ 10% with proper disclosure. However, after repeated objections made, we have done discounting in FY 2020-21 with yield rate.</p>

	<p>calculated at the rate of 10 per cent based on interest charged from contractor on mobilization advance. Since, security deposit received from the contractor was either kept in saving bank account or in fixed deposit, interest on security deposit should have been calculated at the normal yield rate of 6.4 per cent on conservative basis which amounts to Rs. 138.34 lakh. This has resulted in understatement of finance cost by Rs. 79.49 lakh (138.34 lakh-Rs. 58.85 lakh) with corresponding understatement of security deposit</p>	
<b>C.</b>	<p><b>Comment on Disclosure</b></p> <p>As per the schedule II of companies act 2013 useful life of electrical installation and equipment is 10 years for providing depreciation. However, the company provided depreciation on Energy Efficient LED Street Lighting considering 7 years as its useful life. The company has not given any disclosure justifying the use of different useful life. Disclosure is deficient to that extent.</p>	<p>That in case of Energy Efficient LED Street Lightning doesn't fall under the category of Electrical Installation and equipment, it is intelligent LED type system having smart controls and hence the its useful life is taken 7 years based on the O&amp;M period as per the contract which is 7 Years.</p> <p>The same has been disclosed in the financial statements for FY 2020-21.</p>

**For & on behalf of Board of Directors**

  
**Chief Executive Officer**  
**Indore Smart City Development Limited**

Place : Indore

Date : 28.08.2021



# GUPTA & ASHOK

Chartered Accountants

202, Sunrise Tower, 579-M.G. Road, Indore-452001

Ph : 0731-2539821, 40688589, 9826064869

Email : guptaandashokca@gmail.com

## INDEPENDENT AUDITOR'S REPORT

To the Members of Indore Smart City Development Limited.

### **Report on the Audit of the Standalone Financial Statements**

#### **OPINION**

We have audited the accompanying standalone financial statements of **Indore Smart City Development Limited** ("the Company"), which comprise the balance sheet as at March 31, 2020, and the statement of Profit and Loss, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020 and its profits, and its cash flows for the year ended on that date.

#### **BASIS FOR OPINION**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Standalone Financial Statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. 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.

#### **Management's responsibilities for the Audit of the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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 Indian Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 standalone financial statements that give a true and fair view and are free material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the



going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has not realistic alternative to do so.

The Board of Directors are responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Standalone Financial Statements**

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the SAs will always detect material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decision of the users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control system in place and the operating effectiveness of such control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charge with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation preclude public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit, 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 purposed of our audit.
  - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the statement of Profit and Loss and the statements of Cash Flow dealt with by this report are in agreement with relevant books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) The Company is a government company and it been informed and explained to us that exemption has been granted to from the applicability of provisions of section 164 (2) by way of notification no. GSR 463 (E ) dated 5<sup>th</sup> June 2015.
  - f) With respect to 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 A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - 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 explanation given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone 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 has been no amount required to be transferred, to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the order") issued by the Central Government in terms of section 143 (11) of the Act, we give in "Annexure B", a statement on the matters specified in paragraph 3 and 4 of the order.

Place: Indore  
Date:26/12/2020

For Gupta and Ashok  
Chartered Accountants  
(FR No.2254C)

(CA Ashok Agrawal)  
(Membership No. 071274)  
Partner  
UDIN: 20071274AAAADC4068



**ANNEXURE –A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE**  
(Reference to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements section of our report to the members of Indore Smart City Development Limited)

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

We have audited the internal financial controls over financial reporting of Indore Smart City Development Limited ("the Company") as of 31 March 2020 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

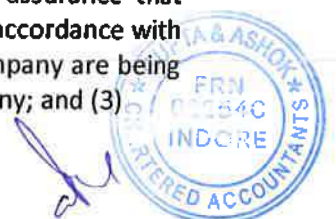
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 judgment, 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, 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, to the best of our information and according to the explanations given to us, 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 31 March 2019, 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.

DATE:26/12/20  
Place: Indore



For Gupta & Ashok  
Chartered Accountants  
FRNo. 02254C

UDIN: 20071274AAAADC4068

  
(CA Ashok Agrawal)  
Partner  
M.No. 071274



## **ANNEXURE –B TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE**

The Annexure referred to in paragraph 2 under “Report on Other Legal and Regulatory Requirement’s section of our Independent Auditors’ Report to the members of Indore Smart City Development Limited on the financial statements for the year ended 31 March 2020, we report that:

(i) (a) The company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) All these fixed assets have been physically verified by the management at reasonable intervals during the year. No material discrepancies were noticed on such verification.

(c) An Immovable in the form of Land of an area 16.413 hectare has been transferred to the company vide letter No 10-45/2018/18-2 Dated 25/09/2018 by MP State Government to the company. The land is shown under the head Investment property and carrying value is Re 1. The nomination/mutation in the name of the company is in process as at the reporting date.

However, according to the information and explanations given to us and based on our examination of the records of the Company, the nomination/mutation in the name of the company has been completed before issuance of this audit report.

(ii) (a) As the Company has no inventory at any time during the year, the requirement for physical verification of inventory is not applicable to the Company. Therefore subclause (b) of clause (ii) of Paragraph 3 of the Order is not applicable.

(iii) (a) The company did not give any loan, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act. Therefore, sub-clause (a), (b) and (c) of clause (iii) of paragraph 3 of the Order are not applicable.

(iv) In our opinion and according to explanations given to us, the Company has not made any loans and investments or provided and guarantees and securities. Therefore, clause (iv) of paragraph 3 of the Order is are not applicable.

(v) According to the information and explanations given to us and on the basis of our checking during the course of audit, the company has not accepted any deposits.

(vi) The Central Government has not specified maintenance of the cost records under sub-section (1) of section 148 of the Companies Act, 2013 for the business activities carried out by the Company. Thus, reporting under clause 3(vi) of the order is not applicable to the company.

(vii) (a) According to the information and explanation given to us, the company is regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, Goods and Service Tax, duty of custom, cess and other material statutory dues applicable to it with the appropriate authorities. There was no such outstanding as at the last day of the financial year concerned for a period of more than six months from the date, they became payable.

(b) According to information and explanations given to us, there are no dues of income tax, wealth tax, service tax, custom duty, excise duty and cess which have not been deposited on account of any dispute except for demand under Income Tax Act, 1961 which is reported below



Name of the Statute	Nature of Amount Due	Amount	Amount paid in dispute	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax and Interest thereon	6,92,24,965	1,38,50,000	Financial Year 2016-17	Commissioner of Income Tax (Appeals), Indore

- (viii) In our opinion and according to information and explanations given to us, the company has not obtained any loan from financial institutions, banks, government or any other person. Therefore, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company has not raised any money by way of initial public offer, further public offer or term loan. Therefore, paragraph 3(ix) of the Order is not applicable.
- (x) Based upon audit procedures performed and according to the information and explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to information and explanations given to us, the company, being a government company, has been exempted from the applicability of provisions of section 197 by way of notification no. GSR 463 (E) dated 5th June 2015. Therefore, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to information and explanations given to us and based on our examination of the records of the Company, the company has not entered into any transactions with the related parties. Accordingly, the clause (xiii) of the order are not applicable.
- (xiv) According to 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 and hence reporting under clause 3(xiv) of the order is not applicable to the Company.
- (xv) According to information and explanations given to us and based on our examination of the records of the Company, the company has not entered into non-cash transactions with directors or persons connected with them. Hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Place: Indore  
Date: 26/12/2020



For Gupta & Ashok  
Chartered Accountants  
FRNo. 02254C

(CA Ashok Agrawal)  
Partner

M.No. 071274  
UDIN:20071274AAAADC4068



# GUPTA & ASHOK

Chartered Accountants

202, Sunrise Tower, 579-M.G. Road, Indore-452001

Ph : 0731-2539821, 40688589, 9826064869

Email : guptaandashokca@gmail.com

## REPORT UNDER SECTION 143(5) OF THE COMPANIES ACT 2013 OF Indore Smart City Development Limited, INDORE

We have examined the books of accounts of **INDORE SMART CITY DEVELOPMENT LIMITED, Indore** for the year ended 31st March 2020 and as per the information and explanation given to us, we submit our report under section 143(5) of the Companies Act , 2013 as under :-

<p>1. Whether the company has system in place to process all the accounting transaction through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.</p>	<p>The Company has system to punch accounting transactions in IT system by manual operators. The transactions are recorded in IT system after transactions have taken place. These does not get recorded automatically in IT system as soon as transactions take place.</p>
<p>2. Whether there is any restructuring of an existing loans or cases of waiver/write</p>	<p>The Company has system in place to record all the accounting transactions through IT system. System generated trial balances and ledgers were available.</p> <p>The amount of transactions and the volume of transactions are very high. The processing of accounting transactions outside IT system is expected to increase the risk of omission of recording transactions, delays in closing of books of accounts by management and delays in finalization of audit procedures.</p> <p>To the best of our knowledge and information and explanations provided to us, the Company has not taken any loans at any</p>



<p>off of debts/loans/interest etc. made by lender to the company due to company's inability to repay the loan? If yes, the financial impact may be stated.</p>	<p>time during the year.</p>
<p>3. Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.</p>	<p>The funds received for specific schemes from central / state agencies were properly accounted for. It is being utilized as per its term and conditions. However, the Government grant has not yet been completely utilized as per the financial statements as at 31-03-2020.</p>
<p>4. Whether the company has taken adequate measures to prevent encroachment of idle land owned by it. Whether any land of the company is encroached, under litigation, not put to use or declared surplus? Details may be provided.</p>	<p>The Madhya Pradesh Government has allotted 16.413-hectare land to the Company at MOG line Indore without any monetary consideration. We are unable to comment upon encroachment, if any, over the said land, as any such information is not available.</p>
<p>5. Whether system for monitoring the execution of work vis-a-vis the milestones stipulated in the agreement is in existence and the impact of cost escalation, if any, revenue / losses from contracts etc., have been properly accounted for in the books.</p>	<p>The system for monitoring the execution of work vis-à-vis the milestones stipulated in the agreement is in existence. The impact of cost escalation, if any, revenue / losses from contracts etc., have been properly accounted for in the books.</p>




*[Handwritten signature]*

<p>6. Whether the bank guarantees have been revalidated in time?</p>	<p>There is a system in place in the Company wherein it makes payment after checking the status of bank guarantee expiry dates to counter the risk of non-revalidation of bank guarantees in time.</p>
<p>7. Comment on the confirmation of the balances of trade receivables, trade payables, term deposits, bank accounts and cash obtained.</p>	<p>The Company has obtained confirmation of balances of term deposits and bank accounts. The Company has obtained confirmation from some of trade payables but not for all of trade payables. The Company has not obtained confirmation of trade receivables.</p>
<p>8. The cost incurred on abandoned projects and may be quantified and the amount actually written off shall be mentioned.</p>	<p>To the best of our information and explanation provided to us we report that no instance of abandoning any project has taken place. Re-tendering of projects are generally done where existing contractors fails to complete it.</p>

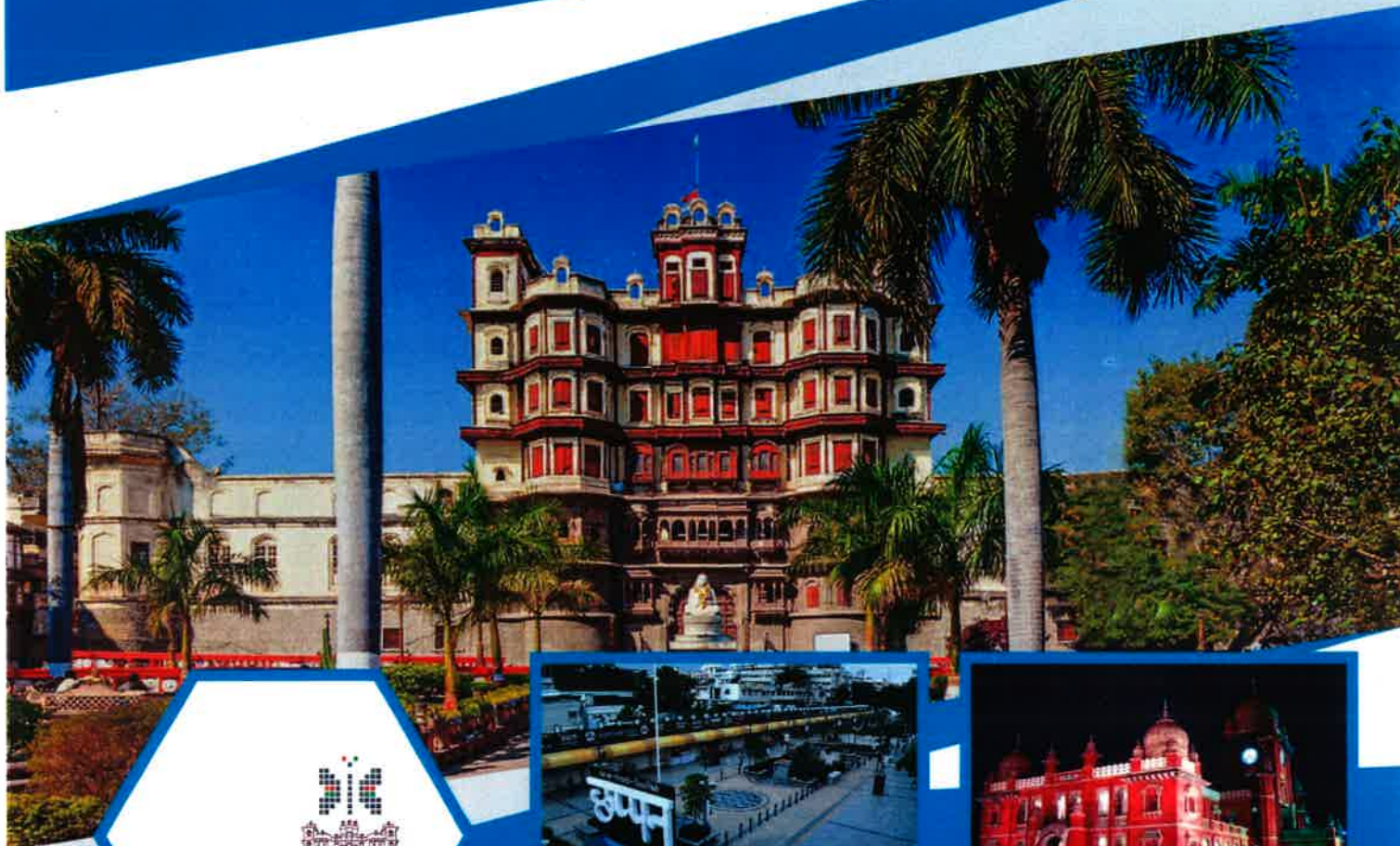
For Gupta & Ashok  
Chartered Accountants  
FRN: 02254C  
UDIN: 20071274AAAADC4068



  
CA Ashok Agrawal  
(Partner)  
M. No.: 071274  
Place: Indore

# INDORE SMART CITY DEVELOPMENT LIMITED

CIN: U75100MP2016SGC035528



## Financial Statements

AS ON 31.03.2020



**INDORE SMART CITY DEVELOPMENT LIMITED**

CIN :- U75100MP2016SGC035528

Regd. Off : Smart City Office, Nehru Park Campus, Indore, M.P.

Website : www.smartcityindore.org, Ph No. 0731-2535572; E mail : smartcityindore16@gmail.com

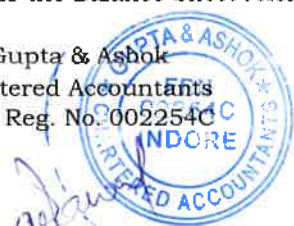
**BALANCE SHEET AS AT 31 MARCH, 2020**

₹ (In Lakh)

Particulars	Note	As at March 31, 2020	As at March 31, 2019
<b>ASSETS</b>			
<b>1 NON CURRENT ASSETS</b>			
(a) Property Plant and Equipment	3	15,004.88	5,940.46
(b) Capital Work in Progress	4	31,353.90	17,885.40
(c) Investment Property	5	0.00001	0.00001
(d) Other Non Current Asset			
(i) Other Non Current Asset	6	83.21	91.98
(e) Deferred Tax Assets	7		
		<b>46,442.00</b>	<b>23,917.84</b>
<b>2 CURRENT ASSETS</b>			
(a) Financial Assets			
(i) Cash and Cash Equivalents	8	1,962.67	8,443.82
(ii) Other Bank Balances	9	64.53	6,661.00
(iii) Trade Receivables	10	88.01	41.85
(iv) Other Financial Assets	11	76.84	445.61
(v) Current Tax asset	12	456.49	400.60
(b) Other Current Assets	13	10,182.44	4,532.90
		<b>12,830.98</b>	<b>20,525.79</b>
<b>TOTAL ASSETS</b>		<b>59,272.98</b>	<b>44,443.63</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share Capital	14	20,000.00	20,000.00
(b) Other Equity	15	(465.02)	(497.17)
		<b>19,534.98</b>	<b>19,502.83</b>
<b>LIABILITIES</b>			
<b>1 NON CURRENT LIABILITIES</b>			
(a) Government Grants for Project Expenditure	16	33,401.44	21,641.65
(b) Financial Liabilities			
(i) Other Financial Liabilities	17	598.74	292.30
(c) Provisions	18	9.88	
(d) Deferred Tax Liability	7	465.02	497.17
		<b>34,475.08</b>	<b>22,431.12</b>
<b>2 CURRENT LIABILITIES</b>			
(a) Financial Liabilities			
(i) Other Financial Liabilities	19	4,825.21	2,273.00
(b) Trade Payable			
MSME		-	-
Others		-	-
(c) Other Current Liabilities	20	214.92	143.62
(d) Provisions	21	0.04	
(e) Government Grants for A & OE Expenditure	22	222.75	93.06
		<b>5,262.92</b>	<b>2,509.68</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>59,272.98</b>	<b>44,443.63</b>
Significant Accounting Policies and Notes on Financial Statements	<b>1 to 39</b>		

This is the Balance Sheet referred to in our report of Even Date

For Gupta & Ashok  
Chartered Accountants  
Firm Reg. No. 0022540C



For and behalf of the Board of Directors

**Manish Singh**  
[Chairman]  
DIN : 05277748

**Pratibha Pal**  
[Executive Director]  
DIN : 07923882

**Aditi Garg**  
[Chief Executive Officer]  
PAN: AODPG4903M

**CA. Ashok Agrawal**  
[Partner]  
M.No. 071274

**CA. Rachna Gaur**  
[Chief Financial Officer]  
M.No. : 410808

**CS. Anurag Kumar Saxena**  
[Company Secretary]  
M.NO. : F8115

PLACE: Indore  
DATE: 26.12.2020

UDIN: 20071274AAAAD4068



**INDORE SMART CITY DEVELOPMENT LIMITED**

CIN :- U75100MP2016SCG035528

Regd. Off : Smart City Office, Nehru Park, Indore (M.P.)

Website : www.smartcityindore.org, Ph. No. 0731-2535572; E mail : smartcityindore16@gmail.com

**PROFIT & LOSS STATEMENT FOR YEAR ENDING AS ON 31 MARCH, 2020**

₹ (In Lakh)

Particulars	Note	For the year ended 31.03.2020	For the year ended 31.03.2019
<b>Income</b>			
Revenue From Operations	23	220.13	169.34
Other Income	24	4,874.28	4,441.84
<b>Total income (A)</b>		<b>5,094.41</b>	<b>4,611.17</b>
<b>Expenses</b>			
Employee benefit expense	25	176.14	139.60
Finance Costs	26	59.01	26.73
Other Expenses	27	515.16	743.25
<b>Total expenses before Depreciation &amp; Project Exp. (B)</b>		<b>750.31</b>	<b>909.58</b>
Add:			
a) Project Expenditure (Revenue nature)	28	3,225.84	3,278.85
b) Depreciation and amortization expense			
i. Towards Administrative Assets	3	40.98	36.93
ii. Towards Projects Assets	3	1,077.28	385.81
		<b>4,344.10</b>	<b>3,701.59</b>
<b>Profit/(loss) before tax (C=A-B)</b>		0.00	0.00
<b>Tax expense</b>			
(1) Current tax		-	-
(2) Deferred tax	7	(32.15)	397.17
<b>Total Tax (F)</b>		<b>(32.15)</b>	<b>397.17</b>
<b>Profit/(Loss) for the year from continuing operations(E-F)</b>		<b>32.15</b>	<b>(397.17)</b>
<b>Profit/(Loss) from discontinued operations</b>		-	-
<b>Profit/(loss) for the period</b>		<b>32.15</b>	<b>(397.17)</b>
<b>Other comprehensive income</b>			
<b>A (i) Items that will not be reclassified to profit or loss</b>		-	-
<b>B (i) Items that will be reclassified to profit or loss</b>		-	-
<b>Total Other Comprehensive Income</b>		-	-
<b>Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)</b>		<b>32.15</b>	<b>(397.17)</b>
Earnings per equity share (for continuing operation):			
Basic		0.02	(0.20)
Diluted		0.02	(0.20)
Earnings per equity share (for discontinued operation):		-	-
Significant Accounting Policies and Notes on Financial Statements	<b>1 to 39</b>		

This is the Profit & loss Statement referred to in our report of Even Date

For and behalf of the Board of Directors

For Gupta & Ashok  
Chartered Accountants  
Firm Reg. No. 002254C



**Manish Singh**  
[Chairman]  
DIN : 05277748

**Pratibha Pal**  
[Executive Director]  
DIN : 07923882

**Aditi Garg**  
[Chief Executive Officer]  
PAN.: AODPG4903M

**CA. Ashok Agrawal**  
[Partner]

M.No. 071274

PLACE: Indore

DATE: 26.12.2020

UDIN:20071274AAAADC4068

**CA. Rachna Gaur**  
[Chief Financial Officer]  
M.No. 410808

**CS. Anurag Kumar Saxena**  
[Company Secretary]  
M.NO. : F8115





INDORE SMART CITY DEVELOPMENT LIMITED

CIN :- U75100MP2016SCG035528

Regd. Off : Smart City Office, Nehru Park, Indore (M.P.)

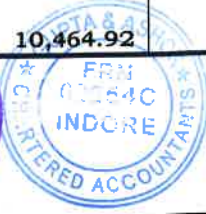
Website : www.smartcityindore.org, Ph. No. 0731-2535572; E mail : smartcityindore16@gmail.com

CASH FLOW STATEMENT

For the year ended 31st March, 2020

₹ (In Lakh)

Particulars	Year ended 31st March 2020		Year ended 31st March 2019	
<b>A Cash Flow from Operating Activities</b>				
<b>Profit / (Loss) before tax</b>		0.00		0.00
Adjustments for:				
Remeasurement of Defined Benefit Plans				
Depreciation & Amortisation	1,118.26		422.74	
Provision for Gratuity	9.92		-	
Movement in Loans and Advances	8.77		17.85	
Miscellaneous Balances Written off			-	
Interest Expense			-	
Grant Transferred	(4,673.44)		(4,323.77)	
Deferred Tax			-	
		(3,536.49)		(3,883.18)
<b>Operating Profit before Working Capital Changes</b>		<b>(3,536.48)</b>		<b>(3,883.18)</b>
Adjustments for:				
Trade Receivables	(46.16)		(32.48)	
Other financial assets	6,466.77		904.37	
Other Bank Balances	6,596.47		8,933.00	
Inventories	-		-	
Other Financial Liabilities	(190.99)		(176.87)	
Other Current Assets	(5,649.54)		(193.71)	
Trade Payables			-	
Other Current Liabilities	71.30		72.42	
Other Non Current Liability	306.44		159.90	
Movement in deposits		7,554.30	-	9,666.64
<b>Net Cash generated from / (used) in Operating Activities (before tax)</b>		<b>4,017.81</b>		<b>5,783.46</b>
Taxes (Paid) / Refund (net)		(55.89)		(137.12)
<b>Net Cash generated from / (used) in Operating Activities</b>		<b>3,961.93</b>		<b>5,646.34</b>
<b>B Cash Flow from Investing Activities</b>				
Interest Received				
(Purchase)/ Sale of Tangible Assets (Net)	(23,651.19)		(12,422.65)	
Creditors in relation to project Expenditure	2,743.20			
<b>Net Cash generated from / (used) in Investing Activities</b>		<b>(20,907.99)</b>		<b>(12,422.65)</b>
<b>C Cash Flow from Financing Activities</b>				
Grant Received	9,702.00		-	
Interest received on Grant	762.92		707.94	
Repayment of Long Term Loans			-	
Repayment of Unpaid Matured Debentures			-	
Movement in Long Term Provisions			-	
Proceeds from Short Term Loans			-	
<b>Net Cash generated from / (used) in Financing Activities</b>		<b>10,464.92</b>		<b>707.94</b>



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<b>Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>(6,481.15)</b>	<b>(6,068.37)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>		8,443.82	14,512.20
<b>Closing Balance of Cash and Cash Equivalents</b>		.1,962.67	8,443.82
<b>Net increase / (decrease) in Cash and Cash Equivalents</b>		<b>(6,481.15)</b>	<b>(6,068.37)</b>

**Notes :-**

- 1) Opening and closing balance of cash and cash equivalents do not include F.D.

As per our report of Even Date

For and behalf of the Board of Directors

For Gupta & Ashok  
Chartered Accountants  
Firm Reg. No. 002254C



CA. Ashok Agrawal  
[Partner]  
M.No. 071274

PLACE: Indore  
DATE: 26.12.2020  
UDIN: 20071274AAAADCA068

  
**Manish Singh**  
[Chairman]  
DIN : 05277748

  
**Pratibha Pal**  
[Executive Director]  
DIN : 07923882

  
**Aditi Garg**  
[Chief Executive Officer]  
PAN.: AODPG4903M

  
**CA. Rachna Gaur**  
[Chief Financial Officer]  
M.NO. : 410808

  
**CS. Anurag Kumar Saxena**  
[Company Secretary]  
M. NO. : F8115



**INDORE SMART CITY DEVELOPMENT LIMITED**

CIN :- U75100MP2016SGC035528

Regd. Off : Smart City Office, Nehru Park Campus, Indore, M.P.

Website : www.smartcityindore.org, ph No. 0731-2535572; E mail : smartcityindore16@gmail.com

**STATEMENT OF CHANGES IN EQUITY AS ON 31 MARCH, 2020**

₹ (In Lakh)

<b>A. Equity Share Capital</b>	
<b>Particulars</b>	<b>Amount</b>
Balance at April 1, 2019	20,000.00
Changes in equity share capital during the year	-
<b>Balance at March 31, 2020</b>	<b>20,000.00</b>

<b>B. Other Equity</b>		<b>₹ (In Lakh)</b>
<b>Particulars</b>	<b>Reserve &amp; Surplus</b>	<b>Total</b>
	<b>Retained Earnings</b>	
Balance at the beginning of reporting period 1st April, 2018	(100.00)	(100.00)
Profit as per Profit & Loss Statement for the FY 2018-2019	(397.17)	(397.17)
Other Comprehensive Income for the FY 2018-19	-	-
<b>Balance at the end of reporting period 31st March 2019</b>	<b>(497.17)</b>	<b>(497.17)</b>
Valuation adjustment-Deemed capital contribution	-	-
Profit as per Profit & Loss Statement for the FY 2019-2020	32.15	32.15
Other Comprehensive Income for the FY 2019-2020	-	-
<b>Balance at the end of reporting period 31st March 2020</b>	<b>(465.02)</b>	<b>(465.02)</b>

This is the Statement of changes in Equity referred to in our report of Even Date

For and behalf of the Board of Directors

For Gupta & Ashok  
Chartered Accountants  
Firm Reg. No. 002254C



**Manish Singh**  
[Chairman]  
DIN : 05277748

**Pratibha Pal**  
[Executive Director]  
DIN : 07923882

**Aditi Garg**  
[Chief Executive Officer]  
PAN.: AODPG4903M

**CA. Ashok Agrawal**  
[Partner]  
M.No. 071274

**CA. Rachna Gaur**  
[Chief Financial Officer]  
M.No. 410808

**CS. Anurag Kumar Saxena**  
[Company Secretary]  
M.NO. : F8115



PLACE: Indore

DATE: 26.12.2020

UDIN: 20071274AAAADC4068

INDORE SMART CITY DEVELOPMENT LIMITED

CIN :- U75100MP2016SCG035528

Regd. Off : Smart City Office, Nehru Park, Indore (M.P.)

Website : www.smartcityindore.org, Ph. No. 0731-2535572; E mail : smartcityindore16@gmail.com

**Significant Accounting Policies**

**1. CORPORATE INFORMATION**

Indore Smart City Development Limited (the "Company") was incorporated in India on 11th March, 2016. It is a Special Purpose Vehicle (SPV) created for the implementation of the "Smarty City Mission" at the Indore city. The SPV will plan, appraise, approve, release funds, implement, manage, operate, monitor and evaluate the smart city development project as per the Mission Statement & Guideline issued by Ministry of Urban Development Government of India.

**2. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

**2.1 BASIS OF PREPARATION AND PRESENTATION**

The Company maintains its accounts on accrual basis following historical cost convention, except for certain assets and liabilities that are measured at fair value or amortised cost in accordance with Indian Accounting Standards.

The Balance Sheet, Statement of Profit and Loss and Statement of Changes in Equity are prepared and presented in the format prescribed in the Schedule III to the Companies Act, 2013 ("the Act"). The Statement of Cash Flows has been prepared and presented as per the requirements of Ind AS 7 "Statement of Cash Flows" by use of Indirect Method of Cash Flow method. The disclosure requirements with respect to items in the Balance Sheet and Statement of Profit and Loss, as prescribed in the Schedule III to the Act, are presented by way of notes forming part of the financial statements along with the other notes required to be disclosed under the notified Accounting Standards.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013. Company's financial statements are presented in Indian Rupees (INR), which is also its functional currency.

All values are rounded to the nearest lakhs, except when otherwise indicated, as permitted by Schedule III to the Companies Act, 2013. Transactions and balances with values below the rounding off norm adopted by the Company have been reflected as "0" in the relevant notes to these financial statements.

**2.2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**a) Property, Plant and Equipment (PPE) & Depreciation**

- i) Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.
- ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably. In the carrying amount of an item of PPE, the cost of replacing the part of such an item is recognized when that cost is incurred if the recognition criteria are met. The carrying amount of those parts that are replaced is derecognized in accordance with the derecognition principles.
- iii) Expenses incurred relating to project, net of income earned during the project development stage prior to its intended use, are considered as pre - operative expenses and disclosed under Capital Work - in - Progress.
- iv) Depreciation on property, plant and equipment is provided using **straight line method**. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Each part of an item of Property, Plant & Equipment with a cost that is significant in relation to total cost of the Machine is depreciated separately, if its useful life is different than the life of the Machine.
- v) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.
- vi) Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised.



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- vii) Spare parts procured along with the Plant & Machinery or subsequently which meet the recognition criteria are capitalized and added in the carrying amount of such item. The carrying amount of those spare parts that are replaced is derecognized when no future economic benefits are expected from their use or upon disposal. Other machinery spares are treated as "stores & spares" forming part of the inventory.
- viii) That the cost of an item of property , plant & equipment shall be recognised as an asset if and only if ,it is probable that the future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably

**b) Leases**

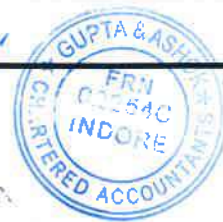
- i) Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.
- ii) Leased assets: Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.
- iii) Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalized. Contingent rentals are recognised as expenses in the periods in which they are incurred.
- iv) A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.
- v) Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

**c) Intangible assets**

- i) Intangible Assets are stated at cost of acquisition net of recoverable taxes, trade discount and rebates less accumulated amortization /depletion and impairment loss, if any. Such cost includes purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.
- ii) Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.
- iii) Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised

**d) Capital Work in Progress**

- i) Expenditure incurred on assets under construction (including a project) is carried at cost under Capital Work in Progress. Such costs comprises purchase price of asset including import duties and non-refundable taxes after deducting trade discounts and rebates and costs that are directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- ii) Cost directly attributable to projects under construction include costs of employee benefits, expenditure in relation to survey and investigation activities of the projects, cost of site preparation, initial delivery and handling charges, installation and assembly costs, professional fees, expenditure on maintenance and up-gradation etc. of common public facilities, depreciation on assets used in construction of project, interest during construction and other costs if attributable to construction of projects. Such costs are accumulated under "Capital works in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects.



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- Capital Expenditure incurred for creation of facilities, over which the Company does not have control but the creation of which is essential principally for construction of the project is capitalized and carried under "Capital work in progress" and subsequently allocated on systematic basis over major assets, other than land and infrastructure facilities, on commissioning of projects, keeping in view the "attributability" and the "Unit of Measure" concepts in Ind AS 16- "Property, Plant & Equipment". Expenditure of such nature incurred after completion of the project, is charged to Statement of Profit and Loss.

**e) Finance Cost**

- i) Borrowing costs include exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use.
- ii) Interest income earned on the temporary investment of specific grants pending their expenditure on project assets is added to the grant itself.
- iii) All other borrowing costs are expensed in the period in which they occur.

**f) Impairment of non-financial assets - property, plant and equipment and intangible assets**

- i) The Company assesses at each reporting date as to whether there is any indication that any property, plant and equipment and intangible assets or group of assets, called Cash Generating Units (CGU) may be impaired. If any such indication exists the recoverable amount of an asset or CGU is estimated to determine the extent of impairment, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the CGU to which the asset belongs.
- ii) An impairment loss is recognised in the Statement of Profit and Loss to the extent, asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of an asset's fair value less cost of disposal and value in use. Value in use is based on the estimated future cash flows, discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and risk specific to the assets.
- iii) The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

**g) Provisions, Contingent Liabilities and Contingent Assets and Commitments**

- i) Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognised as a standalone asset only when the reimbursement is virtually certain.
- ii) If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.
- iii) Contingent liabilities are disclosed on the basis of judgment of management. These are reviewed at each balance sheet date are adjusted to reflect the current management estimate.
- iv) Contingent assets are not recognized but are disclosed in the financial statements when inflow of economic benefits is probable.

**h) Income Taxes**

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the other comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

**i) Current tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance sheet date.



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ii) **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of deferred tax liabilities and assets are reviewed at the end of each reporting period.

i) **Employee Benefits Expense**

**Short Term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

**Post-Employment Benefits**

**Defined Contribution Plans**

A defined contribution plan is a post-employment benefit plan under which the Company pays specified contributions to a separate entity. The Company makes specified monthly contributions towards Provident Fund, Superannuation Fund and Pension Scheme. The Company's contribution is recognised as an expense in the Statement of Profit and Loss during the period in which the employee renders the related service.

j) **Revenue recognition**

Revenue is measured at the amount of consideration which the Company expects to be entitled to in exchange for transferring services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognised when it becomes unconditional.

Revenue from contracts with customers is recognised when control of services are transferred to the customer at an amount that reflects the consideration entitled in exchange for those goods or services.

Revenue from rendering of services is recognised over time by measuring the progress towards complete satisfaction of performance obligations by using output method at the reporting period

**Interest income**

Interest income from a financial asset is recognised using effective interest rate (EIR) method.

k) **Financial Instruments**

i) **Financial Assets**

A. **Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition.

B. **Subsequent measurement**

Financial assets carried at amortised cost

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income (FVTOCI)

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.



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Financial assets at fair value through profit or loss (FVTPL)

A financial asset not classified as either amortised cost or FVOCI, is classified as FVTPL.

**C. Impairment of financial assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

**ii) Financial Liabilities**

**A. Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**B. Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**l) Operating Cycle**

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

An asset is treated as current when it is:

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

All other assets are classified as non-current.

A liability is current when:

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

All other liabilities are classified as non-current.

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

The company has identified twelve months as its operating cycle.

**m) Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for events of bonus issue; bonus element in a right issue to existing shareholders.





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

**n) Statement of Cash Flows**

**i) Cash and Cash equivalents**

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

**ii) Statement of Cash Flows is prepared in accordance with the Indirect Method prescribed in the relevant Accounting Standard.**

**o) Government Grants**

The company recognises government grants only when there is reasonable assurance that the conditions attached to them will be complied with and the grants will be received. When the grant relates to an expense item is recognised as income on a systematic basis over the periods that the related cost, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as deferred revenue in the Balance Sheet and transferred to Profit & loss account on a systematic basis over the expected useful life of the related asset.

Non monetary grant in the form of asset or other resources is recognised at Nominal Value. Grant related to income are presented as part of Profit & Loss Account under other Income and related expenses under their respective head

**p) Investment Property**

Property that is held for long term rental or for capital appreciation or both and that is not occupied by the company, is classified as investment property. Investment property is initially measured at cost but investment property acquired without consideration is measured at Nominal Value.

**2.3 CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of the financial statements in conformity with the Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and disclosures as at date of the financial statements and the reported amounts of the revenues and expenses for the years presented. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates under different assumptions and conditions. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

**a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets**

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

**b) Provisions**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgment to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

**c) Impairment of non-financial assets**

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Units (CGU's) fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or a groups of assets. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.



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In assessing value in use, the estimated future cash flows are discounted to their present value using pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if no such transactions can be identified, an appropriate valuation model is used.

**d) Impairment of financial assets**

The impairment provisions for financial assets are based on assumptions about risk of default and expected cash loss rates. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

**e) Recognition of Assistance from Indore Municipal Corporation**

The Facilities given by the Indore Municipal Corporation have been recognised and estimations have been made in relation to the period of the assistance given, discounting factor for such assistance and valuation of the assistance given.

**f) Accounting of Long Term Security Deposits**

Discounting factors while accounting for the Security Deposits have been made to bring them to their present value.

**g) Estimation of Economic Benefits flowing from the Property Plant and Equipments**

Estimates for the future economic benefits have been made on the basis of various factors prevailing as on the date of Financial Statements.

**h) Financial liabilities subsequently measured at fair value through profit & Loss Account.**

FMV is determined by discounting the estimated future cash outflows at the end of the reporting period. The discount rate is determined as the rate at which similar financial instruments i.e. financial liabilities are issued in the market in accordance with para B 5.1.1 of Ind AS 109. It has been determined at 10%



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3 Property, Plant and Equipment

₹ (In Lakh)

Particulars	Useful Life (Years)	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
		As at 01.04.2019	Addition during the year	Deduction during the year	As at 31.03.2020	As at 01.04.2019	For the year	Deduction during the year	Up to 31.03.2020	As on 31.03.2020	As on 31.03.2019
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(10)
<b>I. OWNED ASSETS</b>											
<b>A. Tangible Assets - Administrative Asset</b>											
1. Computers	3 Y	19.72	0.75	0.00	20.47	8.74	6.24	0.00	14.97	5.50	10.98
		19.72	0.00	0.00	19.72	2.49	6.25	0.00	8.74	10.98	17.23
2. LED TV	5 Y	0.90	0.00	0.00	0.90	0.39	0.17	0.00	0.56	0.34	0.51
		0.90	0.00	0.00	0.90	0.22	0.17	0.00	0.39	0.51	0.68
3. Scanner	5 Y	5.16	0.00	0.00	5.16	2.99	0.98	0.00	3.97	1.18	2.16
		5.16	0.00	0.00	5.16	2.01	0.98	0.00	2.99	2.16	3.15
4. Photocopy Machine	5 Y	4.39	0.00	0.00	4.39	1.84	0.83	0.00	2.68	1.72	2.55
		4.39	0.00	0.00	4.39	1.01	0.83	0.00	1.84	2.55	3.39
5. Furniture	10Y	185.96	4.98	0.09	190.85	22.97	17.97	0.00	40.94	149.91	162.98
		136.96	49.00	0.00	185.96	7.65	15.32	0.00	22.97	162.98	129.30
6. Printer	5Y	2.00	0.12	0.28	1.84	0.31	0.35	0.04	0.62	1.23	1.69
		0.17	1.83	0.00	2.00	0.00	0.31	0.00	0.31	1.69	0.17
7. Laptop	3Y	1.11	0.56	0.00	1.67	0.43	0.49	0.00	0.92	0.75	0.68
		1.11	0.00	0.00	1.11	0.08	0.35	0.00	0.43	0.68	1.03
8. UPS	5Y	6.27	0.00	0.00	6.27	0.95	1.19	0.00	2.14	4.13	5.32
		2.28	3.99	0.00	6.27	0.15	0.80	0.00	0.95	5.32	2.13
9. Web Cam	5Y	0.051	0.00	0.00	0.05	0.01	0.01	0.00	0.02	0.03	0.04
		0.051	0.00	0.00	0.05	0.00	0.01	0.00	0.01	0.04	0.05
10. D. G Set	10Y	117.47	0.00	0.00	117.47	13.02	11.16	0.00	24.18	93.29	104.45
		71.20	46.27	0.00	117.47	2.12	10.90	0.00	13.02	104.45	69.08
11. Samsung Tablet	5Y	0.94	0.00	0.00	0.94	0.14	0.18	0.00	0.32	0.62	0.80
		0.00	0.94	0.00	0.94	0.00	0.14	0.00	0.14	0.80	0.00
12. CC TV Camera	10Y	3.34	0.00	0.00	3.34	0.13	0.32	0.00	0.44	2.90	3.21
		0.00	3.34	0.00	3.34	0.00	0.13	0.00	0.13	3.21	0.00
13. Video Conferencing System	10Y	7.96	0.00	0.00	7.96	0.49	0.76	0.00	1.24	6.71	7.47
		0.00	7.96	0.00	7.96	0.00	0.49	0.00	0.49	7.47	0.00
14. Air Conditioner	10Y	0.00	1.86	0.00	1.86	0.00	0.12	0.00	0.12	1.74	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL (A)</b>		<b>355.27</b>	<b>8.27</b>	<b>0.37</b>	<b>363.17</b>	<b>52.41</b>	<b>40.76</b>	<b>0.04</b>	<b>93.13</b>	<b>270.04</b>	<b>302.86</b>
Previous Year - Total (A)		241.95	113.32	0.00	355.27	36.75	36.67	0.00	52.41	302.86	226.20

**INDORE SMART CITY DEVELOPMENT LIMITED**  
 CIN :- U75100MP2016SGCC035528  
 Regd. Off : Smart City Office, Nehru Park Campus, Indore, M.P.  
 Website : www.smartcityindore.org, Ph. No. 0731-2535572; E mail : smartcityindore16@gmail.com  
**FIXED ASSETS CHART**



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B. Tangible Assets - Project Assets													
1. Garbage Compost Plant at Mehru Park	10Y	63.39	0.00	0.00	63.39	7.04	6.02	0.00	13.07	50.33	56.35		
		29.99	33.40	0.00	63.39	0.73	6.31	0.00	7.04	56.35	29.26		
2. Garbage Compost Plant at Zoo	10Y	59.64	0.00	0.00	59.64	6.81	5.67	0.00	12.47	47.17	52.83		
		0.00	59.64	0.00	59.64	0.00	6.81	0.00	6.81	52.83	0.00		
3. Garbage Drum Compost Plant at Region	10Y	108.85	0.00	0.00	108.85	9.97	10.34	0.00	20.31	88.53	98.87		
		0.00	108.85	0.00	108.85	0.00	9.97	0.00	9.97	88.53	0.00		
4. Mobile/Static Transfer Stations Inc. Hook Loader	15Y	3085.20	589.54	0.00	3674.74	249.70	244.91	0.00	494.61	3180.13	2835.50		
		2304.97	780.24	0.00	3085.20	58.11	191.60	0.00	249.70	2835.50	2246.86		
5. Solar Power Plant at various Location	25Y	42.21	699.05	0.00	741.26	1.48	21.52	0.00	22.99	718.27	40.73		
		28.18	14.03	0.00	42.21	0.28	1.20	0.00	1.48	40.73	27.90		
6. Energy Efficient LED Street Lighting PAN CHY	7Y	390.89	1680.97	0.00	2071.86	13.34	54.73	0.00	68.07	2003.79	377.54		
		0.00	390.89	0.00	390.89	0.00	13.34	0.00	13.34	377.54	0.00		
7. 20 TPD Biomethanation Plant at Choithram Mandi	15Y	748.42	0.00	0.00	748.42	47.25	47.40	0.00	94.65	653.78	701.18		
		0.00	748.42	0.00	748.42	0.00	47.25	0.00	47.25	701.18	0.00		
8. 15 TPD Biomethanation Plant at Kabitbedi	15Y	475.97	0.00	0.00	475.97	7.43	30.14	0.00	37.57	438.40	468.54		
		0.00	475.97	0.00	475.97	0.00	7.43	0.00	7.43	468.54	0.00		
9. 2 TPD Biomethanation Plant at Star Square	15Y	42.89	0.00	0.00	42.89	2.69	2.72	0.00	5.41	37.48	40.20		
		0.00	42.89	0.00	42.89	0.00	2.69	0.00	2.69	40.20	0.00		
10. Waste Processing Plant	25Y	176.56	0.00	0.00	176.56	5.22	6.71	0.00	11.93	164.63	171.34		
		0.00	176.56	0.00	176.56	0.00	5.22	0.00	5.22	171.34	0.00		
11. Garbage Transfer Station	10Y	653.68	1612.34	0.00	2266.02	50.75	113.79	0.27	164.27	2098.03	602.93		
		0.00	653.68	0.00	653.68	0.00	50.75	0.00	50.75	602.93	0.00		
12. Vertical Garden	3Y	0.00	181.53	0.00	181.53	0.00	25.15	0.00	25.15	156.39	0.00		
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
13. Waste bottle Compaction	5Y	0.00	14.23	0.00	14.23	0.00	2.30	0.00	2.30	11.92	0.00		
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
14. Construction & Demolition Center	10Y	0.00	454.55	0.00	454.55	0.00	31.92	0.00	31.92	422.63	0.00		
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
15. Biometric Devices	3Y	0.00	45.38	0.00	45.38	0.00	6.78	0.00	6.78	38.60	0.00		
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
16. UPS	5Y	0.00	3.99	0.00	3.99	0.00	0.76	0.00	0.76	3.23	0.00		
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
17. Organic Waste Converter	10Y	0.00	38.64	0.00	38.64	0.00	3.20	0.00	3.20	35.44	0.00		
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
18. Compact Water Purifier	5Y	0.00	392.42	0.00	392.42	0.00	52.34	0.00	52.34	340.08	0.00		
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
19. Manless Auto system at GTS	10Y	0.00	234.02	0.00	234.02	0.00	19.92	0.00	19.92	214.10	0.00		
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00		
20. Electrical work at GTS	5Y	0.00	27.51	0.00	27.51	0.00	0.82	0.00	0.82	26.70	0.00		
		0.00	0.00	0.00	0.00	0.00	0.82	0.00	0.82	0.00	0.00		



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22. Control & Command Center													
a) Building & Infrastructure	60Y	0.00	794.95	0.00	794.95	0.00	0.00	0.00	6.38	0.00	6.38	788.57	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
b) Network & Servers	6Y	0.00	1714.75	0.00	1714.75	0.00	0.00	0.00	137.61	0.00	137.61	1577.14	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
c) End User Device	3Y	0.00	309.11	0.00	309.11	0.00	0.00	0.00	49.61	0.00	49.61	259.49	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
d) UPS/ Power Backup	5Y	0.00	44.52	0.00	44.52	0.00	0.00	0.00	4.29	0.00	4.29	40.23	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
e) Furniture	10Y	0.00	116.63	0.00	116.63	0.00	0.00	0.00	5.62	0.00	5.62	111.02	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL (B)</b>		<b>5847.71</b>	<b>8954.14</b>	<b>3.72</b>	<b>14798.12</b>	<b>401.69</b>	<b>890.63</b>	<b>0.27</b>	<b>1292.04</b>	<b>13506.08</b>	<b>5446.02</b>	<b>5446.02</b>	<b>2304.03</b>
<i>Previous Year - Total (B)</i>		<i>2363.14</i>	<i>3484.57</i>	<i>0.00</i>	<i>5847.71</i>	<i>59.12</i>	<i>342.57</i>	<i>0.00</i>	<i>401.69</i>	<i>5446.02</i>	<i>5446.02</i>	<i>2304.03</i>	
<b>C. Intangible Assets - Administrative Asset</b>													
1. Micro Soft Project Panel	5Y	0.74	0.00	0.00	0.74	0.19	0.14	0.00	0.33	0.41	0.55	0.41	0.55
		0.74	0.00	0.00	0.74	0.05	0.14	0.00	0.19	0.55	0.69	0.55	0.69
2. Nitro PDF Professional License	5Y	0.63	0.00	0.00	0.63	0.16	0.12	0.00	0.28	0.35	0.47	0.35	0.47
		0.63	0.00	0.00	0.63	0.04	0.12	0.00	0.16	0.47	0.59	0.47	0.59
<b>TOTAL (C)</b>		<b>1.37</b>	<b>0.00</b>	<b>0.00</b>	<b>1.37</b>	<b>0.35</b>	<b>0.26</b>	<b>0.00</b>	<b>0.61</b>	<b>0.76</b>	<b>1.02</b>	<b>0.76</b>	<b>1.02</b>
<i>Previous Year - Total (C)</i>		<i>1.37</i>	<i>0.00</i>	<i>0.00</i>	<i>1.37</i>	<i>0.09</i>	<i>0.26</i>	<i>0.00</i>	<i>0.35</i>	<i>1.02</i>	<i>1.28</i>	<i>1.02</i>	<i>1.28</i>
<b>D. Intangible Assets - Project Assets</b>													
1. ESRI GIS Software	4Y	123.13	0.00	0.00	123.13	56.48	29.24	0.00	85.73	37.41	66.65	37.41	66.65
		123.13	0.00	0.00	123.13	27.24	29.24	0.00	56.48	66.65	95.90	66.65	95.90
2. System Integrator	10Y	147.26	0.00	0.00	147.26	23.36	13.99	0.00	37.35	109.92	123.91	109.92	123.91
		147.26	0.00	0.00	147.26	9.37	13.99	0.00	23.36	123.91	137.90	123.91	137.90
3. Integrated Solid Waste Management Software	3Y	0.00	555.58	0.00	555.58	0.00	76.64	0.00	76.64	478.94	0.00	478.94	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4. Swachh Card Application	1Y	0.00	84.95	0.00	84.95	0.00	10.83	0.00	10.83	74.11	0.00	74.11	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
5. System Integrator for Cloud at ICCC	5Y	0.00	583.84	0.00	583.84	0.00	56.22	0.00	56.22	527.61	0.00	527.61	0.00
		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL (D)</b>		<b>270.40</b>	<b>1224.37</b>	<b>0.00</b>	<b>1494.77</b>	<b>79.84</b>	<b>186.93</b>	<b>0.00</b>	<b>266.77</b>	<b>1228.00</b>	<b>190.56</b>	<b>1228.00</b>	<b>190.56</b>
<i>Previous Year - Total (D)</i>		<i>270.40</i>	<i>0.00</i>	<i>0.00</i>	<i>270.40</i>	<i>36.60</i>	<i>43.23</i>	<i>0.00</i>	<i>79.84</i>	<i>190.56</i>	<i>233.79</i>	<i>190.56</i>	<i>233.79</i>
<b>GRAND TOTAL (A+B+C+D)</b>		<b>6474.75</b>	<b>10186.78</b>	<b>4.10</b>	<b>16657.43</b>	<b>534.29</b>	<b>1118.58</b>	<b>0.32</b>	<b>1552.55</b>	<b>15004.88</b>	<b>5940.46</b>	<b>15004.88</b>	<b>5940.46</b>
<i>Previous Year Grand Total (A+B+C+D)</i>		<i>2876.86</i>	<i>3597.89</i>	<i>0.00</i>	<i>6474.75</i>	<i>111.55</i>	<i>422.74</i>	<i>0.00</i>	<i>534.29</i>	<i>5940.46</i>	<i>2765.31</i>	<i>5940.46</i>	<i>2765.31</i>

Note:

- i. The Company has procured various items and incurred certain expenditure, which are tabulated above in this Note, by way of utilization of money available with it. The above items and expenditure has been classified as Property, plant and equipment accordingly.
- ii. An item is recognized as an asset when the expenditure incurred on that item results in a resource controlled by the entity as a result of past events and from which future economic benefits are expected to flow to the entity. Furthermore, Income is increases in economic benefits during the accounting period in the form of inflows or enhancements of assets or decreases of liabilities that result in increases in equity.
- iii. The management believes that while recognizing the items as asset the essential criterion of 'control' and 'future economic benefits' are met.
- iv. As regards the items falling under 'B', Tangible Assets - Project Assets' the 'future economic benefits' from such assets would flow to the Company through 'Indore Municipal Corporation' by way of executing Memorandum of Understanding' which is in process.



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4 Capital Work In Progress

A. Tangible Assets												
Work in Progress of Projects Undergoing Under Smart City Mission												
a.	Construction of Garbage Transfer Station	1996.34	304.25	2243.21	57.38	0.00	0.00	0.00	0.00	0.00	57.38	1996.34
b.	Construction & Demolition Center	531.43	5.33	441.69	95.08	0.00	0.00	0.00	0.00	95.08	531.43	
c.	Control & Command Centre	198.89	3483.90	3563.81	118.99	0.00	0.00	0.00	0.00	118.99	198.89	
d.	Recycling of Plastic bottle	0.01	14.22	14.23	0.00	0.00	0.00	0.00	0.00	0.00	0.01	
e.	Solar Power Plant at GTS	137.31	17.48	90.48	64.32	0.00	0.00	0.00	0.00	64.32	137.31	
f.	Organic waste Converter	19.32	19.32	38.64	0.00	0.00	0.00	0.00	0.00	0.00	19.32	
g.	Solar Power Plant at Kabithedi	399.57	209.00	608.57	0.00	0.00	0.00	0.00	0.00	0.00	399.57	
h.	Sludge Irradiation Plant	0.00	351.86	0.00	351.86	0.00	0.00	0.00	0.00	351.86	0.00	
i.	Infrastructure & Impr for commuter safety	0.00	2067.00	0.00	2067.00	0.00	0.00	0.00	0.00	0.00	2067.00	
h.	Two Wheeler Parking	0.00	14.16	0.00	14.16	0.00	0.00	0.00	0.00	0.00	14.16	
k.	Integrated Surveillance	0.00	63.72	0.00	63.72	0.00	0.00	0.00	0.00	0.00	63.72	
	<b>TOTAL (A)</b>	<b>3282.89</b>	<b>6550.24</b>	<b>7000.62</b>	<b>2832.51</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2832.51</b>	<b>3282.89</b>	
B. Intangible Assets												
Work in Progress of Projects Undergoing Under Smart City Mission												
a.	Road Project Work In ABD Area	7996.48	5743.40	0.00	13739.87	0.00	0.00	0.00	0.00	0.00	13739.87	7996.48
b.	Chattripura Thana Renovation work	144.94	25.38	0.00	170.32	0.00	0.00	0.00	0.00	0.00	170.32	144.94
c.	Redevelopment Of Jinsi Haat Bazaar	609.93	125.48	0.00	735.41	0.00	0.00	0.00	0.00	0.00	735.41	609.93
d.	Heritage Redevelopment Work	654.10	1423.43	0.00	2077.53	0.00	0.00	0.00	0.00	0.00	2077.53	654.10
e.	River Front Development Work	1978.98	1554.99	0.00	3533.97	0.00	0.00	0.00	0.00	0.00	3533.97	1978.98
f.	Infrastructure & Buiding Development work of various School	649.20	1558.23	0.00	2207.43	0.00	0.00	0.00	0.00	0.00	2207.43	649.20
h.	Man less auto system	230.95	3.07	234.02	0.00	0.00	0.00	0.00	0.00	0.00	230.95	
i.	Water Supply & sewerage system	1443.03	2927.38	0.00	4370.41	0.00	0.00	0.00	0.00	0.00	4370.41	1443.03
j.	External Electrification work	96.81	0.00	96.81	0.00	0.00	0.00	0.00	0.00	0.00	96.81	
k.	Work Flow Management System	439.26	219.63	0.00	658.89	0.00	0.00	0.00	0.00	0.00	658.89	439.26
l.	Swachh Card Application	47.00	37.95	84.95	0.00	0.00	0.00	0.00	0.00	0.00	47.00	
m.	Plant Symet	0.00	64.60	0.00	64.60	0.00	0.00	0.00	0.00	0.00	64.60	
n.	Redevelopment of 56 Shop	0.00	155.47	0.00	155.47	0.00	0.00	0.00	0.00	0.00	155.47	
o.	System Integrator	0.00	262.49	0.00	262.49	0.00	0.00	0.00	0.00	0.00	262.49	
p.	Modular Type rain harvesting system	311.83	233.18	0.00	545.01	0.00	0.00	0.00	0.00	0.00	545.01	311.83
	<b>TOTAL (B)</b>	<b>14602.51</b>	<b>14334.66</b>	<b>415.77</b>	<b>28521.40</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>28521.40</b>	<b>14602.51</b>	
	<b>GRAND TOTAL (A+B)</b>	<b>17885.40</b>	<b>20884.90</b>	<b>7416.40</b>	<b>31353.90</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>31353.90</b>	<b>17885.40</b>	

Notes

- The Company has procured various items and incurred certain expenditure, which are tabulated above in this Note 4B, by way of utilization of money available with it. The above items and expenditure has been classified as Capital Work in Progress.
- An item is recognized as an asset when the expenditure incurred on that item results in a resource controlled by the entity as a result of past events and from which future economic benefits are expected to flow to the entity. Furthermore, Income is increases in economic benefits during the accounting period in the form of inflows or enhancements of assets or decreases of liabilities that result in increases in equity.
- The management believes that while recognizing the items as asset the essential criterion of 'control' and 'future economic benefits' are met.
- The 'control' over expenditure incurred on items classified as assets and, 'future economic benefits' from such assets would flow to the Company through 'Indore Municipal Corporation' by way of executing Memorandum of Understanding' which is in process.
- That the company reduce the cost of project by the amount if any in respect to deductions in the form of penalty, deduction against quality, for forfeiture of Bank guarantee etc.



*[Handwritten signature]*

**INDORE SMART CITY DEVELOPMENT LIMITED**

CIN :- U75100MP2016SGC035528

Regd. Off : Smart City Office, Nehru Park Campus, Indore, M.P.

Website : www.smartcityindore.org, Ph. No. 0731-2535572; E mail : smartcityindore16@gmail.com

Notes annexed to and forming part of Financial Statements

**5 Investment Properties**

₹ (In Lakh)

Particulars	₹ (In Lakh)	
	As at 31st March-2020	As at 31st March-2019
(I) Gross Carrying Amount		
Opening Balance	0.00001	-
Addition during the year		0.00001
Disposals during the year		-
Closing Balance	0.00001	0.00001
(II) Accumulated Depreciation		
Opening Balance	-	-
Addition during the year	-	-
Disposals during the year	-	-
Closing Balance	-	-
<b>Net Carrying Amount (I-II)</b>	<b>0.00001</b>	<b>0.00001</b>

(i) The MP Government has allotted 16.413 Hectare land at MOG line Indore on 25.09.2018 vide order No.F 10-45/2018/18-2 and the said piece of land has been transferred in the name of the company. The Company has recognised the said land in its books of accounts at nominal value

(ii) That the said land can be utilised only for redevelopment purpose as stated in Smart City Mission Statement & Guideline.

(iii) The company has during the FY 2019-20 not generated any Income from the said Investment Property. The Company intends to generate revenue from this investment property through appreciation in value.

**6 Other Non Current Asset**

₹ (In Lakh)

Particulars	₹ (In Lakh)	
	As at 31st March-2020	As at 31st March-2019
Present Value of Facilities Free of Cost as per Ind AS (IMC) ( Deferred Expenditure to the extent not written off)	83.21	91.98
<b>Total</b>	<b>83.21</b>	<b>91.98</b>

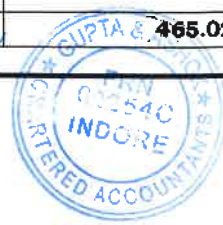
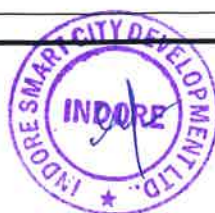
The figure of Rs 83,21,461/- represent present value of some facilities received from Indore Municipal Corporation. It would be charged to Profit & Loss Account over a period of time. The amounts would not be realized in money.

**7 Deferred Tax Assets/(Liabilities)**

**The Movement on the deferred tax account is as follows**

₹ (In Lakh)

Particulars	₹ (In Lakh)	
	As at 31st March-2020	As at 31st March-2019
Deferred tax liability		
Timing difference on account of Depreciation	905.51	557.17
Deferred tax Asset		
Timing Difference on account of provision for gratuity	2.58	-
Timing Difference on account of IND AS adjustments	-	-
Carry Forward Losses	437.91	60.01
Total Deferred Tax Assets	440.49	60.01
Net Deferred tax Asset/(Liability)	(465.02)	(497.17)
<b>At the end of the year</b>	<b>465.02</b>	<b>497.17</b>



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## Component of Deferred Tax Liabilities/(Assets)

₹ (In Lakh)

Particulars	As at 31st March-2019	Charge/(Credit) to Statement of Profit & Loss	As at 31st March-2020
<b>Deferred Tax Assets/(Liabilities) in relation to :</b>			
Depreciation Effect	(557.17)	348.33	(905.51)
Carryforward of losses	60.01	(377.90)	437.91
Property Plant and Equipment	-	-	-
Provision for Employee Benefit Expenses	-	(2.58)	2.58
Short term provisions	-	-	-
Amount admissible under section 35D of IT Act	-	-	-
Ind AS adjustments	-	-	-
<b>Total</b>	<b>(497.17)</b>	<b>(32.15)</b>	<b>(465.02)</b>

## The reconciliation of estimated income tax to income tax expense is as follows:

₹ (In Lakh)

Particulars	As at 31st March-2020	As at 31st March-2019
Profit/(loss) before tax	0.00	-
Income tax expense at tax rates applicable to individual entities	0.00	-
Add/(Less)	-	-
Depreciation Effect	348.33	(376.42)
Carryforward of losses	(377.90)	60.01
Property Plant and Equipment	-	-
Provision for Employee Benefit Expenses	(2.58)	-
Short term provisions	-	-
Amount admissible under section 35D of IT Act	-	(33.04)
Ind AS adjustments	-	(47.72)
Income tax expense reported	(32.15)	(397.17)

## 8 Cash and Cash Equivalents

₹ (In Lakh)

Particulars	As at 31st March-2020	As at 31st March-2019
<b>Cash &amp; Cash Equivalents</b>		
Balances with Banks		
(i) Saving Accounts	1,133.99	3,948.32
(ii) Fixed Deposit( maturing within 3 months)	828.68	4,495.50
Cash on hand	-	-
	<b>1,962.67</b>	<b>8,443.82</b>

## 9 Other Bank Balances

₹ (In Lakh)

Particulars	As at 31st March-2020	As at 31st March-2019
(i) Fixed Deposits( Maturing within 6 to 12 Months)	64.53	6,661.00
	<b>64.53</b>	<b>6,661.00</b>

## 10 Trade Receivables

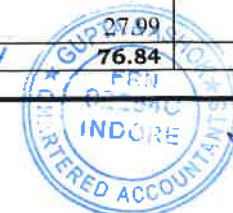
₹ (In Lakh)

Particulars	As at 31st March-2020	As at 31st March-2019
Trade Receivables considered good - secured	-	-
Trade Receivables considered good - Unsecured	88.01	41.85
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables credit impaired	-	-
	<b>88.01</b>	<b>41.85</b>

## 11 Other Financial Assets

₹ (In Lakh)

Particulars	As at 31st March- 2020	As at 31st March- 2019
Secured , Considered Good		
Security Deposit	35.34	32.81
Accrued Interest on FDR	13.52	408.28
Accrued Interest on advance to vendor	-	4.50
Advance to employees & Others	27.99	0.02
<b>Total</b>	<b>76.84</b>	<b>445.61</b>





**12 Current Tax Asset**

₹ (In Lakh)

Particulars	₹ (In Lakh)	
	As at 31st March-2020	As at 31st March-2019
TDS Receivable	456.49	400.60
<b>Total</b>	<b>456.49</b>	<b>400.60</b>

**13 Other current assets**

₹ (In Lakh)

Particulars	₹ (In Lakh)	
	As at 31st March-2020	As at 31st March-2019
Secured , Considered Good		
Government Grant Receivable	9,898.00	3,800.00
Advances to Contractors	99.70	731.47
Balance with Statutory Authorities	183.93	-
GST on reverse Charge	0.82	1.43
<b>Total</b>	<b>10,182.44</b>	<b>4,532.90</b>

**14 Share capital**

₹ (In Lakh)

Particulars	As at 31st March-2020		As at 31st March-2019	
	Number	Amount	Number	Amount
<b>Authorised</b> 20,00,00,000 Equity Shares (Prev. Year 20,00,00,000) of Rs. 10/- each	2,000.00	20,000.00	2,000.00	20,000.00
<b>Issued, Subscribed &amp; fully paid up</b> 20,00,00,000 Equity Shares (Prev. Year 10,35,60,000) of Rs. 10/- each	2,000.00	20,000.00	2,000.00	20,000.00
	<b>2,000.00</b>	<b>20,000.00</b>	<b>2,000.00</b>	<b>20,000.00</b>

**(b) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the year**

Particulars	As at March 31, 2020		As at March 31, 2019	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	2,000.00	20,000.00	2,000.00	20,000.00
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	<b>2,000.00</b>	<b>20,000.00</b>	<b>2,000.00</b>	<b>20,000.00</b>

**(c) Shares held by the holding Company / Associate Company and shareholders holding more than 5% shares in the Company**

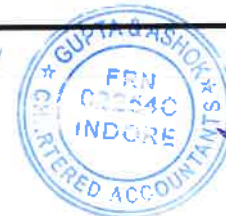
Name of the Shareholder	As at March 31, 2020		As at March 31, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
<b>Equity Shares</b>				
Madhya Pradesh Urban Dev. Corp.	1,000.00	50.00%	1,000.00	50.00%
Indore Municipal Corporation	1,000.00	50.00%	1,000.00	50.00%

**Terms / Rights to Shareholders****(i) Equity Shares****(A) Voting**

The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

- (B)** That as per article No.12.1(V) of the Articles of Association of the company " Except nominee of the Central Government and the Mayor, appointment of all the directors of the company or change therein shall be done with the approval of MPUDCL , So MPUDCL is having control over the composition of the Board of Directors of the company and hence as per section 2(87)(i) of The Companies Act,2013 ISCDL is subsidiary of MPUDCL.



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15 Other Equity		₹ (In Lakh)	
Particulars	As at 31st March-2020	As at 31st March-2019	
<b>(a) Surplus/(Deficit) as per the Statement of Profit and Loss</b>			
Balance as per Last Financial statement	(497.17)	(100.00)	
Profit/(Loss) for the Year	32.15	(397.17)	
<b>Total</b>	<b>(465.02)</b>	<b>(497.17)</b>	

**Retained Earnings**  
Retained earnings are the profits / Losses that the Company has earned till date.

16 Government Grants for Project Expenditure		₹ (In Lakh)	
Particulars	As at 31st March-2020	As at 31st March-2019	
<b>A) Monetary Grant</b>			
Opening Balance	18,716.03	17,368.84	
Add:			
(i) MP Government	-	-	
(ii) Central Government	15,300.00	3,300.00	
(iii) Share Capital Issued during the year	-	-	
(iv) Grant Related to A&OE Expenditure	-	-	
Less Grant utilised for Project Expenditure( Revenue Nature)	(3,540.20)	(1,952.82)	
<b>Closing Balance</b>	<b>30,475.82</b>	<b>18,716.03</b>	
<b>B) Interest Received on Idle Grant</b>			
Opening Balance	2,925.62	3,811.46	
Add: Interest Received during the Year	762.92	707.94	
Less: Interest Utilised for Project Expenditure (Revenue Nature)	(762.92)	(1,593.78)	
<b>Closing Balance</b>	<b>2,925.62</b>	<b>2,925.62</b>	
<b>C) Non-Monetary Grant</b>			
Opening Balance	0.00001	-	
Add: Received during the year	-	0.00001	
<b>Closing Balance</b>	<b>0.00001</b>	<b>0.00001</b>	
	<b>33,401.44</b>	<b>21,641.65</b>	

(i) That as per mission Statement & Guideline issued by Ministry of Urban Development Gol, Government proposes to give Rs.200 Crores to each smart city in first year and Rs.100 Crores for next three years. That ISCDL has received Rs.493.02 crores ( Rs.293.02 Cr from Gol & Rs.200 Cr from GoMP). That Gol has further sanctioned Rs 98.00 Cr vide letter dated 01.11.2019 and hence the same is recognised as grant.

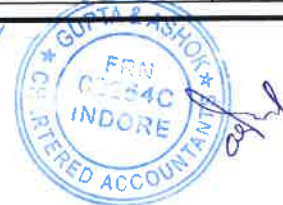
(ii) That 3rd and 4th installment of Gol grant has been sanctioned during the year vide letter No.K15016 /146(2) /2015-SC-1 Dated 21/05/2019 and letter No.K15016/146(2)/2015-SC-1 Dated 01/11/2019 of Rs 98.00 Crores each. That out of which Rs. 97.02 Crores received during the year.

(iii) The MP Government has allotted 16.413 Hectare land at MOG line Indore on 25.09.2018 vide order No.F 10-45/2018/18-2 and the said piece of land has been transferred in the name of the company.The Company has recognised the said land in its books of accounts at nominal value of Re.1

(iv) That the said land can be utilised only for redevelopment purpose as stated in Smart City Mission Statement & Guideline. At present the land has only been allotted but conditions attached to it is not yet fulfilled.There is no reasonable assurance that the company will comply with conditions attaching to land, therefore the non monetary grant recognised at Re.1 is classified as liability.

17 Financial Liabilities - Other Financial Liabilities ( Non-Current)		₹ (In Lakh)	
Particulars	As at 31st March-2020	As at 31st March-2019	
Security deposit withheld-Project	598.74	292.30	
Security deposit withheld- Others	-	-	
<b>Total</b>	<b>598.74</b>	<b>292.30</b>	

18 Provisions- Non Current		₹ (In Lakh)	
Particulars	As at 31st March-2020	As at 31st March-2019	
Employee Benefits			
Net defined benefits obligations for gratuity	9.88	-	
<b>Total</b>	<b>9.88</b>	<b>-</b>	



**19 Financial Liabilities - Other Financial Liabilities (Current)**

₹ (In Lakh)

Particulars	As at 31st March-2020	As at 31st March-2019
Creditors for project expenditure	3,961.91	1,384.62
Creditors for Other Expenditure	153.99	337.58
Security deposit withheld-Project	682.18	499.30
Security deposit withheld- Others	6.55	13.95
Amount Equivalent to Royalty Withheld	15.66	29.49
EMD Refundable	1.70	2.20
Performance Security	3.21	5.86
<b>Total</b>	<b>4,825.21</b>	<b>2,273.00</b>

**20 Other Current Liabilities**

₹ (In Lakh)

Particulars	As at 31st March-2020	As at 31st March-2019
TDS on GST	55.98	85.92
GST Payable	12.63	1.15
TDS Payable	110.26	26.88
EPF (Employee )	1.24	1.17
ESIC (Employee )	0.01	0.01
EPF (Employer)	1.31	1.21
ESIC (Employer)	0.03	0.04
NPS (Employee )	0.24	-
NPS (Employer )	0.24	-
GIS (Employee )	0.01	-
Labour Cess	32.91	27.19
Professional tax (Employee )	0.05	0.05
<b>Total</b>	<b>214.92</b>	<b>143.62</b>

**21 Provisions- Current**

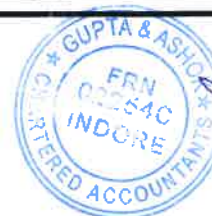
₹ (In Lakh)

Particulars	As at 31st March-2020	As at 31st March-2019
Employee Benefits		
Net defined benefits obligations for gratuity	0.04	-
<b>Total</b>	<b>0.04</b>	<b>-</b>

**22 Government Grants for A & OE Expenditure**

₹ (In Lakh)

Particulars	As at 31st March-2020	As at 31st March-2019
Opening Balance	93.06	
Grant Received for A&OE Expenditure	500.00	
Less: Recognised in P&L Statement to the extent of expenditure	370.31	93.06
<b>Total</b>	<b>222.75</b>	<b>93.06</b>



INDORE SMART CITY DEVELOPMENT LIMITED

CIN :- U75100MP2016SGC035528

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Notes annexed to and forming part of Financial Statements

23 Revenue from operations

₹ (In Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Sale of Service</b>		
Advertisement Income	122.09	95.89
O&M for Material Recovery	78.39	23.05
<b>Other Operating Revenue</b>		
E-Procurement Fees	17.90	38.88
Interest from Vendors on mobilisation advance	-	10.66
Labour Cess Collection Charges recovered	1.75	0.86
<b>Total</b>	<b>220.13</b>	<b>169.34</b>
The invoicing schedules agreed with customers include periodic performance based payments and /or milestone based progress payments. Invoices are payable within contractually agreed credit period.		

24 Other Income

₹ (In Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
<b>Government Grants</b>		
a) Amount transferred from Administrative Grants	370.31	777.17
b) Amount transferred from Project Grants		
i) Grant utilised for Project Expenditure( Revenue Nature)- 3,540.20		
ii)Interest Utilised for Project Expenditure (Revenue Nature)- 762.92	4,303.12	3,546.59
<b>Others</b>		
a) Security Deposit Stated at Fair Value	191.34	114.83
b) Free of Cost Assistance from IMC Recognised at Fair Value	4.82	3.18
c) Other Income	4.69	0.06
<b>Total</b>	<b>4,874.28</b>	<b>4,441.84</b>
1)That grant specifically for project expenditure is transferred to Profit & Loss Statement to the extent of expenditure and depreciation on assets created charged to Profit & Loss Account.		
2)That grant specifically for A&OE Expenditure is transferred to Profit & Loss Statement to the extent of expenditure incurred net of other income.		

25 Employee Benefits Expense

₹ (In Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Salaries & Wages	146.75	123.81
Contribution to Provident & Other Funds	18.27	14.78
Maternity Benefit	1.20	1.01
Gratuity	9.92	-
<b>Total</b>	<b>176.14</b>	<b>139.60</b>
Salary & Wages in 2018-19 includes Rs 820436/- being cost of officials of IMC being taken free of Cost by the company. From 2019-20 onwards, the company is not recognising the said cost in its Profit & Loss A/c.		

As per IND AS 19 "Employee benefits", the disclosures as defined are given below:

a. Defined Contribution Plans :

All eligible employees of the Company in India are entitled to receive benefits under the provident fund plan. The Company makes provident fund contribution, a defined contribution plan, for qualifying employees. It also contributes to employee state insurance corporation, which is also defined contribution plan.

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

Particulars	2019-20	2018-19
Employer's Contribution to Provident Fund	16.01	14.36
Employer's Contribution to ESIC	0.36	0.42
Employer's Contribution to NPS	1.89	-

b. Defined benefit obligations

Details of defined benefit obligations

Particulars	2019-20
<b>Gratuity</b>	
Current service cost	9.92
<b>Obligation at the end of the year</b>	<b>9.92</b>



Amounts recognised in the balance sheet consist of:		₹ (In Lakh)
Particulars	2019-20	
Fair value of plan assets	-	
Present value of obligations	(9.92)	
	(9.92)	
<b>Funded plans in deficit are recognised as:</b>		
Net Defined benefit obligations - Provisions - current	(0.04)	
Net Defined benefit obligations - Provisions - Non-current	(9.88)	
<b>Total</b>	<b>(9.92)</b>	

		₹ (In Lakh)
Particulars	2019-20	
<b>Expense/(gain) recognised in the statement of profit and loss consists of:</b>		
<b>Employee benefits expense:</b>		
Current service cost	9.92	
<b>Expense/(gain) recognised in the statement of profit and loss</b>	<b>9.92</b>	

		₹ (In Lakh)
Particulars	2019-20	
<b>Key assumptions used in the measurement of gratuity is as below:</b>		
Discount rate	6.85%	
Salary growth rate	5.00%	
<b>Withdrawal rates are 5.00% per annum for younger ages reducing to 1 % p.a. at older ages</b>		

#### Description of obligations and risks

The figures of present value of the defined benefit obligation and the related current service cost were as measured in accordance with principles of Ind AS 19 Employee benefits and provided to us by an actuary.

The expected contributions for Defined Benefit Plan for the next financial year will be in line with FY 2019-20.

#### Sensitivity analysis

		₹ (In Lakh)
Particulars	2019-20	
<b>Effects of Key Assumptions on Defined Benefit Obligations</b>		
0.5 % increase in Discount Rate / Resulting decrease in Liability	9.24	
0.5 % decrease in Discount Rate / Resulting increase in Liability	10.63	
0.5 % increase in Salary Growth Rate / Resulting increase in Liability	10.53	
0.5 % decrease in Salary Escalation Rate / Resulting decrease in Liability	9.30	
<b>Withdrawal rate (W.R.) sensitivity</b>		
W.R. * 110%	9.95	
W.R. * 90%	9.90	

#### Maturity Profile of Defined Benefit Obligation

		₹ (In Lakh)
Particulars	2019-20	
Year 1 Cashflow	0.04	
Distribution (%)	0.10%	
Year 2 Cashflow	0.07	
Distribution (%)	0.20%	
Year 3 Cashflow	0.98	
Distribution (%)	3.10%	
Year 4 Cashflow	0.45	
Distribution (%)	1.40%	
Year 5 Cashflow	0.45	
Distribution (%)	1.40%	
Year 6 to Year 10 Cashflow	2.32	
Distribution (%)	7.30%	

#### 26 Finance Cost

		₹ (In Lakh)	
Particulars	Year ended March 31, 2020	Year ended March 31, 2019	
Bank Charges	0.16	0.16	
Interest on Security Deposit( Unwinding)	58.85	26.57	
<b>Total</b>	<b>59.01</b>	<b>26.73</b>	



## 27 Other expenses

₹ (In Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Professional Charges	14.92	23.83
Office Expenses	18.97	13.71
Advertising Expenses	112.38	147.78
Professional Charges Planning	24.70	25.89
Professional Fees For Project Development	19.85	69.70
Project Management Consultanat	214.76	311.53
Rent of Premises	8.77	9.64
Electricity Expenses	4.82	3.18
GST fee	0.003	0.08
GST Interest	0.11	0.05
GST on Dismantle Charges	0.61	-
Housekeeping	29.39	46.48
Interset on TDS	0.09	2.19
Legal Expenses	8.41	17.43
Participation Fees for Exhibition & Conference	-	2.85
Printing & Stationery Charges	2.89	2.88
Telephone	2.56	2.77
Travelling Charges	6.44	12.89
Vehicle Hiring Charges	41.22	44.70
ROC Expenses	0.11	0.07
Professional Tax	0.03	0.03
Sitting Fees to independent directors	2.20	1.47
Tax audit fees	0.81	-
Modification & Updation of ISCDL website	0.64	3.41
Statutory Audit fee	0.50	0.68
<b>Total</b>	<b>515.16</b>	<b>743.25</b>
Other Expenses includes Rent expenses of Rs 8,76,514/- and Electricity Expense of Rs. 4,81,520/- which represents assistance provided by IMC free of cost . The amount is not payable		

## 28 Project Expenditure (Revenue nature)

₹ (In Lakh)

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Conservation & Restoration of Chhatribagh & Hariraoholkar Chattri	76.47	218.18
City Beautification work	111.76	245.65
Fixing of railing	75.77	507.77
Place Making & Visual Improvement	1,244.45	613.03
Slum Beautification	9.86	1,045.65
Bioremediation/Biomining of LOD	1.23	247.70
O&M for Biomethnation Plant , Transfer Station, Compost Plant , ICC	721.59	310.86
Health	1.00	6.16
Consultancy for sludge Hygenation	2.12	6.10
Consultancy fees for Laxmi Bai Statue	-	0.58
Photography of trenching ground & River front	-	1.52
Material for Lanfill Site Devguradiya	-	1.70
Creating Otthosaic for River front	-	1.88
VMS Board Expenses	2.29	-
Tree Census	32.27	72.07
Implementation of Digital Payment for IMC	17.35	-
Consulatncy for Design & Implimentation of Herriage Walk	8.54	-
Consultancy for Carbon Credit	3.80	-
Conservation & Restoration of Gandhi Hall	354.35	-
Conservation & Restoration of Boliya Sarkar Chattri	63.33	-
Installation of Decorative façade lighting at Krishnapura Chattri	102.65	-
Conservation & Restoration of Malhar Rao Chattri	71.23	-
Registration & Affordable Charges (C&D, Chota Bangarda)	0.18	-
ESRI Software Expenditure	28.58	-
Smart Watches	140.52	-
Utility Shifting	138.61	-
PRA Line Expenditure for ICC	0.53	-
Electricity bill for ICC	17.36	-
<b>Total</b>	<b>3,225.84</b>	<b>3,278.85</b>



*[Handwritten signature]*

**INDORE SMART CITY DEVELOPMENT LIMITED**

CIN :- U75100MP2016SGC035528

Regd. Off : Smart City Office, Nehru Park Campus, Indore, M.P.

Website : www.smartcityindore.org, Ph. No. 0731-2535572; E mail : smartcityindore16@gmail.com

Notes annexed to and forming part of the Financial statements

29 Payment to auditors as:		₹ (In Lakh)	
Particulars	2019-20	2018-19	
(a) Auditors			
Statutory Auditors Fees	0.50		0.50
Gst	0.09		0.09
Tax Auditors Fees	0.64		-
Gst	0.11		-
(b) Certification and Consultation Fees	-		-
<b>Total</b>	<b>1.34</b>		<b>-</b>

30 EARNING PER SHARES (EPS)		₹ (In Lakh)	
	2019-20	2018-19	
i) Net Profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	32.15		(397.17)
ii) Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	2,000.00		2,000.00
iii) Weighted Average Potential Equity Shares	-		-
iv) Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS	2,000.00		2,000.00
v) Basic Earnings Per Share (Rs.)	0.02		(0.20)
vi) Diluted Earning Per Share (Rs.)	0.02		(0.20)
vii) Face Value per Equity Share (Rs.)	10.00		10.00

**31 RELATED PARTIES DISCLOSURES**

(i) As per Ind AS 24, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and also related parties with whom transactions have taken place and relationships:

Sr. No.	Name of Related Party	Relationship
1	MPUDCL	Holding Company
2	IMC	Having Substantial Interest
3	Shri Sandeep Soni	Chief Executive Office from 23.03.2019 (KMP) till 25.06.2019
4	Aditi Garg (IAS)	Chief Executive Office from 25.06.2019 (KMP)
5	CA Rachna Gaur	Chief Finance Officer (KMP)
6	CS Anurag Kumar Saxena	Company Secretary
7	Bhopal Smart City Development Corporation Limited	Common Holding Company
8	Urban Administration & Development, GoMP, Bhopal	Control Exists
9	Madhya Pradesh Metro Rail Co Ltd	Control Exists

(ii) Transaction during the year with related parties: ₹ (In Lakh)

Sr. No.	Related Party	Nature of Transaction	2019-2020	2018-2019
1	Aditi Garg (IAS) (KMP)	Remuneration	7.81	-
2	CA Rachna Gaur (KMP)	Remuneration	8.66	8.59
3	CS Anurag Kumar Saxena	Remuneration	7.76	7.39
4	Bhopal Smart City Development Corporation Limited	Reimbursement for Common Cloud for ICC	583.84	-

(iii) Balances with Related Parties

₹ (In Lakh)				
Sr. No.	Related Party	31.03.2020	30.03.2019	Nature of transaction
1	Indore Municipal Corporation	201.97	201.97	Amount payable
2	Urban Administration & Development, GoMP, Bhopal	27.98	28.55	Amount receivable
3	Madhya Pradesh Metro Rail Co Ltd	7.73	-	Amount receivable



**(iv) Compensation of Key Management Personnel**

The remuneration of director and other member of Key Management personnel during the year was as follows:-

	2019-20	2018-19
i Short-term benefits	-	-
ii Post employment benefits	0.65	-
<b>Total</b>	<b>0.65</b>	-

**32 CONTINGENT LIABILITIES AND COMMITMENTS****(I) Contingent Liabilities****(A) Claims against the Company/disputed liabilities not acknowledged as dues**

Income Tax for A Y	Disputed Amount	692.25	553.75	NIL
(i) 2017-18 pending with CIT Appeals	Deposit Amount	138.50		

**(B) Guarantees**

Outstanding Guarantees furnished to Banks and Financial Institutions including in respect of Letters of Credits

NIL NIL

**(C) Other Money for which the Company is contingently liable**

(i) Liability in respect of bills discounted with Banks (including third party bills discounting)

NIL NIL

**(II) Commitments**

(A) Estimated amount of contracts remaining to be executed on capital account and not provided for:

958.79 Crores 691.74 Crores

(B) Other Commitments

NIL NIL

**33 CAPITAL MANAGEMENT**

The Company adheres to a robust Capital Management framework which is underpinned by the following guiding principles;

- Maintain financial strength to attain AAA ratings domestically and investment grade ratings internationally.
- Ensure financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.
- Leverage optimally in order to maximize shareholder returns while maintaining strength and flexibility of the Balance sheet.

This framework is adjusted based on underlying macro-economic factors affecting business environment, financial market conditions

The gearing ratio at end of the reporting period was as follows.

₹ (In Lakh)

Particulars	As at 31st March, 2020	As at 31st March, 2019
Non-Current Liabilities (Other than DTL)	34,475.08	22,431.12
Current maturities of Long Term debts	-	-
Gross Debt	34,475.08	22,431.12
Cash and Cash Equivalents	1,962.67	8,443.82
Net Debt (A)	32,512.41	13,987.29
Total Equity (As per Balance Sheet) (B)	19,534.98	19,502.83
<b>Net Gearing (A/B)</b>	<b>1.66</b>	<b>0.72</b>





## FINANCIAL INSTRUMENTS

## (i) Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2020 is as follows:

Particulars	Note No.	Fair value through profit or loss	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Amortised cost	Total carrying value
<b>Financial Assets</b>						
Trade Receivables	10	-	-	-	88.01	88.01
Cash and cash equivalents	8	-	-	-	1,962.67	1,962.67
Other Bank Balances	9	-	-	-	64.53	64.53
Loan	-	-	-	-	-	-
(Current)	11	-	-	-	76.84	76.84
(Non Current)	-	-	-	-	-	-
<b>Total</b>					2,192.05	
<b>Financial Liabilities</b>						
Borrowings (Current)	-	-	-	-	-	-
Borrowings ( Non Current )	-	-	-	-	-	-
Trade Payables	-	-	-	-	-	-
other Financial Liabilities (Current)	19	-	-	-	4,825.21	4,825.21
other Financial Liabilities (Non Current)	17	598.74	-	-	-	598.74
<b>Total</b>		598.74	-	-	4,825.21	

## Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2019 is as follows:

Particulars	Note No.	Fair value through profit or loss	Fair value through other comprehensive income	Derivative instruments in hedging relationship	Amortised cost	Total carrying value
<b>Financial Assets</b>						
Trade Receivables	10	-	-	-	41.85	41.85
Cash and cash equivalents	8	-	-	-	8,443.82	8,443.82
Other Bank Balances	9	-	-	-	6,661.00	6,661.00
Loan	-	-	-	-	-	-
Other Financial Assets (Current)	11	-	-	-	445.61	445.61
Other Financial Assets ( Non Current )	-	-	-	-	-	-
<b>Total</b>					15,592.29	15,592.29
<b>Financial Liabilities</b>						
Borrowings (Current)	-	-	-	-	-	-
Borrowings ( Non Current )	-	-	-	-	-	-
Trade Payables	-	-	-	-	-	-
other Financial Liabilities (Current)	19	-	-	-	2,273.00	2,273.00
other Financial Liabilities (Non Current)	17	292.30	-	-	-	292.30
<b>Total</b>		292.30	-	-	2,273.00	2,565.30

Carrying amounts of trade receivables, cash and cash equivalents, bank balances, and trade payables as at March 31, 2020 and 2019, approximate the fair value.

Difference between carrying amount and fair value of Loans, Other financial assets, borrowings and other financial liabilities subsequently measured at amortised cost is not significant. Fair value measurement of lease liabilities is not required.



## (ii) Net gains or net losses on

Particulars	Note No.	3/31/2020	3/31/2019
(a) Financial assets measured as FVTPL upon initial recognition	0	0.00	0.00
(b) Financial assets measured at amortised	0	0.00	0.00
(c) Financial liabilities measured as FVTPL upon initial recognition	0	0.00	0.00
(d) Financial liabilities measured at amortised cost (ii)+(iii)	0	250.36	141.56
(i) Security Deposit Stated at Fair Value	24	191.34	114.83
(ii) Interest on Security Deposit( Unwinding)	26	59.01	26.73

All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

## (iii) Fair Value measurement hierarchy:

Fair value measurement hierarchy as at 31st March 2020

The following table summarises financial assets and liabilities measured at fair value

Particulars	Note No.	Carrying Amount	Levels of Inputs			Total
			Level 1	Level 2	Level 3	
<b>Financial Assets</b>						
Trade Receivables	10	88.01	-	-	-	-
Cash and cash equivalents	8	1,962.67	-	-	-	-
Other Bank Balances	9	64.53	-	-	-	-
Loan	-	-	-	-	-	-
Other Financial Assets (Current)	11	76.84	-	-	-	-
Other Financial Assets ( Non Current )	-	-	-	-	-	-
<b>Total</b>		<b>2,192.05</b>	-	-	-	-
<b>Financial Liabilities</b>						
Borrowings (Current)	-	-	-	-	-	-
Borrowings ( Non Current)	-	-	-	-	-	-
Trade Payables	-	-	-	-	-	-
other Financial Liabilities (Current)	19	4,825.21	-	-	-	-
other Financial Liabilities (Non Current)	17	292.30	-	-	292.30	292.30
<b>Total</b>		<b>5,117.51</b>	-	-	<b>292.30</b>	<b>292.30</b>

Fair value measurement hierarchy as at 31st March 2019

The following table summarises financial assets and liabilities measured at fair value

Particulars	Note No.	Carrying Amount	Levels of Inputs			Total
			Level 1	Level 2	Level 3	
<b>Financial Assets</b>						
Trade Receivables	10	41.85	-	-	-	-
Cash and cash equivalent	8	8,443.82	-	-	-	-
Other Bank Balances	9	6,661.00	-	-	-	-
Loan	-	-	-	-	-	-
Other Financial Assets (Current)	11	445.61	-	-	-	-
Other Financial Assets ( Non Current )	-	-	-	-	-	-
<b>Total</b>		<b>15,592.29</b>	-	-	-	-
<b>Financial Liabilities</b>						
Borrowings (Current)	-	-	-	-	-	-
Borrowings ( Non Current)	-	-	-	-	-	-
Trade Payables	-	-	-	-	-	-
other Financial Liabilities (Current)	19	4,825.21	-	-	-	-
other Financial Liabilities (Non Current)	17	598.74	-	-	598.74	598.74
<b>Total</b>		<b>5,423.94</b>	-	-	<b>598.74</b>	<b>598.74</b>

Reconciliation of fair value measurement of the investment categorised at level 3:

Particulars	As at 31 March 2020		2019	
	At FVTPL	At FVTPL	At FVTPL	At FVTPL
Opening Balance	292.30	132.40		
Addition during the year	438.93	248.16		
Sale/Reduction during the year	0.00	0.00		
Total Gain/(loss)	132.49	88.26		
<b>Closing Balance</b>	<b>598.74</b>	<b>292.30</b>		



### Explanation to the fair value hierarchy

The Company measures financial instruments, at fair value at each reporting date. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1** Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.
- Level 2** The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.
- Level 3** If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities, contingent consideration included in level 3.

#### (iv) Foreign Currency Risk:

The Company does not have any dealing in any foreign currency. Hence the Company does not have any exposure and is free of any Risk associates with Foreign Currency.

There is no impact on the profit / Loss of the Company on fluctuation of any foreign currency.

#### (v) Interest Rate Risk

The exposure of the company's financial Assets in Fixed Deposits would be impacted to interest rate changes at the end of the reporting period. The details are as follows

Particulars	Interest Rate Exposure	
	As at 31st March, 2020	As at 31st March, 2019
<b>Financial Assets</b>		
Fixed Deposit With Bank Long Term	828.68	4,495.50
<b>Total</b>	828.68	4,495.50

Impact on Interest Expenses for the year on 1% change in Interest rate

Particulars	Interest rate			
	As at 31st March, 2020		As at 31st March, 2019	
	Up Move	Down Move	Up Move	Down Move
Impact on Equity				
Impact on P & L	26.62	26.62	133.75	133.75
<b>Total Impact</b>	<b>26.62</b>	<b>26.62</b>	<b>133.75</b>	<b>133.75</b>

#### (vi) Credit Risk

Credit risk is the risk that a customer or counterparty to a financial instrument fails to perform or pay the amounts due causing financial loss to the company. Credit risk arises mainly from the advances given to Contractors for execution of work.

The company has a prudent and conservative process for managing its credit risk arising in the course of its business activities. The credit ratings/market standing of the customers are evaluated on a regular basis.

#### (vii) Liquidity Risk

Liquidity risk arises from the Company's inability to meet its cash flow commitments on time. Prudent liquidity risk management implies maintaining sufficient stock of cash. The Company maintains adequate cash and cash equivalents alongwith the need based credit limits to meet the liquidity needs.

#### (viii) Maturity Analysis for financial liabilities

The following are the remaining contractual maturities of financial liabilities

Particulars	As at 31 March 2020			
	Less than One year	1 to 5 years	More than 5	Total
<b>Non-derivative</b>				
Security Deposits Refundable	688.73	653.02	222.14	1563.89
<b>Derivative (N.A)</b>				

Particulars	As at 31 March 2019			
	Less than One year	1 years to 5	More than 5	Total
<b>Non-derivative</b>				
Security Deposits Refundable	513.25		135.82	649.07
<b>Derivative (N.A)</b>				



**(ix) Operating Leases**

The Company has not taken any assets on operating Lease. However Indore Municipal corporation has provided its Building to the Company for its operations. Notional Rent Expenses for the same have been provided for in the Profit & Loss as expenditure for the year.

35 The Company is primarily engaged in implementation of the "Smarty City Mission" at the Indore city. Hence there are no separate reportable Segments.

**36 Disclosures required under the Micro, Small & Medium Development Act, 2006**

As at March 31st, 2020 and March 31st 2019, there is no outstanding dues to Micro, small and medium Enterprise. There is no interest due or outstanding on the same.

Particulars	As at 31st March, 2020	As at 31st March, 2019
(a) the principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year;	0	0
(b) the amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year;	0	0
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	0	0
(d) the amount of interest accrued and remaining unpaid at the end of each accounting year; and	0	0
(e) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	0	0

**37 DETAILS OF LOANS GIVEN, INVESTMENTS MADE AND GUARANTEE GIVEN COVERED U/S 186(4) OF THE COMPANIES ACT, 2013.**

The Company has not given any Loans, not made any Investments and has not given any guarantee which is covered under section 186(4) of the Companies Act 2013.

**38 EVENTS AFTER THE REPORTING PERIOD**

The Board of Directors have recommended dividend of Rs Nil Per fully paid up equity share of Rs.10/- each, aggregating Rs. Nil Including Rs. Nil dividend distribution tax for the financial year 2019-20

**39 APPROVAL OF FINANCIAL STATEMENTS**

The financial statements were approved for issue by the board of directors on 26.12.2020

This is the Notes referred to in our report of Even Date

For and behalf of the Board of Directors

For Gupta & Ashok  
Chartered Accountants  
Firm Reg. No. 002254C

CA. Ashok Agrawal  
{Partner}  
M.No. 071274

PLACE: Indore  
DATE: 26.12.2020  
UDIN: 20071274AAAADC4068

  
Manish Singh  
[Chairman]  
DIN : 05277748

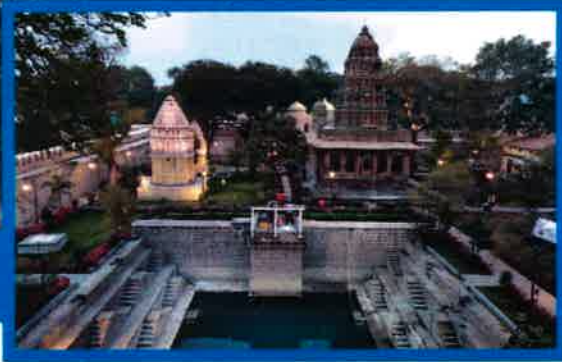
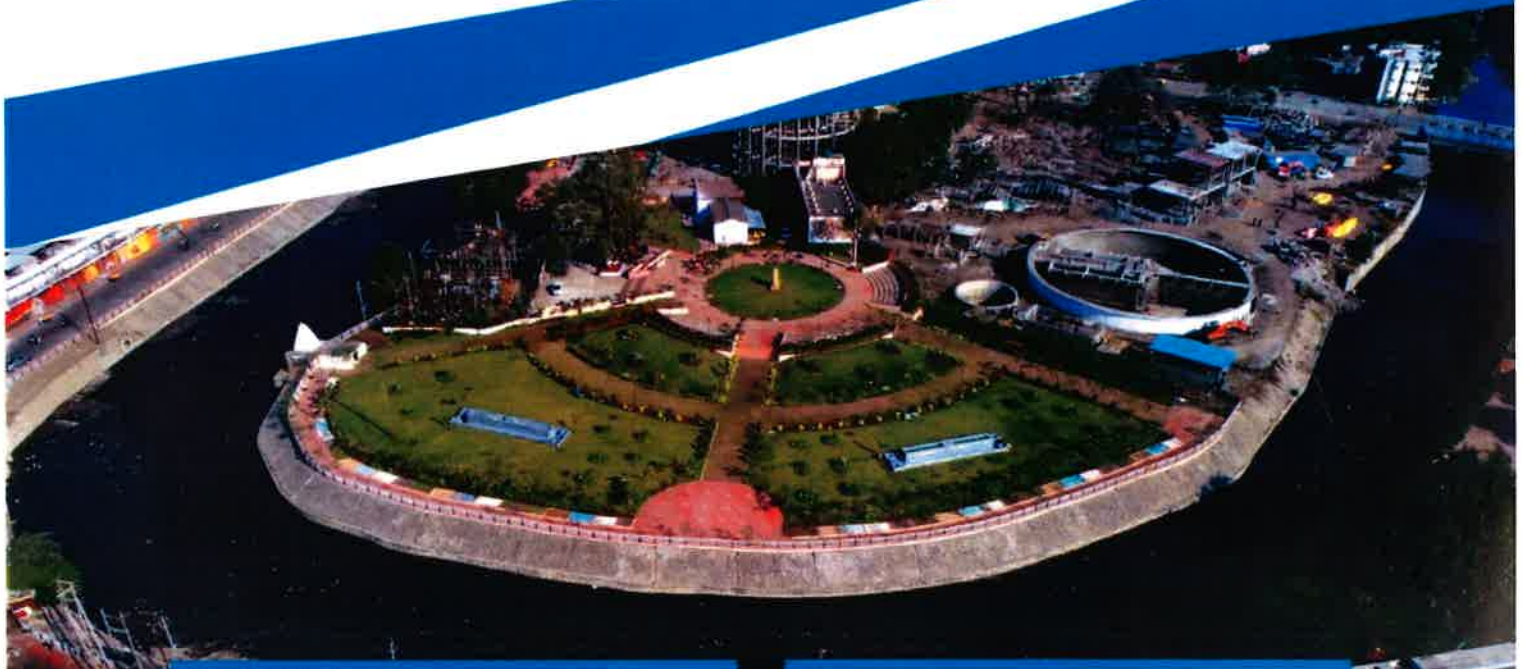
  
CA. Rachna Gaur  
[Chief Financial Officer]  
M.No. 410808

  
Pratibha Pal  
[Executive Director]  
DIN : 07923882

  
CS. Anurag Kumar Saxena  
[Company Secretary]  
M.NO. : F8115

  
Aditi Garg  
[Chief Executive Officer]  
PAN.: AODPG4903M





# INDORE SMART CITY DEVELOPMENT LIMITED

Smart City Office, Nehru Park Campus, Indore - 452003

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