

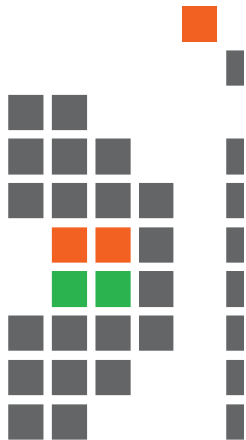


Indore Smart City
Development Limited



5th ANNUAL REPORT

2020 - 21



NOTICE is hereby given that the 5th Annual General Meeting of the Members of the Company shall be held at shorter notice on Wednesday, the 15th 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.

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 31st March, 2021 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 2021-22 appointed by Comptroller and Auditor General of India through their letter No./V/COY/MADHYA PRADESH, ISCDL(1)/1690 dated 27.08.2021 at remuneration of Rs. 50,000/-fixed by C&AG of India, New Delhi.”

II. SPECIAL BUSINESS:

1. ALTERATION IN CLAUSE 12.15 ARTICLE OF ASSOCIATION:

To consider and, if thought fit to pass with or without modification(s), the following resolution:

“RESOLVED THAT pursuant to provisions of the Section 14 and other applicable provisions, if any, of the Companies Act, 2013 the existing clause 12.15 of the Article of Association of the Company be and is hereby altered by substituting the new following clause 12.15 in its place:

“Committees of the Board

The Board shall have the power to constitute sub-committees and delegate to such subcommittee (s) the powers of the Board in respect of any matter relating to the governance of the Company. Subject to the Act and these presents, the Board shall constitute from amongst its members one or

more committees which will have delegated responsibility for dealing with specified functions otherwise carried out by the Board and which the Board delegates to such committees, at the time of constitution thereof. Each committee shall determine the procedure to be followed for the discharge of its functions. Such committees shall include but not limited to:

- i. Audit Committee (for the approval of Company accounts);
- ii. Nomination and Remuneration Committee under Section 178 of the Act and clause 19 of SEBI (Listing obligations and disclosure requirements) Regulations 2015. The Nomination and Remuneration Committee will be consisting of three or more non-executive directors out of which not less than one-half shall be independent directors;
- iii. Stakeholders Relationship Committee need to reconstitute;
- iv. As required and deemed necessary by Board.

The meetings and proceedings of any Committee shall, save as herein provided, be governed by the provisions herein contained for regulating the meetings and proceedings of the Board, so far as the same are applicable thereto and are not superseded by any regulations made by the Board.”

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.
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 IN THE INSTRUMENT APPOINTING THE PROXY.
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 venue 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 apoll 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 voted required time, the said meeting may be adjourned and called later to declare the result.

EXPLANATORY STATEMENT

(Pursuant to the Provisions of Section 102 of The Companies Act, 2013)

ITEM No.: 1:

As the Article of Association of the Company currently have clause No. 12.15 regarding Committees of the board which includes Various committees such as Finance Committee, Risk Management Committee under clause 21 of the SEBI (Listing obligations and disclosure requirements) Regulations 2015, Compensation Committee, Share Transfer and Allotment Committee and Project Management Committee. It has observed that necessity of these committees has not been dealt by the Board since incorporation therefor, it is suggested that clause No. 12.15 of the Article of Association be suitably amended and have only such committees which are necessary as per law or practically required by board.

Substitution or amendments in any clause of Article of Association amount to change in Article of Association of the Company, therefore it is proposed to alter the clause No. 12.15 by its substitution for the aforesaid purpose.

The notice of the general meeting is a proposition for the passing of the resolution for substituting the existing clause No 12.15 of Article of Association of the Company with new clause.

Pursuant to the provisions of section 14 of the Companies Act, 2013, Alteration of Article of Association of the Company in any manner required approval of members of the Company by way of passing special resolution in the general meeting of the Company

The Articles of Association of the company is open for inspection by the members at the registered office of the Company during the usual business hours of the Company on any working day.

None of the directors, managers, KMPs or their relatives is interested in the present resolution.

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
5TH ANNUAL GENERAL MEETING

Folio No.	
No. of shares(s) held	
Name & Address of Registered shareholder	

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 **5th Annual General Meeting** of the Company convened on **Wednesday, the 15th 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

<p>Name of the member (s): Registered address: Email ID: Folio No.:</p>
--

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 **5th Annual General Meeting** of the Company, to be held on the **Wednesday, the 15th 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.

2.

3.

Signed this.....day of2021.

Signature of shareholder(s)

Affix
Revenue
Stamp

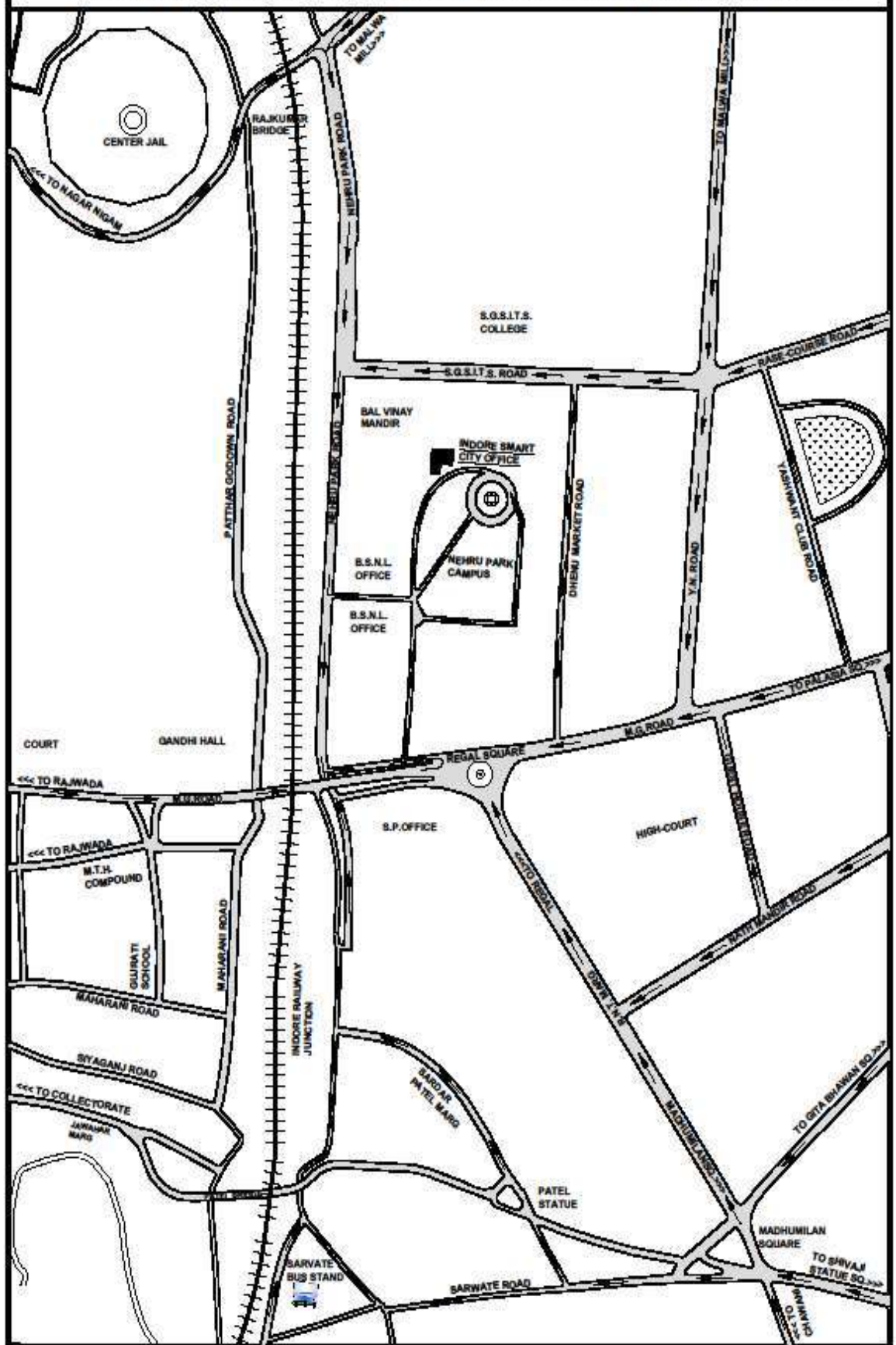
Signature of Proxy holder(s)

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"





INDORE SMART CITY DEVELOPMENT LIMITED

Smart City Office, Nehru Park Campus, Indore, M.P., 452003
Ph. No.: 0731-2535572; E-mail: smartcityindore16@gmail.com
CIN: U75100MP2016SGC035528; Website: www.smartcityindore.org

NOTICE is hereby given that the adjourned 5th Annual General Meeting of the Members of the Company shall be held at shorter notice on Wednesday, the 07th day of September 2022 at 5.00 PM at the Registered Office of the Company at Smart City Office, Nehru Park Campus, Indore, MP, 452003 to attend meeting physically.

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 31st March, 2021 together with the Board's Report & Independent Auditor's Report with comments from Comptroller and Auditor General of India thereon.

Place: Indore
Date: 07.09.2022

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

SD/-
Pratibha Pal, IAS
Executive Director

NOTE:

1. A member has option to attend meeting physically.
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.
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 IN THE INSTRUMENT APPOINTING THE PROXY.
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. The Members can join the Annual General Meeting in the VC/OAVM mode before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
11. 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.
12. All documents referred to in the Notice calling the Annual General Meeting are attached herewith along with the notice.
13. 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.
14. During the meeting held through Physically, 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.
15. In case the counting of voted required time, the said meeting may be adjourned and called later to declare the result.

ATTENDANCE SLIP
ADJOURNED 5TH ANNUAL GENERAL MEETING

Folio No.	
No. of shares(s) held	
Name & Address of Registered shareholder	

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 **5th Annual General Meeting** of the Company convened on **Wednesday, the 07th day of September 2022** 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 5th Annual General Meeting** of the Company, to be held on the **Wednesday, the 07th day of September 2022** 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.

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Signed this.....day of2022.

Affix
Revenue
Stamp

Signature of shareholder(s)

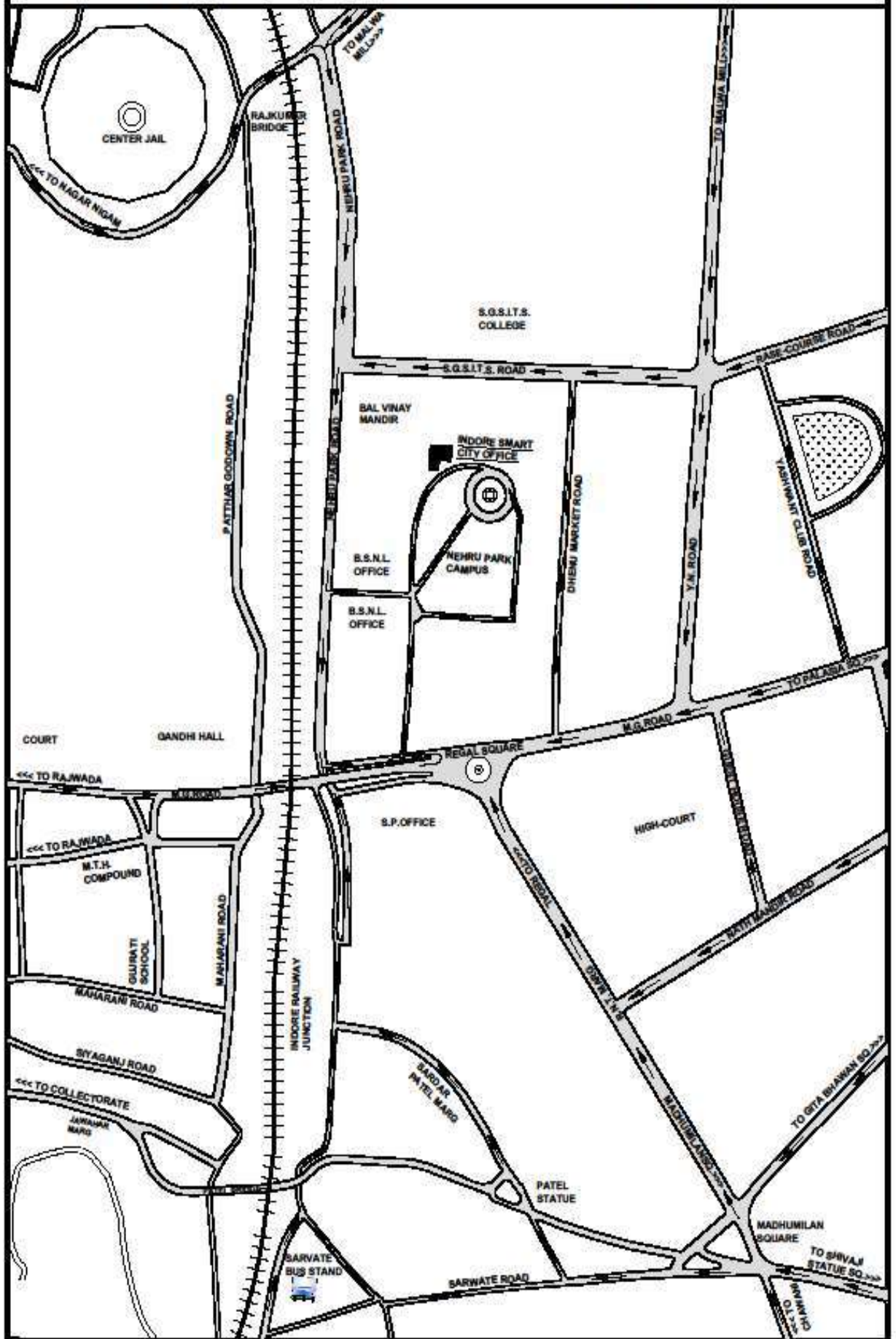
Signature of Proxy holder(s)

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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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 5th Board's Report together with the Audited Financial Statements of the Company for the financial year ended on 31st March, 2021;

1. STATE OF AFFAIR, FINANCIAL PERFORMANCE AND FUTURE OUTLOOK

i) Financial Results

The Financial Results for the year ended 31st March 2021 have been summarized as under:

(Rs. in Lakhs)

Particulars		Current Year	Previous Year
Revenue from Operation		319.63	218.38
Total expenditure incurred towards the project charged to P&L		1870.29	3225.84
Other Income			
- Grant Transferred to Profit & Loss Statement	4208.88		
- Others	322.16	4531.04	4876.03
Total expense incurred towards the administrative expense met out from the grant received		679.94	691.30
Profit/loss before providing Depreciation and Interest		2300.44	1177.27
Less: Depreciation		2228.94	1118.26
Less: Interest		71.50	59.01
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
Add: Deferred Tax		42.25	32.15
Profit /Loss after taxation		42.25	32.15
Less: Other Comprehensive Income			

A (i) Items that will not be reclassified to profit or loss		42.55	0.00
B (i) Items that will be reclassified to profit or loss		0.00	0.00
Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(0.30)	32.15

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 is on 3rd position out of total 100 Smart Cities of India.

In the month of November 2020, the 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 cleanest city of the country 'Indore' had been recognised as smartest too. Indore shared the top position with Surat for best performance among 100 smartest cities for their overall performance in 2020. Under the Smart Cities Mission's India Smart Cities Awards Contest (ISAC) 2020, Indore Smart City Development Limited won best award in six different

categories to reach the first position. The Ministry of Housing and Urban Affairs (MoHUA) organised an online event on 25.06.2021 to commemorate 6 years of the transformative Urban Missions-Smart Cities Mission. During the event of 6th Anniversary of Smart Cities Mission, ISAC awards 2020 were declared by MoHUA. These awards were given across the themes of Social Aspects, Governance, Culture, Urban Environment, Sanitation, Economy, Built Environment, Water, Urban Mobility and Sustainable Business model of ICCD. Indore Smart City Development Limited won projects awards in four (4) themes, Conservation of Heritage, Municipal Waste Management System, Carbon Credit Financing Mechanism and Chappan Dukan under themes of Culture, Sanitation, Economy and Built Environment respectively. Under Innovation award the Company also bagged Innovative Idea Award for Carbon Credit Financing Mechanism.

The results of the Climate Smart Cities Assessment Framework (CSCAF) 2.0 was also declared on 25-06-2021 by Hon'ble Minister, Housing and Urban Affairs (IC), Government of India and Indore city has been rated as Four Stars with 2028/2800 points. The assessment was based on Thematic Area Performance for many sectors including Energy and Green Buildings, Urban Planning, Green Cover and Biodiversity, Mobility and Air Quality, Water Management and Waste Management.

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, 2021.

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 2020-21, Shri Lokesh Kumar Jatav, *IAS* ceased to hold Directorship in the Company w.e.f. 13.05.2020 and in his place, Shri Manish Singh, *IAS* was appointed as Chairman cum Nominee Director of the Company w.e.f. 13.05.2020. Shri Asheesh Singh, *IAS* ceased to hold Directorship w.e.f. 13.05.2020 and Smt. Pratibha Pal, *IAS* joined the Board in his place w.e.f. 13.05.2020 as an 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 Prakash Chandra Jain has been appointed as Nominee Director in his place w.e.f. 23.03.2021.

One Independent Director, Smt. Deepti Vyas has resigned from the Board on 15.02.2021. One Nominee Director from Public Health and Engineering Department, Indore Shri Deepak Ratnawat also ceased to hold Directorship in Company w.e.f. 08.03.2021 and in his place Shri Vijay Singh Solanki has been nominated as Director for ISCDL board.

During the running Financial Year 2021-22, Smt. Ruchika Chauhan, IAS ceased to hold Directorship of Company on behalf of MPUDCL w.e.f. 02.09.2021 and Shri Gaurav Benal, IAS has been appointed as Nominee Director in his place.

Except above there was no change in Directors of the Company during the financial year 2020-21 and running financial year 2021-22.

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:-

Smt. Aditi Garg, IAS was posted as CEO of Indore Smart City Development Limited and taken over the charge on 25.06.2019. She was 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. She was on maternity leave from 18.11.2019 to 19.07.2020 and 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.

During the financial year 2020-21, Smt. Aditi Garg, IAS has been transferred and deputed as CEO, Jila Panchayat, Burhanpur and Smt. Sheetla Patle, IAS has been posted as Chief

Executive Officer, Indore Smart City vide GAD, GoMP Order No. E-1/42/2021/5/One Bhopal dated 18.02.2021. She was 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. She was on maternity leave from 04.05.2021 and Shri Sandeep Kumar Soni, Additional Commissioner, Indore Municipal Corporation has exercised the powers and performed duties as CEO (in-change) of ISCDL from 05.05.2021 to 21.07.2021.

During the financial year 2021-22, Smt. Sheetla Patle, IAS has been transferred and posted as Deputy Secretary, GoMP, Bhopal and Shri Rishav Gupta, IAS has been posted as Chief Executive Officer, Indore Smart City Development Limited vide GAD, GoMP Order No. E-1/124/2021/5/One Bhopal dated 12.07.2021. She has joined and taken over charge of CEO from Shri Sandeep Kumar Soni on 22.07.2021. Shri Rishav Gupta, 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. 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. Her contract tenure further extended for one year till 31.03.2022. The matter for her tenure extension shall be placed before Board in 20th Board Meeting.

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 2020-21 and running Financial Year 2021-22.

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. During the financial year 2020-21 the Company has two Independent Directors Smt. Deepti Vyas and Shri Nayan Chimanlal Parikh, but one Independent Director, Smt. Deepti Vyas has resigned from the Board on 15.02.2021 due to her other professional and personal engagements.

As per rule 5 of the Companies (Appointment and Qualification of Directors) Rules 2014, an Independent Director shall possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research,

corporate governance, technical operations or other disciplines related to the company's business. Hence, in this view and to comply the provisions enumerated under Sections 149, 177 & 178 of the Companies Act, 2013, the Company was searching a suitable person who posses aforesaid qualifications for his/her appointment as Independent Director in the Board of ISCDL; and in the 20th Board Meeting held on 15.09.2021 the Board has appointed Dr. Trapti Jain as one more Independent Director of Company subject to MPUDCL approval in terms of Article No. 12(1)(v) of Article of Association of the Company.

Shri Nayan Chimantal 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 helps 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 one (1) meeting of Board of Directors was held on 26.12.2020 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 2020-21 and previous Annual General Meeting are as follows:-

<i>Sr. No.</i>	<i>Name of Director</i>	<i>Designation in ISCDL</i>	<i>Representing Department and/or Designation</i>	<i>Date of Appointment</i>	<i>Date of Cessation</i>	<i>Eligible to attend total Board Meetings</i>	<i>Total Board Meetings Attended (Physically / Electronically)</i>	<i>Attendance at the previous AGM held on 26.12.2020 (Adjourned)</i>	<i>Board composition on Board's Report date</i>
1	Shri Ashwini Kumar	Nominee Director	Representative of the Central Government	09.08.2019	-	1	1	Yes	Shri Ashwini Kumar
2	Shri Tejaswi Subray Naik, IAS	Nominee Director	Representatives of the State Government or the State Government Undertaking	19.03.2020	18.05.2020	NA	NA	NA	Shri Prakash Chandra Jain
	Shri Cheeran Unny Roy			18.05.2020	15.12.2020	NA	NA	NA	
	Shri Prakash Chandra Jain			23.03.2021	-	NA	NA	NA	
3	Shri Swatantra Kumar Singh, IAS	Nominee Director	Representatives of the State Government or the State Government Undertaking	12.11.2018	22.09.2020	NA	NA	NA	-
	Smt. Ruchika Chauhan, IAS*			DIN allotment date	-	NA	NA	NA	
	Shri Gaurav Benal, IAS			-	NA	NA	NA		
4	Shri Lokesh Kumar Jatav, IAS	Chairman cum Nominee Director	District Collector	07.03.2019	13.05.2020	NA	NA	NA	Shri Manish Singh, IAS
	Shri Manish Singh, IAS			13.05.2020	-	1	1	Yes	
5	Shri Asheesh Singh, IAS	Executive Director cum Nominee	Municipal Commissioner, Indore Municipal	18.05.2018	13.05.2020	NA	NA	NA	Smt. Pratibha Pal, IAS

	Smt. Pratibha Pal, IAS	Director	Corporation	13.05.2020	-	1	1	Yes	
6	Shri Vivek Sarotriya, IAS	Nominee Director	Chief Executive Officer, Indore Development Authority	01.07.2019	-	1	1	Yes	Shri Vivek Sarotriya, IAS
7	Shri Shiv Kant Mudgal	Nominee Director	Joint Director, Indore, Directorate of Town & Country Planning, GoMP	11.04.2019	-	1	1	Yes	Shri Shiv Kant Mudgal
8	Shri Sanjay Mohase	Nominee Director	Chief Engineer, Madhya Pradesh Pashchim Kshetriya Vidyut Vitaran Company Limited	05.08.2019	-	1	1	Yes	Shri Sanjay Mohase
9	Shri Deepak Ratnawat	Nominee Director	Chief Engineer, Public Health and Engineering Department	11.04.2019	08.03.2021	1	0	No	
	Shri Vijay Singh Solanki			DIN allotment date	-	NA	NA	NA	-
10	-	Nominee Director	Nominee of Mayor of Indore Municipal Corporation	-	-	-	-	-	-
11	Shri Nayan Chimanlal Parikh	Independent Director	Independent Director	22.02.2020	-	1	1	Yes	Shri Nayan Chimanlal Parikh
12	Smt. Deepti Vyas	Independent Director	Independent Director	12.11.2018	15.02.2021	1	1	Yes	-

** Smt. Ruchika Chauhan, IAS, Shri Vijay Singh Solanki and Shri Gaurav Benal, IAS have been nominated as Directors of ISCDL vide MPUDCL order/s dtd. 22.09.2020, 08.03.2021 and 02.09.2021 respectively. The effective date for appointment of both Nominee Directors shall be their DIN allotment date/s.*

Resolution by Circulation: During the financial year under review no Board Resolution was passed by way of "Resolution by Circulation" under Section 175 of the Companies Act, 2013.

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 resignation of Independent Director, Prof. Shri Rishikesha 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:-

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

However, due to resignation of one Independent Director, Smt. Deepti Vyas, the Committee has only two Directors at the end of financial year 2020-21.

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.

As Independent Director, Shri Rishikesha 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:-

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

However, due to resignation of one Independent Director, Smt. Deepti Vyas, the Committee has only two Directors at the end of financial year 2020-21.

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.

As, Independent Director, Shri Rishiksha Thiruvankata 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:-

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

However, due to resignation of one Independent Director, Smt. Deepti Vyas and transfer of Non-executive Director, Shri Deepak Ratnawat the Committee has only one Director on the end of financial year 2020-21.

ix) Details of Committee(s) Meetings

During the financial year under review the Members of Audit Committee were duly met one (1) time on 23.12.2020. The details of Audit Committee Meeting and Member's attendance therein are as follows:-

Sr. No.	Name of Committee Member	No. of Committee Meetings Held	No. of Committee Meetings Attended (Physically/Electronically)
1	Shri Nayan Chimanlal Parikh	1	1
2	Smt. Deepti Vyas	1	1
3	Shri Shiv Kant Mudgal	1	0

The Members of Nomination and Remuneration Committee were duly met one (1) time during the financial year under review on 23.12.2020. The details of Nomination and Remuneration Committee Meeting and Member's attendance therein are as follows:-

Sr. No.	Name of Committee Member	No. of Committee Meetings Held	No. of Committee Meetings Attended (Physically/Electronically)
1	Smt. Deepti Vyas	1	1
2	Shri Nayan Chimanlal Parikh	1	1
3	Shri Deepak Ratnawat	1	0

Stakeholders Relationship Committee members were duly met one (1) time on 23.12.2020. The details of such Committee Meeting and Member's attendance therein are as follows:-

Sr. No.	Name of Committee Member	No. of Committee Meetings Held	No. of Committee Meetings Attended (Physically/Electronically)
1	Shri Sanjay Mohase	1	1
2	Shri Nayan Chimanlal Parikh	1	1
3	Smt. Deepti Vyas	1	1

As Company had only two Independent Directors and one Independent Director, Smt. Deepti Vyas has resigned from the Board on 15.02.2021. Due to insufficient members for conducting the separate meeting of Independent Directors, such meeting could not have been held during the financial year 2020-21.

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.

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 31st March, 2021, 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.

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	U75110MP2015S GC034139	Holding	50%	Section 2(87)(i) read with clause (b) of explanation

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, however following cases are pending with Arbitration/Courts/Tribunal:-

- Under Arbitration, against M/s Power and Instrumental Gujarat Limited for Underground Cabling Works with Compact type Sub-Stations for Selected Major Roads and Markets surrounding Rajwada Area in Indore.
- As Madhya Pradesh Government has allotted land to ISCDL at MOG line Indore without any monetary consideration for redevelopment purpose, but the same is occupied by old existing government quarters. Government has issued notices to all its employees to vacate

the quarters. The matter is pending before High Court due to filing of petition by existing resident of government quarters, a review petition from ISCDL is also been filed.

- SLP have been filed in Hon'ble Supreme Court against order passed by High Court of MP Bench at Indore whereby the High Court has dismissed the writ petition in respect of RFP issued for selection of concessionaire for implementation of Intelligent Street Pole at of 6 smart cities of Madhya Pradesh under public private partnership on design build own operate and transfer model.
- 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 Mehta & Bhorkar, Chartered Accountants of Indore was appointed as Statutory Auditor of the Company for financial year 2021-22 by virtue of C&AG order No. CA. V/COY/MADHYA PRADESH, ISCDL(1)/1690 dated 27.08.2021. M/s Mehta & Bhorkar, Chartered Accountants have given their consent to act as Statutory Auditors of the Company as required under Section 139 of the Companies Act, 2013 and the Member's approval shall be obtained in 5th Annual General Meeting of Company.

M/s P.S. Tripathi & Associates, Company Secretaries, Indore was appointed Secretarial Auditors of the Company for 3 years w.e.f. 01.09.2016 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 15th 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 financial year 2020-21. Now, for further extension of their service tenure the Board confirmation in terms of Section 138 of the Companies Act, 2013 shall be obtained in their 20th 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 2020-21. The '**Secretarial Audit Report**' attached as **Annexure-I** has following qualifications (cited in Point No. 2 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 not declared till date. The position for Nominee Director of Mayor (Indore Municipal Corporation) shall be filled as soon as nomination received from future Mayor.

- b. Adjourned Annual General Meeting for the FY 2018-19, which was required to be held on or before 10.12.2019 was held on 26.12.2020 for the adoption of Financial Statements for the FY 2018-19, 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 2018-19 with ROC on 24.01.2021.

Board Explanation: The 3rd 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 were placed before Members in their adjourned 3rd AGM held on 26.12.2020. For the sake of compliance required under Section 137 of the Companies Act 2013, the adopted Financial Statement was duly filed with RoC on 24.01.2021.

- c. 04th Annual General Meeting for the FY 2019-20, which was required to be held on or before 31.12.2020, was called on 26.12.2020, this AGM was adjourned due to non-availability of comments from Comptroller and Auditor - General of India on Financial Statement, Auditor Report etc. for the Financial Year 2019-2020. The Company is yet to call Adjourned AGM for FY 2019-20 and adopt the Financial Statement for the year which thereby falls under the non compliance of section 92 and 137 of the Companies Act, 2013.

Board Explanation: The 4th AGM was adjourned due to non-availability of C&AG comment on Financial Statement related to F.Y. 2019-20. The company received C&AG's comments through their letter dated 13.08.2021 and such comments shall be placed before Members in the adjourned 4th AGM to be called on such date as may be decided by Board in the 20th Board Meeting.

- d. As per clause no. 12.1 of Articles of Association, the post of Independent Director of the company is vacant as Mrs. Dipti Vyas ceased to be an Independent Director w.e.f.

15.02.2021, due to resignation. Therefore, the Company needs to appoint one more Independent Director in her place.

Board Explanation: In the 20th Board Meeting held on 15.09.2021 the Board has appointed Dr. Trapti Jain as one more Independent Director of Company subject to MPUDCL approval in terms of Article No. 12(1)(v) of Article of Association of the Company.

- e. As per clause no. 12.1 of Articles of Association, the post of Nominee Director (Representative of Madhya Pradesh Urban Development Co. Ltd.) is vacant as Mr. Deepak Ratnawat ceased to be a Nominee Director w.e.f. 08.03.2021, due to Nomination withdrawn by the Appointing Authority and the Authority has nominated Mr. Vijay Singh Solanki in his place. However, the Company cannot appoint him due to non-availability of his Director Identification Number (DIN).

Board Explanation: Necessary KYC documents have been collected from Shri Vijay Singh Solanki for applying his DIN. The DIN application also required Board Resolution. The necessary resolution is passed by the Board in the 20th Board Meeting held on 15.09.2021. Hence, DIN application will be processed shortly.

- f. As per clause no. 12.1 of Articles of Association, the post of Nominee Director (Representative of state Government or state Government Undertaking) is vacant as Mr. Swatantra Kumar Singh ceased to be a Nominee Director w.e.f. 22/09/2020 and the Authority nominate Mrs. Ruchika Chouhan in his place. However, the Company cannot appoint him due to non-availability of her Director Identification Number (DIN).

Board Explanation: DIN of Smt. Ruchika Chauhan, IAS is still awaited. Formal process of her appointment and uploading of necessary e-Form to MCA/RoC shall be done after obtaining her DIN. However, MPUDCL has nominated Shri Gaurav Benal, IAS as Director in place of Smt. Ruchika Chauhan, IAS vide order dtd. 02.09.2021.

- g. The Company needs to hold at least four Board and Audit Committee meetings during the year. However, only one Board meeting and Audit committee meeting has been convened during the year which falls under the non compliance of section 173 and section 177 of the Companies Act, 2013.

Board Explanation: Due to pandemic of COVID-19 and involvement of administration in deal with pandemic conditions, the Meetings could not be called.

- h. There is delay in filling of Form MGT-14 of various resolutions passed in the Board meeting held on 26/12/2020.

Board Explanation: The Minutes of Board Meeting dtd. 26.12.2020 got signed on 25.06.2021 and thereafter e-Form-MGT-14 was filed on 01.07.2021.

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

Board Explanation: A request letter has been sent on 11.02.2021 to M/s P.S. Tripathi & Associates, Practicing Company Secretaries, Indore for not reporting the qualification related to non-constitution of various other committees as mentioned in clause no. 12.15 of Articles of Association of the Company, in their Secretarial Audit Report/s and Monthly Status Report/s.

- j. Independent Directors of the Company are required to register themselves with The Indian Institute of Corporate Affairs (IICA) till 31.12.2020 and also required to go through qualifying exam for independent members of company boards. The Indian Institute of Corporate Affairs (IICA), Haryana, is to hold the exam for the purpose.

Board Explanation: Online Proficiency Assessment Test is exempted for Independent Director, Shri Nayan C. Parikh and another Independent Director Smt. Deepti Vyas has resigned on 15.02.2021 from Board of ISCDL.

- k. Composition of Board is duly constituted with proper balance of Executive Directors, Non-Executive Directors, except appointment of one more Independent Director as Mrs. Dipti Vyas ceased to be an Independent Director w.e.f. 15.02.2021.

Board Explanation: In the 20th Board Meeting held on 15.09.2021 the Board has appointed Dr. Trapti Jain as one more Independent Director of Company subject to MPUDCL approval in terms of Article No. 12(1)(v) of Article of Association of the Company.

- l. Composition of Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee is duly constituted with proper balance of Executive Directors, Non-Executive Directors, except appointment of one more Independent Director as Mrs. Dipti Vyas ceased to be an Independent Director w.e.f. 15.02.2021, who was part of the aforesaid committees.

Board Explanation: The Board has re-constituted the Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee of Board in their 20th Board Meeting held on 15.09.2021 comprising with two Independent Directors (Shri Nayan C. Parikh and Dr. Trapti Jain) and one Non-executive Director in each committee.

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, and do not need any further comments under Section 134 of the Companies Act, 2013.

The Financial Statement, Auditors' Report, Board's Report alongwith all Annexure related to 5th Financial Year ended on 31.03.2021 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 5th 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 2019-20, the 4th AGM was called on 26.12.2020 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, 2020 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 4th AGM of the Company had been adjourned *sine die*. The Financial Statement, Auditors' Report, Board's Report alongwith all Annexure related to 4th Financial Year ended on 31.03.2020 were submitted to C&AG for their review and comments thereon. The Company has received C&AG Comments through their letter dated 13.08.2021 and such comments shall be placed before Members in the adjourned 4th AGM to be called on such date which will be decided by Board in their 20th Board Meeting; and thereafter adopted Financial Statement for the FY 2019-20 shall be submitted to RoC.

The Financial Statement, Auditors' Report, Board's Report alongwith all Annexure related to 3rd Financial Year ended on 31.03.2019 were submitted to C&AG for their review and comments thereon and the C&AG comments have also been received through their letter dtd. 28.07.2020 with instructions to publish such comments as Annexure to Board's Report. Such C&AG comments related to F.Y. 2018-19 were sent to Shareholders for their consideration and adoption in adjourned 3rd AGM of the Company. The Audited Balance Sheet and Statement of Profit & Loss of the Company for the year ended 31st March, 2019 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 3rd AGM of the Company held on 26.12.2020.

16. COST RECORD AND/OR COST AUDIT

The Company does not fall 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. ANNUAL RETURN

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return as on March 31, 2021 is available on the Company's website on <https://www.smartcityindore.org>

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

One meetings of Internal Complaint Committee were duly held on 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: 15.09.2021

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 31st March, 2021

[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 31st March, 2021, 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 31st March, 2021 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);**
- (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:

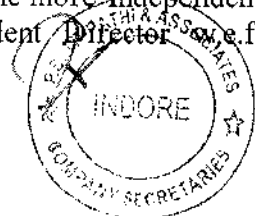
- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

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.
- b. Adjourned Annual General Meeting for the FY 2018-19, which was required to be held on or before 10.12.2019 was held on 26.12.2020 for the adoption of Financial Statements for the FY 2018-19, 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 2018-19 with ROC on 24.01.2021.



- c. 04th Annual General Meeting for the FY 2019-20, which was required to be held on or before 31.12.2020, was called on 26.12.2020, this AGM was adjourned due to non-availability of comments from Comptroller and Auditor - General of India on Financial Statement, Auditor Report etc. for the Financial Year 2019-2020. The Company is yet to call Adjourned AGM for FY 2019-20 and adopt the Financial Statement for the year which thereby falls under the non compliance of section 92 and 137 of the Companies Act, 2013.
- d. As per clause no. 12.1 of Articles of Association, the post of Independent Director of the company is vacant as Mrs. Dipti Vyas ceased to be an Independent Director w.e.f. 15.02.2021, due to resignation. Therefore, the Company needs to appoint one more Independent Director in her place.
- e. As per clause no. 12.1 of Articles of Association, the post of Nominee Director (Representative of Madhya Pradesh Urban Development Co. Ltd.) is vacant as Mr. Deepak Ratnawat ceased to be a Nominee Director w.e.f. 08.03.2021, due to Nomination withdrawn by the Appointing Authority and the Authority has nominated Mr. Vijay Singh Solanki in his place. However, the Company cannot appoint him due to non-availability of his Director Identification Number (DIN).
- f. As per clause no. 12.1 of Articles of Association, the post of Nominee Director (Representative of state Government or state Government Undertaking) is vacant as Mr. Swatantra Kumar Singh ceased to be a Nominee Director w.e.f. 22/09/2020 and the Authority nominate Mrs. Ruchika Chouhan in his place. However, the Company cannot appoint him due to non-availability of his Director Identification Number (DIN).
- g. The Company needs to hold at least four Board and Audit Committee meetings during the year. However, only one Board meeting and Audit committee meeting has been convened during the year which falls under the non compliance of section 173 and section 177 of the Companies Act, 2013.
- h. There is delay in filling of Form MGT-14 of various resolutions passed in the Board meeting held on 26/12/2020.
- i. Company has not constituted various other committees as mentioned in clause no. 12.15 Articles of Association of the Company.
- j. Independent Directors of the Company are required to register themselves with The Indian Institute of Corporate Affairs (IICA) till 31.12.2020 and also required to go through qualifying exam for independent members of company boards. The Indian Institute of Corporate Affairs (IICA), Haryana, is to hold the exam for the purpose.
- k. Composition of Board is duly constituted with proper balance of Executive Directors, Non-Executive Directors, except appointment of one more Independent Director as Mrs. Dipti Vyas ceased to be an Independent Director w.e.f. 15.02.2021.



1. Composition of Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee is duly constituted with proper balance of Executive Directors, Non-Executive Directors, except appointment of one more Independent Director as Mrs. Dipti Vyas ceased to be an Independent Director w.e.f. 15.02.2021, who was part of the aforesaid committees.

3. We further report that:


The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, except appoint of one more Independent Director from February, 2021. 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.

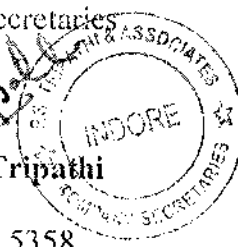
Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance or with shorter period, wherever required, and a system exists for seeking and obtaining further information and clarifications on the agenda items before 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.
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: 15.09.2021
UDIN: F005812C000953935
(Generated on 16.09.2021)

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 2020-21 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: 15.09.2021
UDIN: F005812C000953935
(Generated on 16.09.2021)



L.No. AMG-II/ISCAL/COMMENTS/2020-21/D-32

Date: 27.04.2022

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, 2021 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, 2021 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,


वरि. उपमहालेखाकार/ए.एम.जी ॥

क्र. /ए.एम.जी-2/ओ.ए.डी-1 /लेखा प्रमाणन/जा.

दिनांक:-

प्रतिलिपि:-

महानिदेशक (मध्य क्षेत्र-दो), भारत के नियंत्रक महालेखापरीक्षक का कार्यालय, 9 दीनदयाल उपाध्याय मार्ग, नई दिल्ली-110124 की ओर इंदौर स्मार्ट सिटी डेवलपमेंट लिमिटेड के 31 मार्च 2021 को समाप्त वर्ष के लेखाओं पर कंपनी अधिनियम, 2013 की धारा 143 (6) (b) के अधीन भारत के नियंत्रक महालेखापरीक्षक की टिप्पणियाँ, जैसा कि मुख्य कार्यपालन अधिकारी को जारी की गयी है, सूचनार्थ अग्रेषित है।

संलग्न:- यथोपरि

भवदीय,

हस्ता/-

वरि. उपमहालेखाकार/ए.एम.जी ॥

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL
STATEMENTS OF INDORE SMART CITY LIMITED FOR THE YEAR ENDED 31
MARCH 2021**

The preparation of financial statements of Indore Smart City Limited, Indore for the year ended 31 March 2021 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) of the Act 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 15 September 2021.

I, on behalf of Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Indore Smart City Limited, Indore for the year ended 31 March 2021 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 Auditor and is limited primarily to inquiries of the Statutory Auditor 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

Non-Current Assets

Capital Work in Progress- Rs. 43273.65 lakh- (Note-4)

(a) Capital Work in Progress incorrectly includes an amount of Rs. 658.89 lakh in respect of Work Flow Management System (WFM) which went live on 01.11.2020 and last instalment of the contract of Rs. 73.21 lakh was also paid on 18.06.2021, prior to the closure (15.09.2021) of the Financial Statements for the year 2020-21. This has resulted in overstatement of Capital Work in Progress by Rs. 658.89 lakh, understatement of Financial liabilities by Rs. 73.21 lakh,

understatement of Property, Plant and Equipment-Gross Block by Rs. 732.10 lakh and corresponding understatement of depreciation by Rs. 57.95 lakh and overstatement of profit to the same extent.

(b) Operation and maintenance expenses amounting to Rs. 15.25 lakh relating to Work Flow Management System for the period November 2020 to March 2021 has neither been paid nor provided for by the Company in the financial statements. This has resulted in understatement of financial liabilities and understatement of Project expenditure-by Rs. 15.25 lakh each and corresponding overstatement of profit to the same 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: 27.04.22

**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 2020-21**

Sr.No.	Comment	Reply of the Management
A	<p>Comment on Financial Position</p> <p>Balance sheet</p> <p>Non-Current Assets</p> <p>Capital Work in Progress- Rs. 43273.65 lakh- (Note-4)</p> <p>(a) Capital Work in Progress incorrectly includes an amount of Rs. 658.89 lakh in respect of Work Flow Management System (WFM) which went live on 01.11.2020 and last installment of the contract of Rs. 73.21 lakh was also paid on 18.06.2021, prior to the closure (15.09.2021) of the Financial Statements for the year 2020-21. This has resulted in overstatement of Capital Work in Progress by Rs. 658.89 lakh, understatement of Financial liabilities by 73.21 lakh, understatement of <i>Property</i>, Plant and Equipment-Gross Block by Rs. 732.10 lakh and corresponding understatement of depreciation by Rs. 57.95 lakh and overstatement of profit to the same extent.</p>	<p>That in regard to Work Flow Management System (WFM), the same has been capitalized in the financial statements of FY 2021-22 even though the same was put to use during the financial year 2020-21, in this regard we would like to submit that as per para 21 of IND AS 38 , Intangible assets, <i>"The Intangible Asset shall be recognized if, and only if :</i></p> <p>(a) <i>It is probable that expected future economic benefits that are attributable to the asset will flow to the entity; and</i></p> <p>(b) <i>The cost of the asset can be measured reliably.</i></p> <p>That is present case the Go Live of the assets was issued in the FY 2020-21 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. The same has no impact on Profit and Loss Account of the Company as the equal amount of</p>

		<p>grant will also be transferred to Profit & Loss Account.</p> <p>The Company has already Capitalized the asset during the FY 2021-22.</p>
	<p>Operation and maintenance expense amounting to Rs. 15.25 lakh relating to work flow management system for the period November 2020 to March 2021 has neither been paid nor provided for by the company in the financial statements. This has resulted in understatement of financial liabilities and understatement of project expenditure-by Rs. 15.25 lakh each and corresponding overstatement of profit to the same extent.</p>	<p>That in regard to Operation and maintenance expenses relating to Work Flow Management System, we would like to state that, no O&M bill for the same has been raised by the party till 31.03.2021.</p> <p>Further the Asset has been capitalised during the FY. 2021-22 and hence the O&M expenditure can be accounted for in FY. 2021-22 itself.</p> <p>The same has no impact on Profit and Loss Account of the Company as the equal amount of grant will also be transferred to Profit & Loss Account.</p>

For & on behalf of Board of Directors


Chief Executive Officer
Indore Smart City Development Limited



CA. Rajendra Mehta B.Com., F.C.A.

CA. S.K. Bhorkaskar B.Com., F.C.A.

CA. Lokesh Jain B.Com., F.C.A.

211, N.M. Tower, 1st Race Course Road
Near 56 Shops, INDORE-452 001 (M.P.)
Tel. : (0731) 2520093, 4984825
E-mail : mbcait@gmail.com

INDEPENDENT AUDITOR'S REPORT

To,

THE MEMBERS OF INDORE SMART CITY DEVELOPMENT LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **INDORE SMART CITY DEVELOPMENT LIMITED** ("the company"), which comprise the Balance Sheet as at 31st March 2021, the Statement of Profit and Loss (Including other Comprehensive Income), Cash Flow Statement, the Statement of Changes in Equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

Opinion

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 ("Ind AS") prescribed under section 133 of the act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2021, **loss (including other comprehensive income), changes in equity and its cash flows** for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing ("SAs") specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Other Information

The Company's Board of Directors is responsible for the other information. The other information obtained at the date of this auditor's report is information included in the annual report, but does not include the financial statements and our auditor's report thereon.



Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

In preparing the financial statements, the Board of Directors 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 no realistic alternative but 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the 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 SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 risks of material misstatement of the 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- 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 the related disclosures in the 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 financial statements, including the disclosures, and whether the 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 the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged 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 financial statements of the current period and 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

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 'A' a statement on the matters Specified in paragraphs 3 and 4 of the Order, to the extent applicable.



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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books of the company.
- c) The Balance Sheet, Statement of Profit and Loss (Including other Comprehensive Income), Cash Flow Statement, the Statement of Changes in Equity dealt with by this Report are in agreement with the books of accounts of the company.
- d) In our opinion, the aforesaid 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 has been informed and explained to us that exemption has been granted from the applicability of the provisions of section 164(2) by way of notification no. GSR 463(E) dated 5th June, 2015.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
- g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

Date : 15-09-2021

Place : INDORE

FOR M/S MEHTA & BHORASKAR
(Chartered Accountants)

Reg No. :008016C



CA LOKESH JAIN

Partner

M.No. : 078898

UDIN : 21078898AAAA CX 5067

Annexure - A to the Auditors' Report The Annexure referred to in Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31st March 2021, 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 property being land admeasuring 16.413 hectare has been transferred to the company by M.P. State Government vide letter no. 10-45/2018/18-2 dated 25-09-2018. Till previous year the above land was shown under the head investment property at a carrying value of Re. 1/-. The same during the year has been transferred under the head stock-in-trade. Of the above, mutation/ nomination of land admeasuring 7.749 hectare, in the name of the company, is pending and is under process as at the reporting date.
- (ii) As explained to us the inventory of the company has been physically verified during the year by the management. In our opinion the frequency of the verification is reasonable and no material discrepancies were noticed on verification between the physical stock and book records.
- (iii) According to the information and explanations given to us the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act'). Accordingly Paragraph 3(iii) of the Order is not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not granted/made any loans, investments and guarantees covered under the provisions of section 185 and 186 of the Act. Accordingly Paragraph 3(iv) of the Order is not applicable.
- (v) In our opinion and according to the information and explanations given to us the Company has not accepted any deposits from the public within the meaning of Section 73 to 76 or any other relevant provisions of the Act. Accordingly Paragraph 3(v) of the Order is not applicable.
- (vi) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act. Accordingly Paragraph 3(vi) of the Order is not applicable.



(vii)(a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing undisputed statutory dues applicable, if any, including provident fund, employees state insurance, goods & services tax, income-tax, duty of customs, service tax, cess and other material statutory dues with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees state insurance, goods & services tax income-tax, duty of customs, service tax, cess and other material statutory dues were in arrears as at 31st March 2021 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues of duty of income tax, sales tax, goods & services tax, duty of excise, service tax, value added tax, customs which have not been deposited with the appropriate authorities on account of any dispute except for disputed demand under Income Tax Act, 1961 which is reported below:

Name of the Statute	Nature of Amount Due	Amount (Rs. in Lacs)	Amount paid in dispute (Rs. in Lacs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax and Interest thereon	692.25	138.50	Financial Year 2016-17	Commissioner of Income Tax (Appeals), Indore

(viii) According to the information and explanations given to us the company has not obtained any loan from financial institutions, banks, government or any other person, Accordingly Paragraph 3(viii) of the Order is not applicable.

(ix) According to the information and explanation given to us by the management, the company has not raised any money by way of initial public offer or further public offer (including debt instruments) or term loan during the year, Accordingly Paragraph 3(ix) of the Order is not applicable.

(x) 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 year.

(xi) According to the information and explanations give to us, the company, being a government company, has been exempted from the applicability of the provisions of section 197 read with Schedule V to the Act by way of notification no. GST 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 the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give 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. Accordingly, paragraph 3(xiv) of the Order is not applicable.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934.

Date : 15-09-2021

Place : INDORE

FOR M/S MEHTA & BHORASKAR
(Chartered Accountants)

Reg No. :008016C



CA LOKESH JAIN

Partner

M.No. : 078898

UDIN : 21078898AAAACXS067

Annexure B

Annexure to the Independent Auditor's Report (Referred to in our report of even date)

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

We have audited the internal financial controls over financial reporting of **INDORE SMART CITY DEVELOPMENT LIMITED** ("the Company") as of March 31, 2021 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 ("the Act").

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.



Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2021, 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 : 15-09-2021

Place : INDORE

**FOR M/S MEHTA & BHORASKAR
(Chartered Accountants)**

Reg No. :008016C



CA LOKESH JAIN

Partner

M.No. : 078898

UDIN : 21078898AAAACX5067

**REPORT UNDER SECTION 143(5) OF THE COMPANIES ACT 2013 OF
INDORE SMART CITY DEVELOPMENT LIMITED, INDORE**

Reference: CAG, Bhopal, Letter No./AMG-II/OAD-I/2020-21/D-55 dated 12-10-2020

We have examined the books of accounts of **INDORE SMART CITY DEVELOPMENT LIMITED, Indore** for the year ended 31st March 2021 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 manually in IT system after transactions have taken place.</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>2. Whether there is any restructuring of an existing loans or cases of waiver/write 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>To the best of our knowledge, information and explanations provided to us, the Company has not taken any loans at any 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 31-03-2021.</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. On the basis of Information, explanation and Management Representation received from the company there is no encroachment on the said land. However, there are government quarters on the said land and legal course of action to vacate said land is under process.</p>
<p>5. Whether the system in vogue for identification of projects to be taken up under Public Private Partnership is in line with the guidelines/policies of the Government? Comment on deviation if any.</p>	<p>Yes, the company is in the process of identification and executing projects under Public Private Partnership under the Smart City Mission of Government of India.</p>
<p>6. 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>



<p>7. Whether funds received/receivable for specific schemes from central/ state agencies were properly accounted for/ utilized? List the cases of deviations.</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 31-03-2021.</p>
<p>8. 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>9. 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/ trade receivables.</p>
<p>10. 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>

Date : 15-09-2021

Place : INDORE

FOR M/S MEHTA & BHORASKAR
(Chartered Accountants)

Reg No. :008016C



(Signature)

CA LOKESH JAIN

Partner

M.No. : 078898

UDIN : 21078898AAAACX5067

INDORE SMART CITY DEVELOPMENT LTD.

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, 2021

₹ (In Lakh)

Particulars	Note	As at March 31, 2021	As at March 31, 2020
ASSETS			
1 NON CURRENT ASSETS			
(a) Property Plant and Equipment	3	13,327.17	15,004.88
(b) Capital Work in Progress	4	43,273.65	31,353.90
(c) Investment Property	5	-	0.00001
(d) Other Non Current Asset			
(i) Other Non Current Asset	6	1,611.70	83.21
(e) Deferred Tax Assets	7	-	-
		58,212.52	46,442.00
2 CURRENT ASSETS			
(a) Inventories	8	460.36	-
(b) Financial Assets			
(i) Cash and Cash Equivalents	9	12,226.04	1,962.67
(ii) Other Bank Balances	10	65.73	64.53
(iii) Trade Recievables	11	279.58	88.01
(iv) Other Financial Assets	12	58.25	76.84
(v) Current Tax asset	13	312.43	456.49
(c) Other Current Assets	14	1,194.13	10,182.44
		14,596.53	12,830.98
TOTAL ASSETS		72,809.05	59,272.98
EQUITY AND LIABILITIES			
Equity			
(a) Equity Share Capital	15	20,000.00	20,000.00
(b) Other Equity	16	(465.32)	(465.02)
		19,534.68	19,534.98
LIABILITIES			
1 NON CURRENT LIABILITIES			
(a) Government Grants for Project Expenditure	17	46,023.93	33,401.44
(b) Financial Liabilities			
(i) Other Financial Liabilities	18	1,404.89	598.74
(c) Provisions - Non Current	19	16.38	9.88
(d) Deferred Tax Liability	7	422.77	465.02
		47,867.96	34,475.08
2 CURRENT LIABILITIES			
(a) Financial Liabilities			
(i) Other Financial Liabilities	20	4,201.68	4,825.21
(b) Trade Payable			
MSME			
Others			
(c) Other Current Liabilities	21	130.52	214.92
(d) Provisions - Current	22	0.12	0.04
(e) Government Grants for A & OE Expenditure	23	1,074.10	222.75
		5,406.41	5,262.92
TOTAL EQUITY AND LIABILITIES		72,809.05	59,272.98
Significant Accounting Policies and Notes on Financial Statements	1 to 43		

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

For Mehta & Boraskar

Chartered Accountants
Firm Reg. No. 008016C

[CA. Lokesh Jain]
Partner

M.No. 078898

UDIN: 21078898AAAAC75067

PLACE: Indore

DATE: 15 Sept, 2021

For and behalf of the Board of Directors

Manish Singh
[Chairman]
DIN : 05277748

Pratibha Pal
[Executive Director]
DIN : 07923882

Rishav Gupta
[Chief Executive Officer]
PAN: AUYPG1556F

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

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

INDORE SMART CITY DEVELOPMENT LTD.

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

PROFIT & LOSS STATEMENT FOR YEAR ENDING AS ON 31 MARCH, 2021

₹ (In Lakh)

Particulars	Note	For the year ended 31.03.2021	For the year ended 31.03.2020
Income			
Revenue From Operations	24	319.63	218.38
Other Income	25	4,531.05	4,876.03
Total income		4,850.68	5,094.41
Expenses			
Expenses for Stock in Trade	26	460.36	-
Changes in inventories of Stock-in -Trade	27	(460.36)	-
Employee benefit expense	28	182.90	176.14
Finance Costs	29	71.51	59.01
Other Expenses	30	497.05	515.16
Total expenses before Depreciation & Project Exp		751.45	750.31
Add:			
a) Project Expenditure (Revenue nature)	31	1,870.29	3,225.84
b) Depreciation and amortization expense			
i. Towards Administrative Assets	3	39.00	40.98
ii. Towards Projects Assets	3	2,189.94	1,077.28
		4,099.23	4,344.10
Total expenses After Depreciation & Project Exp		4,850.68	5,094.41
Profit/(loss) before tax		0.00	(0.00)
Tax expense			
(1) Current tax		-	-
(2) Deferred tax	7	(42.25)	(32.15)
Total Tax		(42.25)	(32.15)
Profit/(Loss) for the year from continuing operations		42.25	32.15
Profit/(Loss) from discontinued operations		-	-
Profit/(loss) for the period		42.25	32.15
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss	32	42.55	-
B (i) Items that will be reclassified to profit or loss			-
Total Other Comprehensive Income		42.55	-
Total Comprehensive Income for the period (Comprising Profit (Loss) and Other Comprehensive Income for the period)		(0.30)	32.15
Earnings per equity share (for continuing operation):			
Basic		(0.00)	0.02
Diluted		(0.00)	0.02
Earnings per equity share (for discontinued operation):		-	-
Significant Accounting Policies and Notes on Financial Statements	1 to 43		

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

For and behalf of the Board of Directors

For Mehta & Boraskar

Chartered Accountants

Firm Reg. No. 008016C

(Signature)

[CA. Lokesh Jain]

Partner

M.No. 078898

UDIN: 21078898AAAACKS067

PLACE: Indore

DATE: 15 Sept, 2021



(Signature)
Manish Singh
[Chairman]
DIN : 05277748

(Signature)
Pratibha Pal
[Executive Director]
DIN : 07923882

(Signature)
Rishav Gupta
[Chief Executive Officer]
PAN: AUYPG1556F

(Signature)
CA. Rachna Gaur
[Chief Financial Officer]
M.No. : 410808

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

INDORE SMART CITY DEVELOPMENT LTD.

CIN :- U75100MP2016SGC035528

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

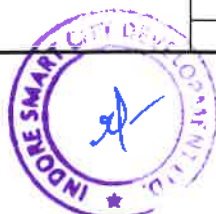
Website : www.smartcityindore.org, ph No. 0731-2538572; E mail : smartcityindore16@gmail.com

CASH FLOW STATEMENT

For the year ended 31st March, 2021

₹ (In Lakh)

Particulars	Year ended 31st March 2021		Year ended 31st March 2020	
A Cash Flow from Operating Activities				
Profit / (Loss) before tax				
Adjustments for:				
Remeasurement of Defined Benefit Plans	(2.01)		-	
Depreciation & Amortisation	2,228.94		1,118.26	
Provision for Gratuity	6.57		9.92	
Movement in Loans and Advances	48.51		8.77	
Miscellaneous Balances Written off			-	
Interest Expense			-	
Grant Transferred	(4,208.88)		(4,673.44)	
Free of Cost Assistance from IMC	(40.54)		-	
		(1,967.41)		(3,536.49)
Operating Profit before Working Capital Changes		(1,967.41)		(3,536.49)
Adjustments for:				
Trade Receivables	(191.57)		(46.16)	
Other financial assets	18.59		6,466.77	
Other Bank Balances	(1.20)		6,596.47	
Inventories	(460.36)		-	
Other Financial Liabilities			(190.99)	
Other Current Assets	8,988.31		(5,649.54)	
Other Non-Current Assets	(1,577.00)		-	
Other Current Liabilities	(84.40)		71.30	
Other Non Current Liability	806.15		306.44	
Movement in deposits		7,498.52	-	7,554.30
Net Cash generated from / (used) in Operating Activities(before tax)		5,531.11		4,017.81
Taxes (Paid) / Refund (net)		144.05		(55.89)
Net Cash generated from / (used) in Operating Activities		5,675.16		3,961.93
B Cash Flow from Investing Activities				
Interest Received				
(Purchase)/ Sale of Tangible Assets (Net)	(12,470.97)		(23,651.19)	
Creditors in relation to project Expenditure	(623.52)		2,743.20	
Net Cash generated from / (used in) Investing Activities		(13,094.50)		(20,907.99)
C Cash Flow from Financing Activities				
Grant Received	17,300.00		9,702.00	
Interest received on Grant	382.71		762.92	
Repayment of Long Term Loans	-		-	
Repayment of Unpaid Matured Debentures	-		-	
Movement in Long Term Provisions	-		-	
Proceeds from Short Term Loans	-		-	
Net Cash generated from / (used in) Financing Activities		17,682.71		10,464.92



Net increase / (decrease) in Cash and Cash Equivalents (A+B+C)	10,263.37	(6,481.15)
Opening Balance of Cash and Cash Equivalents	1,962.67	8,443.82
Closing Balance of Cash and Cash Equivalents	12,226.04	1,962.67
Net increase / (decrease) in Cash and Cash Equivalents	10,263.37	(6,481.15)

Notes:

- 1) Opening and closing balance of cash and cash equivalents do not include FD

As per our report of Even Date

For and behalf of the Board of Directors

For Mehta & Bhoraskar

Chartered Accountants
Firm Reg. No. 008018C



[CA. Lokesh Jain]
Partner

M.No. 078898

UDIN: 21078898A AACN5067

PLACE: Indore

DATE: 15 Sept, 2021





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



Rishav Gupta
[Chief Executive Officer]
PAN.: AUYPG1556F

INDORE SMART CITY DEVELOPMENT LTD.

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, 2021

A. Equity Share Capital		₹ (In Lakh)
Particulars		Amount
Balance at April 1, 2020		20,000.00
Changes in equity share capital during the year		-
Balance at March 31, 2021		20,000.00
B. Other Equity		
Particulars	Reserve & Surplus Retained Earnings	₹ (In Lakh) Total
Balance at the beginning of reporting period 1st April, 2019	(497.17)	(497.17)
Profit as per Profit & Loss Statement for the FY 2019-2020	32.15	32.15
Other Comprehensive Income for the FY 2019-20	-	-
Balance at the end of reporting period 31st March 2020	(465.02)	(465.02)
Valuation adjustment-Deemed capital contribution	-	-
Profit as per Profit & Loss Statement for the FY 2020-21	42.25	42.25
Other Comprehensive Income for the FY 2020-21	(42.55)	(42.55)
Balance at the end of reporting period 31st March 2021	(465.32)	(465.32)

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 Mehta & Bhoraskar
Chartered Accountants
Firm Reg. No. 008016CM. No.
078898[CA. Lokesh Jain]
Partner

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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 "Smart 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) That the useful life of Energy Efficient LED Street Lightning PAN City is taken as per the O&M Period of tendor conditions i.e 5 years and 7 years as applicable
- vi) 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.
- vii) 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.
- viii) 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.



ix) 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.
- iii) 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) Inventories

- i) Items of inventory are measured at lower of cost and net realisable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present condition
- ii) Cost of Inventory are determined using the First-In First-Out(FIFO) basis on moving average prices.

g) 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
- iii) The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

h) 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.

i) 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.

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.

j) 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.



k) 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.

l) 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.

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.



m) 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.

n) 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.

o) 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.

p) 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

q) 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.

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 other financial instruments of the company are getting return i.e. financial assets of the company. It has been determined at yield percentage of deposits made by the company during the year. Till last year the discounting was done at the rate of mobilisation advance given



INDORE SMART CITY DEVELOPMENT LTD.
 CIN :- U75100MP2016SGC035528
 Regd. Off : Smart City Office, Nehru Park Campus, Indore, M.P.
 Property Plant & Equipments

3 Property, Plant and Equipment

₹ (In Lakh)

Particulars	Useful Life (Years)	GROSS BLOCK				DEPRECIATION / AMORTISATION				NET BLOCK	
		As at 01.04.2020	Addition during the year	Deduction during the year	As at 31.03.2021	As at 01.04.2020	For the year	Deduction during the year	Up to 31.03.2021	As on 31.03.2021	As on 31.03.2020
(1)		(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)		(10)
I. OWNED ASSETS											
A. Tangible Assets - Administrative Asset											
1. Computers	3 Y	20.47	0.00	0.00	20.47	14.97	4.04	0.00	19.02	1.46	5.50
		19.72	0.75	0.00	20.47	8.74	6.24	0.00	14.97	5.50	10.98
2. LED TV	5 Y	0.90	0.00	0.00	0.90	0.56	0.17	0.00	0.73	0.17	0.34
		0.90	0.00	0.00	0.90	0.39	0.17	0.00	0.56	0.34	0.51
3. Scanner	5 Y	5.16	0.00	0.00	5.16	3.97	0.93	0.00	4.90	0.26	1.18
		5.16	0.00	0.00	5.16	2.99	0.98	0.00	3.97	1.18	2.16
4. Photocopy Machine	5 Y	4.39	0.00	0.00	4.39	2.68	0.81	0.00	3.49	0.90	1.72
		4.39	0.00	0.00	4.39	1.84	0.83	0.00	2.68	1.72	2.55
5. Furniture	10Y	190.85	0.00	0.00	190.85	40.94	18.14	0.00	59.07	131.77	149.91
		185.96	4.98	0.09	190.85	22.97	17.97	0.00	40.94	149.91	162.98
6. Printer	5Y	1.84	0.00	0.00	1.84	0.62	0.40	0.00	1.02	0.82	1.23
		2.00	0.12	0.28	1.84	0.31	0.35	0.04	0.62	1.23	1.69
7. Laptop	3Y	1.67	0.00	0.00	1.67	0.92	0.45	0.00	1.37	0.30	0.75
		1.11	0.56	0.00	1.67	0.43	0.49	0.00	0.92	0.75	0.68
8. UPS	5Y	6.27	0.00	0.00	6.27	2.14	1.19	0.00	3.34	2.94	4.13
		6.27	0.00	0.00	6.27	0.95	1.19	0.00	2.14	4.13	5.32
9. Web Cam	5Y	0.05	0.00	0.00	0.05	0.02	0.01	0.00	0.03	0.02	0.03
		0.05	0.00	0.00	0.05	0.01	0.01	0.00	0.02	0.03	0.04
10. D. G Set	10Y	117.47	0.00	0.00	117.47	24.18	11.16	0.00	35.34	82.13	93.29
		117.47	0.00	0.00	117.47	13.02	11.16	0.00	24.18	93.29	104.45
11. Samsung Tablet	5Y	0.94	0.00	0.00	0.94	0.32	0.18	0.00	0.50	0.44	0.62
		0.94	0.00	0.00	0.94	0.14	0.18	0.00	0.32	0.62	0.80
12. CC TV Camera	10Y	3.34	0.00	0.00	3.34	0.44	0.32	0.00	0.76	2.58	2.90
		3.34	0.00	0.00	3.34	0.13	0.32	0.00	0.44	2.90	3.21
13. Video Conferencing System	10Y	7.96	0.00	0.00	7.96	1.24	0.76	0.00	2.00	5.96	6.71
		7.96	0.00	0.00	7.96	0.49	0.76	0.00	1.24	6.71	7.47
14. Air Conditioner	10Y	1.86	0.70	0.00	2.56	0.12	0.19	0.00	0.31	2.26	1.74
		0.00	1.86	0.00	1.86	0.00	0.12	0.00	0.12	1.74	0.00
TOTAL (A)		363.17	0.70	0.00	363.87	93.13	38.74	0.00	131.87	232.00	270.04
<i>Previous Year - Total (A)</i>		<i>355.27</i>	<i>8.27</i>	<i>0.37</i>	<i>363.87</i>	<i>52.41</i>	<i>40.76</i>	<i>0.04</i>	<i>93.13</i>	<i>270.04</i>	<i>302.86</i>



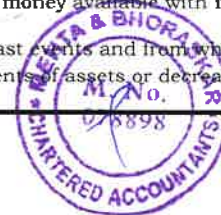
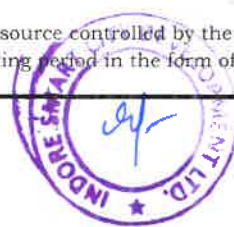
B. Tangible Assets - Project Assets												
1 Garbage Compost Plant at Nehru Park	10Y	63.39	0.00	0.39	63.01	13.07	6.02	0.12	18.97	44.04	50.33	
		63.39	0.00	0.00	63.39	7.04	6.02	0.00	13.07	50.33	56.35	
2. Garbage Compost Plant at Zoo	10Y	59.64	0.00	0.00	59.64	12.47	5.67	0.00	18.14	41.50	47.17	
		59.64	0.00	0.00	59.64	6.81	5.67	0.00	12.47	47.17	52.83	
3. Garbage Drum Compost Plant at Region	10Y	108.85	0.41	0.00	109.25	20.31	10.46	0.00	30.77	78.49	88.53	
		108.85	0.00	0.00	108.85	9.97	10.34	0.00	20.31	88.53	98.87	
4. Mobile/Static Transfer Stations Inc. Hook Loader	15Y	3674.74	0.00	0.00	3674.74	494.61	246.44	0.00	741.05	2933.69	3180.13	
		3085.20	589.54	0.00	3674.74	249.70	244.91	0.00	494.61	3180.13	2835.50	
5. Solar Power Plant at various Location	25Y	741.26	60.54	0.00	801.80	22.99	29.74	0.00	52.73	749.07	718.27	
		42.21	699.05	0.00	741.26	1.48	21.52	0.00	22.99	718.27	40.73	
6. Energy Efficient LED Street Lightning PAN City	7Y	585.82	284.54	0.00	870.36	66.64	105.24	0.00	171.88	698.47	519.18	
		390.89	194.93	0.00	585.82	13.34	53.30	0.00	66.64	519.18	377.54	
7. Energy Efficient LED Street Lightning PAN City	5Y	1486.04	0.00	0.00	1486.04	1.43	459.65	0.00	461.08	1024.96	1484.61	
		0.00	1486.04	0.00	1486.04	0.00	1.43	0.00	1.43	1484.61	0.00	
8. 20 TPD Biomethanation Plant at Choithram Mandi	15Y	748.42	0.00	0.00	748.42	94.65	47.40	0.00	142.05	606.38	653.78	
		748.42	0.00	0.00	748.42	47.25	47.40	0.00	94.65	653.78	701.18	
9. 15 TPD Biomethanation Plant at Kabithkhedhi	15Y	475.97	0.00	0.00	475.97	37.57	30.14	0.00	67.72	408.25	438.40	
		475.97	0.00	0.00	475.97	7.43	30.14	0.00	37.57	438.40	468.54	
10. 2 TPD Biomethanation Plant at Star Square	15Y	42.89	0.00	0.00	42.89	5.41	2.72	0.00	8.13	34.77	37.48	
		42.89	0.00	0.00	42.89	2.69	2.72	0.00	5.41	37.48	40.20	
11. Waste Processing Plant	25Y	176.56	0.00	5.06	171.50	11.93	6.71	0.53	18.10	153.40	164.63	
		176.56	0.00	0.00	176.56	5.22	6.71	0.00	11.93	164.63	171.34	
12. Garbage Transfer Station	10Y	2262.30	0.84	18.64	2244.49	164.27	215.38	2.01	377.65	1866.85	2098.03	
		653.68	1612.34	3.72	2262.30	50.75	113.79	0.27	164.27	2098.03	602.93	
13. Vertical Garden	3Y	181.53	3.93	0.00	185.46	25.15	57.94	0.00	83.09	102.37	156.39	
		0.00	181.53	0.00	181.53	0.00	25.15	0.00	25.15	156.39	0.00	
14. Waste bottle Compaction	5Y	14.23	0.00	0.00	14.23	2.30	2.70	0.00	5.01	9.22	11.92	
		0.00	14.23	0.00	14.23	0.00	2.30	0.00	2.30	11.92	0.00	
15. Construction & Demolition Center	10Y	454.55	193.64	0.00	648.19	31.92	50.64	0.00	82.56	565.63	422.63	
		0.00	454.55	0.00	454.55	0.00	31.92	0.00	31.92	422.63	0.00	
16. Biometric Devices	5Y	45.38	14.95	0.00	60.32	6.78	9.38	0.00	16.16	44.17	38.60	
		0.00	45.38	0.00	45.38	0.00	6.78	0.00	6.78	38.60	0.00	
17. UPS	5Y	3.99	0.00	0.00	3.99	0.76	0.76	0.00	1.52	2.47	3.23	
		0.00	3.99	0.00	3.99	0.00	0.76	0.00	0.76	3.23	0.00	
18. Organic Waste Converter	10Y	38.64	0.00	0.00	38.64	3.20	3.67	0.00	6.87	31.77	35.44	
		0.00	38.64	0.00	38.64	0.00	3.20	0.00	3.20	35.44	0.00	
19. Compact Water Purifier	5Y	392.42	0.00	0.00	392.42	52.34	74.56	0.00	126.90	265.52	340.08	
		0.00	392.42	0.00	392.42	0.00	52.34	0.00	52.34	340.08	0.00	
20. Manless Auto system at GTS	10Y	234.02	0.00	0.00	234.02	19.92	22.23	0.00	42.15	191.87	214.10	
		0.00	234.02	0.00	234.02	0.00	19.92	0.00	19.92	214.10	0.00	
21. Electrical work at GTS	5Y	27.51	0.00	0.00	27.51	0.82	5.23	0.00	6.04	21.47	26.70	
		0.00	27.51	0.00	27.51	0.00	0.82	0.00	0.82	26.70	0.00	



22. Control & Command Center											
a) Building & Infrastructure	60Y	794.95	15.78	0.00	810.73	6.38	12.98	0.00	19.36	791.37	788.57
		0.00	794.95	0.00	794.95	0.00	6.38	0.00	6.38	788.57	0.00
b) Network & Servers	6Y	1714.75	0.00	0.00	1714.75	137.61	271.50	0.00	409.11	1305.64	1577.14
		0.00	1714.75	0.00	1714.75	0.00	137.61	0.00	137.61	1577.14	0.00
c) End User Device	3Y	309.11	0.00	0.00	309.11	49.61	97.88	0.00	147.50	161.61	259.49
		0.00	309.11	0.00	309.11	0.00	49.61	0.00	49.61	259.49	0.00
d) UPS/ Power Backup	5Y	44.52	0.00	0.00	44.52	4.29	8.46	0.00	12.75	31.78	40.23
		0.00	44.52	0.00	44.52	0.00	4.29	0.00	4.29	40.23	0.00
e) Furniture	10Y	116.63	0.00	0.00	116.63	5.62	11.08	0.00	16.70	99.94	111.02
		0.00	116.63	0.00	116.63	0.00	5.62	0.00	5.62	111.02	0.00
TOTAL (B)		14798.12	574.62	24.09	15348.65	1292.04	1794.58	2.66	3083.96	12264.69	13506.08
<i>Previous Year - Total (B)</i>		5847.71	8954.14	3.72	14798.12	401.69	890.63	0.27	1292.04	13506.08	5446.02
C. Intangible Assets - Administrative Asset											
1. Micro Soft Project Panel	5Y	0.74	0.00	0.00	0.74	0.33	0.14	0.00	0.46	0.27	0.41
		0.74	0.00	0.00	0.74	0.19	0.14	0.00	0.33	0.41	0.55
2. Nitro PDF Professional License	5Y	0.63	0.00	0.00	0.63	0.28	0.12	0.00	0.40	0.23	0.35
		0.63	0.00	0.00	0.63	0.16	0.12	0.00	0.28	0.35	0.47
										0.00	
TOTAL (C)		1.37	0.00	0.00	1.37	0.61	0.26	0.00	0.87	0.50	0.76
<i>Previous Year - Total (C)</i>		1.37	0.00	0.00	1.37	0.35	0.26	0.00	0.61	0.76	1.02
D. Intangible Assets - Project Assets											
1. ESRI GIS Software	4Y	123.13	0.00	0.00	123.13	85.73	27.30	0.00	113.02	10.11	37.41
		123.13	0.00	0.00	123.13	56.48	29.24	0.00	85.73	37.41	66.65
2. System Integrator	10Y	147.26	0.00	0.00	147.26	37.35	13.99	0.00	51.34	95.93	109.92
		147.26	0.00	0.00	147.26	23.36	13.99	0.00	37.35	109.92	123.91
3. Integrated Solid Waste Management Software	3Y	555.58	0.00	0.00	555.58	76.64	175.94	0.00	252.58	303.01	478.94
		0.00	555.58	0.00	555.58	0.00	76.64	0.00	76.64	478.94	0.00
4. Swachh Card Application	1Y	84.95	0.00	0.00	84.95	10.83	69.86	0.00	80.70	4.25	74.11
		0.00	84.95	0.00	84.95	0.00	10.83	0.00	10.83	74.11	0.00
5. System Integrator for Cloud at ICC	5Y	583.84	0.00	0.00	583.84	56.22	110.93	0.00	167.15	416.69	527.61
		0.00	583.84	0.00	583.84	0.00	56.22	0.00	56.22	527.61	0.00
TOTAL (D)		1494.77	0.00	0.00	1494.77	266.77	398.02	0.00	664.79	829.98	1228.00
<i>Previous Year - Total (D)</i>		270.40	1224.37	0.00	1494.77	79.84	186.93	0.00	266.77	1228.00	190.56
GRAND TOTAL (A+B+C+D)		16657.43	575.32	24.09	17208.66	1652.55	2231.60	2.66	3881.49	13327.17	15004.88
<i>Previous Year Grand Total (A+B+C+D)</i>		6474.75	10186.78	4.10	16657.43	534.29	1118.58	0.32	1652.55	15004.88	5940.46

Note to 3

- 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.
- 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.

4 Capital Work in Progress

A.Tangible Assets											
Work in Progress of Projects Undergoing Under Smart City Mission											
a. Construction of Garbage Transfer Station	57.38	31.27	88.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	57.38
b. Construction & Demolition Center	95.08	5.58	100.66	0.00	0.00	0.00	0.00	0.00	0.00	0.00	95.08
c. Control & Command Centre	118.99	509.85	0.00	628.84	0.00	0.00	0.00	0.00	0.00	628.84	118.99
d. Solar Power Plant at GTS	64.32	0.00	60.54	3.78	0.00	0.00	0.00	0.00	0.00	3.78	64.32
e. Sludge Irradiation Plant	351.86	700.16	0.00	1052.02	0.00	0.00	0.00	0.00	0.00	1052.02	351.86
f. Infrastructure & Impr for commuter safety	2067.00	271.70	0.00	2338.70	0.00	0.00	0.00	0.00	0.00	2338.70	2067.00
g. Two Wheeler Parking	14.16	212.40	0.00	226.56	0.00	0.00	0.00	0.00	0.00	226.56	14.16
h. Integrated Surveillance	63.72	0.00	0.00	63.72	0.00	0.00	0.00	0.00	0.00	63.72	63.72
TOTAL (A)	2832.51	1730.97	249.86	4313.61	0.00	0.00	0.00	0.00	0.00	4313.61	2832.51
B.Intangible Assets											
Work in Progress of Projects Undergoing Under Smart City Mission											
a. Road Project Work In ABD Area	13739.87	5013.36	0.00	18753.24	0.00	0.00	0.00	0.00	0.00	18753.24	13739.87
b. Chattripura Thana Renovation work	170.32	100.77	0.00	271.09	0.00	0.00	0.00	0.00	0.00	271.09	170.32
c. Redevelopment Of Jinsi Haat Bazaar	735.41	0.00	45.62	689.79	0.00	0.00	0.00	0.00	0.00	689.79	735.41
d. Heritage Redevelopment Work	2077.53	1005.21	250.00	2832.74	0.00	0.00	0.00	0.00	0.00	2832.74	2077.53
e. River Front Development Work	3533.97	1001.21	0.00	4535.17	0.00	0.00	0.00	0.00	0.00	4535.17	3533.97
f. Infatrcture & Buiding Development work of various School	2207.43	741.78	0.00	2949.20	0.00	0.00	0.00	0.00	0.00	2949.20	2207.43
g. Water Supply & sewerage system	4370.41	1557.84	0.00	5928.24	0.00	0.00	0.00	0.00	0.00	5928.24	4370.41
h. Work Flow Management System	658.89	0.00	0.00	658.89	0.00	0.00	0.00	0.00	0.00	658.89	658.89
i. Plant(Symec)	64.60	446.49	0.00	511.09	0.00	0.00	0.00	0.00	0.00	511.09	64.60
j. Redevelopemnt of 56 Shop	155.47	162.13	0.00	317.60	0.00	0.00	0.00	0.00	0.00	317.60	155.47
k. System Integrator	262.49	368.12	0.00	630.61	0.00	0.00	0.00	0.00	0.00	630.61	262.49
l. Modular Type rain harvesting system	545.01	71.51	0.00	616.52	0.00	0.00	0.00	0.00	0.00	616.52	545.01
m. CTMS	0.00	126.43	0.00	126.43	0.00	0.00	0.00	0.00	0.00	126.43	0.00
n. Redevelopment of Nehru Park	0.00	139.42	0.00	139.42	0.00	0.00	0.00	0.00	0.00	139.42	0.00
TOTAL (B)	28521.40	10734.26	295.62	38960.03	0.00	0.00	0.00	0.00	0.00	38960.03	28521.40
GRAND TOTAL (A+B)	31353.90	12465.22	545.48	43273.65	0.00	0.00	0.00	0.00	0.00	43273.65	31353.90

Notes to 5

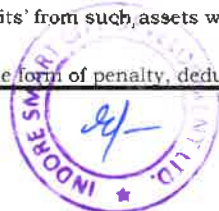
i. The Company has procured various items and incurred certain expenditure, which are tabulated above in this Note 4, by way of utilization of money available with it. The above items and expenditure has been classified as Capital Work in progress.

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. 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.

v. That the company reduce the cost of project by the amount if any in respsect to deductions in the form of penalty, deduction against quality, for forfeiting of Bank guarantee etc.



INDORE SMART CITY DEVELOPMENT LTD.

CIN :- U75100MP2016SGC035528

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

Notes annexed to and forming part of Financial Statements

5 Investment Properties

₹ (In Lakh)

Particulars	As at 31st March-2021	As at 31st March-2020
(I) Gross Carrying Amount		
Opening Balance	0.00001	0.00001
Addition during the year	-	-
Transferred to Stock in Trade during the year	0.00001	-
Closing Balance	-	0.00001
(II) Accumulated Depreciation		
Opening Balance	-	-
Addition during the year	-	-
Disposals during the year	-	-
Closing Balance	-	-
Net Carrying Amount (I-II)	-	0.00001

(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 had recognised the said land in its books of accounts at nominal value during the last year.

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

(iii) During the year the Board of Directors have decided and planned to develop 7.749 Hectare land area at M.O.G Lines, and for which necessary permissions from various authorities have also been taken and accordingly out of total 11 blocks, 3 blocks have already been allotted for sale and further development through tendering process till reporting date. In accordance with this decision this Investment Property during the year has been transferred to Stock in Trade.

6 Other Non Current Asset

₹ (In Lakh)

Particulars	As at 31st March-2021	As at 31st March-2020
Present Value of Facilities Free of Cost as per Ind AS (IMC) (Deferred Expenditure to the extent not written off)	34.70	83.21
Capital Advance	1,577.00	-
Total	1,611.70	83.21

The figure of Rs. 34,70,404 (Previous Year Rs 83,21,461/-) represent present value of some facilities received from Indore Municipal Corporation. It would be charged to Profit & Loss Account off 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	As at 31st March-2021	As at 31st March-2020
Deferred tax liability		
Timing difference on account of Depreciation	875.29	905.51
Deferred tax Asset		
Timing Difference on account of provision for gratuity	3.77	2.58
Timing Difference on account of IND AS adjustments	-	-
Carry Forward Losses	448.75	437.91
Total Deferred Tax Assets	452.52	440.49
Net Deferred tax Asset/(Liability)	(422.77)	(465.02)
At the end of the year	422.77	465.02



INDORE SMART CITY DEVELOPMENT LTD.

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

Component of Deferred Tax Liabilities/(Assets)

₹ (In Lakh)

Particulars	As at 31st March-2020	Charge/(Credit) to Statement of Profit & Loss	As at 31st March-2021
Deferred Tax Assets/(Liabilities) in relation to :			
Depreciation Effect	(905.51)	(30.22)	(875.29)
Carryforward of losses	437.91	(10.85)	448.75
Property Plant and Equipment	-	-	-
Provision for Employee Benefit Expenses	2.58	(1.18)	3.77
Short term provisions	-	-	-
Amount admissible under section 35D of IT Act	-	-	-
Ind AS adjustments	-	-	-
Total	(465.02)	(42.25)	(422.77)

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

₹ (In Lakh)

Particulars	As at 31st March-2021	As at 31st March-2020
Profit/(loss) before tax	0.00	-
Income tax expense at tax rates applicable to individual entities	0.00	-
Add/(Less)	-	-
Depreciation Effect	(30.22)	348.33
Carryforward of losses	(10.85)	(377.90)
Property Plant and Equipment	-	-
Provision for Employee Benefit Expenses	(1.18)	(2.58)
Short term provisions	-	-
Amount admissible under section 35D of IT Act	-	-
Ind AS adjustments	-	-
Income tax expense reported	(42.25)	(32.15)

8 Inventories

₹ (In Lakh)

Particulars	As at 31st March-2021	As at 31st March-2020
Land	0.00001	-
Development Expenses at MOG Lines	460.36	-
Total	460.36	-

(i) Inventory valued at Cost or NRV which ever is lower]

(ii) During the year the Board of Directors has decided and planned to develop 7.749 Hectare land area at M.O.G Lines, and for which necessary permissions from various authorities have also been taken and accordingly out of total 11 blocks , 3 blocks have already been allotted for sale and further development through tendering process till reporting date. In accordance with this decision this Investment Property during the year has been transferred to Stock in Trade.

(iii) Expenses to the extent of Rs.4,60,36,280/- have been incurred upto 31.03.2021 towards various permissions and other costs on MOG Lines area, have been accounted for as a cost of Inventory

9 Cash and Cash Equivalents

₹ (In Lakh)

Particulars	As at 31st March-2021	As at 31st March-2020
Cash & Cash Equivalents		
Balances with Banks		
(i) Saving Accounts	12,226.04	1,133.99
(ii) Fixed Deposit(maturing within 3 months)	-	828.68
	12,226.04	1,962.67

10 Other Bank Balances

₹ (In Lakh)

Particulars	As at 31st March-2021	As at 31st March-2020
(i) Fixed Deposits(Maturing within 6 to 12 Months)	65.73	64.53
	65.73	64.53



INDORE SMART CITY DEVELOPMENT LTD.

CIN :- U75100MP2016SGC035528

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

11 Trade Receivables

₹ (In Lakh)

Particulars	₹ (In Lakh)	
	As at 31st March-2021	As at 31st March-2020
Trade Receivables considered good - secured		-
Trade Receivables considered good - Unsecured	279.58	88.01
Trade Receivables which have significant increase in credit risk		-
Trade Receivables credit impaired		-
Total	279.58	88.01

12 Financial Assets - Other current assets

₹ (In Lakh)

Particulars	₹ (In Lakh)	
	As at 31st March-2021	As at 31st March-2020
Unsecured , Considered Good		
Security Deposit	46.80	35.34
Accrued Interest on FDR	3.76	13.52
Advance to employees & Others	7.70	27.99
Total	58.25	76.84

13 Current Tax Asset

₹ (In Lakh)

Particulars	₹ (In Lakh)	
	As at 31st March-2021	As at 31st March-2020
TDS Receivable	312.43	456.49
Total	312.43	456.49

14 Other current assets

₹ (In Lakh)

Particulars	₹ (In Lakh)	
	As at 31st March-2021	As at 31st March-2020
Unsecured , Considered Good		
Government Grant Receivable	500.00	9,898.00
Advances to Contractors	-	86.01
Advances recoverable from Others	503.27	7.73
Prepaid expenses	5.96	5.96
Balance with Statutory Authorities	184.91	184.75
Total	1,194.13	10,182.44

Note:As per directions received from The Collector, Indore being emergency condition relating to setting up of control room for covid-19 as war room at ICC (ISCDL) & AICTSL TMC control room, Expenditure of Rs. 24700701/- was reimbursed to AICTSL. The amount is recoverable by AICTSL from SDRF Funds and shall be returned back to ISCDL. This amount is included in advance recoverable from other.

15 Share capital

₹ (In Lakh)

Particulars	As at 31st March-2021		As at 31st March-2020	
	Number	Amount	Number	Amount
Authorised				
2,000 Equity Shares (Prev. Year 2,000) of Rs. 10/- each	2,000.00	20,000.00	2,000.00	20,000.00
Issued, Subscribed & fully paid up				
2,000 Equity Shares (Prev. Year 2,000) of Rs. 10/- each	2,000.00	20,000.00	2,000.00	20,000.00
	2,000.00	20,000.00	2,000.00	20,000.00

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

Particulars	As at March 31, 2021		As at March 31, 2020	
	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	2,000.00	20,000.00	2,000.00	20,000.00



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(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, 2021		As at March 31, 2020	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Equity Shares				
Madhya Pradesh Urban Dev. Corp. Ltd	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.

16 **Other Equity**

₹ (In Lakh)

Particulars	As at 31st March-2021	As at 31st March-2020
(a) Surplus/(Deficit) as per the Statement of Profit and Loss		
Balance as per Last Financial statement	(465.02)	(497.17)
Profit/(Loss) for the Year	(0.30)	32.15
Total	(465.32)	(465.02)

Retained Earnings

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

17 **Government Grants for Project Expenditure**

₹ (In Lakh)

Particulars	As at 31st March-2021	As at 31st March-2020
A) Monetary Grant		
Opening Balance	30,475.82	18,716.03
Add:		
(i) MP Government	7,000.00	-
(ii) Central Government	9,300.00	15,300.00
(iii) Share Capital Issued during the year	-	-
Less Grant utilised for Project Expenditure(Revenue Nature)	(3,677.52)	(3,540.20)
Closing Balance	43,098.31	30,475.82
B) Interest Received on Idle Grant		
Opening Balance	2,925.62	2,925.62
Add: Interest Received during the Year	382.71	762.92
Less: Interest Utilised for Project Expenditure (Revenue Nature)	(382.71)	(762.92)
Closing Balance	2,925.62	2,925.62
C) Non-Monetary Grant		
Opening Balance	0.00001	0.00001
Add: Received during the year	-	-
Closing Balance	0.00001	0.00001
	46,023.93	33,401.44

(i) That as per mission Statement & Guideline issued by Ministry of Urban Development GoI, 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.760 crores (Rs.485.00 Cr from GoI & Rs.275.00 Cr from GoMP). It includes GoI grant sanctioned of Rs 98.00 Cr being last installment and out of this, balance of Rs.5.00 Cr is still receivable from UADD.

(ii) 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

(iii) 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.



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18	Financial Liabilities - Other Financial Liabilities (Non-Current)	₹ (In Lakh)	
Particulars	As at 31st March-2021	As at 31st March-2020	
Security deposit withheld-Project	1,404.89	598.74	
Security deposit withheld- Others	-	-	
Total	1,404.89	598.74	
19	Provisions- Non Current	₹ (In Lakh)	
Particulars	As at 31st March-2021	As at 31st March-2020	
Employee Benefits			
Net defined benefits obligations for gratuity	16.38	9.88	
Total	16.38	9.88	
20	Financial Liabilities - Other Financial Liabilities (Current)	₹ (In Lakh)	
Particulars	As at 31st March-2021	As at 31st March-2020	
Creditors for project expenditure	2,963.40	3,961.91	
Creditors for Other Expenditure	278.43	153.99	
Security deposit withheld-Project	519.85	682.18	
Security deposit withheld- Others	6.55	6.55	
Amount Equivalent to Royalty Withheld	10.01	15.66	
EMD Refundable	1.70	1.70	
Performance Security	4.19	3.21	
Advance Premium for Shops pending for allotment*	417.55	-	
Total	4,201.68	4,825.21	
* Amount received from successful bidders of the Gopal Mandir shops have been considered as liability to be adjusted on allotment of shops.			
21	Other Current Liabilities	₹ (In Lakh)	
Particulars	As at 31st March-2021	As at 31st March-2020	
TDS on GST	40.94	55.98	
GST Payable	12.43	12.63	
TDS Payable	60.87	110.26	
EPF (Employee)	1.27	1.24	
ESIC (Employee)	0.01	0.01	
EPF (Employer)	1.34	1.31	
ESIC (Employer)	0.02	0.03	
NPS (Employee)	0.25	0.24	
NPS (Employer)	0.29	0.24	
GIS (Employee)	0.01	0.01	
Labour Cess	13.03	32.91	
Professional tax (Employee)	0.05	0.05	
Total	130.52	214.92	
22	Provisions- Current	₹ (In Lakh)	
Particulars	As at 31st March-2021	As at 31st March-2020	
Employee Benefits			
Net defined benefits obligations for gratuity	0.12	0.04	
Total	0.12	0.04	
23	Government Grants for A & OE Expenditure	₹ (In Lakh)	
Particulars	As at 31st March-2021	As at 31st March-2020	
Opening Balance	222.75		
Grant Received for A&OE Expenditure	1,000.00		
Less: Recognised in P&L Statement to the extent of expenditure	148.66	1,074.10	222.75
Total	1,074.10	1,074.10	222.75



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24 Revenue from operations

₹ (In Lakh)

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
Sale of Service		
Advertisement Income	90.15	122.09
O&M for Material Recovery	150.25	78.39
Income from sale of Carbon Credits	47.00	
Other Operating Revenue		
E-Procurement Fees	32.23	17.90
Total	319.63	218.38

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 and when it is certain that amount will be received

25 Other Income

₹ (In Lakh)

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
Government Grants		
a) Amount transferred from Administrative Grants	148.66	370.31
b) Amount transferred from Project Grants		
i) Grant utilised for Project Expenditure(Revenue Nature)- 3677.52		
ii) Interest Utilised for Project Expenditure (Revenue Nature)- 382.71	4,060.23	4,303.12
Others		
a) Security Deposit Stated at Fair Value	243.29	191.34
b) Free of Cost Assistance from IMC Recognised at Fair Value	8.13	4.82
c) Other Income	8.21	6.43
d) Forfeiture of EMD	62.53	-
Total	4,531.05	4,876.03

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

26 Expenses for Stock in Trade

₹ (In Lakh)

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
Land Cost (Transferred from Investment Property)	0.00001	-
Architectural Fees	1.12	-
Permission Fees and Expenses	431.42	-
Consultancy for Preparation of Detailed Estimation	7.14	-
Supervision Charges	20.38	-
Survey Expenses for MOG Lines	0.29	-
Total	460.36	-

27 Changes in inventories of Stock-in -Trade

₹ (In Lakh)

Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
Inventory at the beginning of the year		
Stock in Trade (MOG Lines Land)	-	-
Inventory at The End of Year		
Stock in Trade (MOG Lines Land)	460.36	-
Total	(460.36)	-

28 Employee Benefits Expense

₹ (In Lakh)

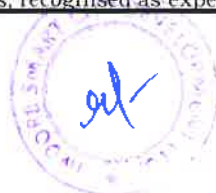
Particulars	Year ended	Year ended
	March 31, 2021	March 31, 2020
Salaries & Wages	158.28	146.75
Contribution to Provident & Other Funds	20.06	18.27
Maternity Benefit	-	1.20
Gratuity	4.56	9.92
Total	182.90	176.14

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:



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Particulars	₹ (In Lakh)	
	2020-21	2019-20
Employer's Contribution to Provident Fund	15.97	16.01
Employer's Contribution to ESIC	0.26	0.36

b. Defined benefit obligations

Details of defined benefit obligations

Particulars	₹ (In Lakh)	
	2020-21	2019-20
Gratuity		
Opening Defined Benefit Obligation	9.92	
Current service cost	3.88	9.92
Net Interest Cost	0.68	-
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	0.10	
Due to experience adjustments	1.91	
Obligation at the end of the year	16.49	9.92

Particulars	₹ (In Lakh)	
	2020-21	2019-20
Amounts recognised in the balance sheet consist of:		
Fair value of plan assets	-	-
Present value of obligations	(16.49)	(9.92)
	(16.49)	(9.92)
Funded plans in deficit are recognised as:		
Net Defined benefit obligations - Provisions - current	(0.12)	(0.04)
Net Defined benefit obligations - Provisions - Non-current	(16.38)	(9.88)
Total	(16.49)	(9.92)

Particulars	₹ (In Lakh)	
	2020-21	2019-20
Expense/(gain) recognised in the statement of profit and loss consists of:		
Employee benefits expense:		
Current service cost	3.88	9.92
Net Interest Cost	0.68	-
Expense/(gain) recognised in the statement of profit and loss	4.56	9.92

Particulars	₹ (In Lakh)	
	2020-21	2019-20
Key assumptions used in the measurement of gratuity is as below:		
Discount rate	6.80%	6.85%
Salary growth rate	5.00%	5.00%
Withdrawal rates are 5.00% per annum for younger ages reducing to 1 % p.a. at older ages		

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 2020-21

Sensitivity analysis

Particulars	₹ (In Lakh)	
	2020-21	2019-20
Effects of Key Assumptions on Defined Benefit Obligations		
0.5 % increase in Discount Rate/ Resulting decrease in Liability	15.52	9.24
0.5 % decrease in Discount Rate / Resulting increase in Liability	17.56	10.63
0.5 % increase in Salary Growth Rate /Resulting increase in Liability	17.30	10.53
0.5 % decrease in Salary Escalation Rate / Resulting decrease in Liability	15.65	9.30
Withdrawal rate (W.R.) sensitivity		
W.R. * 110%	16.57	9.95
W.R. * 90%	16.41	9.90

Maturity Profile of Defined Benefit Obligation

Expected Cashflows



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Particulars	₹ (In Lakh)	
	2020-21	2019-20
Year 1 Cashflow	0.12	0.04
Distribution (%)	0.30%	0.10%
Year 2 Cashflow	1.35	0.07
Distribution (%)	3.00%	0.20%
Year 3 Cashflow	0.63	0.98
Distribution (%)	1.40%	3.10%
Year 4 Cashflow	0.63	0.45
Distribution (%)	1.40%	1.40%
Year 5 Cashflow	0.65	0.45
Distribution (%)	1.50%	1.40%
Year 6 to Year 10 Cashflow	3.23	2.32
Distribution (%)	7.30%	7.30%

29 Finance Cost

Particulars	₹ (In Lakh)	
	Year ended March 31, 2021	Year ended March 31, 2020
Bank Charges	0.16	0.16
Interest on Security Deposit(Unwinding)	71.34	58.85
Total	71.51	59.01

30 Other expenses

Particulars	₹ (In Lakh)	
	Year ended March 31, 2021	Year ended March 31, 2020
Professional Charges	10.82	14.92
Office Expenses	16.98	18.97
Advertising Expenses	36.67	112.38
Professional Charges Planning	71.50	24.70
Professional Fees For Project Development	14.17	19.85
Project Management Consultanat	208.16	214.76
Rent of Premises	7.97	8.77
Electricity Expenses	8.13	4.82
GST fee	-	0.003
GST Interest	0.36	0.11
GST on Dismantle Charges	-	0.61
Housekeeping	72.68	29.39
Interstet on TDS	0.23	0.09
Legal Expenses	5.73	8.41
Participation Fees for Exhibition & Conference	6.01	-
Printing & Stationery Charges	3.41	2.89
Telephone	2.56	2.56
Travelling Charges	1.02	6.44
Vehicle Hiring Charges	26.76	41.22
ROC Expenses	0.20	0.11
Professional Tax	0.03	0.03
Sitting Fees to independent directors	0.97	2.20
Tax audit fees	0.81	0.81
Modification & Updation of ISCDL website	1.39	0.64
Statutory Audit fee	0.50	0.50
Total	497.05	515.16

Other Expenses includes Rent expenses of Rs 7,96,831/- and Electricity Expense of Rs. 8,13,289/-which represents assistance provided by IMC free of cost . The amount is not payable

That office expense includes Kachra Shulk Paid of Rs. 8,10,000/- includes expenditure pertaining to FY 2018-19 & 2019-20 of Rs.5,40,000/-



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31 Project Expenditure (Revenue nature)		₹ (In Lakh)	
Particulars	Year ended March 31, 2021	Year ended March 31, 2020	
Conservation & Restoration of Chhatribagh & Hariraoholkar Chattri	-	76.47	
City Beautification work	-	111.76	
Fixing of railing	-	75.77	
Place Making & Visual Improvement	741.30	1,244.45	
Slum Beautification	-	9.86	
Bioremediation/Biomining of LOD	-	1.23	
O&M for Biomethnation Plant , Transfer Station,Compost Plant , ICCC	290.91	721.59	
Health	-	1.00	
Consultancy for sludge Hygenation	0.24	2.12	
VMS Board Expenses	10.97	2.29	
Tree Census	-	32.27	
Implementation of Digital Payment for IMC	-	17.35	
Consulatncy for Design & Implimentation of Heritage Walk	-	8.54	
Consultancy for Carbon Credit	5.70	3.80	
Conservation & Restoration of Gandhi Hall	491.62	354.35	
Conservation & Restoration of Boliya Sarkar Chattri	54.61	63.33	
Installation of Decorative façade lighting at Krishnapura Chattri	11.20	102.65	
Conservation & Restoration of Malhar Rao Chattri	147.24	71.23	
Registration & Affordable Charges (C&D,Chota Bangarda)	-	0.18	
Con & Misc work of Lalbagh	34.67	-	
ESRI Software Expenditure	-	28.58	
Smart Watches	-	140.52	
Utility Shifting	34.16	138.61	
PRA Line Expenditure for ICCC	2.11	0.53	
Electricity bill for ICCC	39.60	17.36	
ILL & MPLS Recurring Charges	5.96	-	
Total	1,870.29	3,225.84	

32 Other Comprehensive Income		₹ (In Lakh)	
Particulars	Year ended March 31, 2021	Year ended March 31, 2020	
(A) Items that will not be reclassified into profit or loss	-	-	
(i) Free of Cost Assistance from IMC Recognised at Fair Value reversed	40.54	-	
(ii) Remeasurement of defined benefit plans	2.01	-	
Total (A)	42.55	-	
(B) Items that will be reclassified to profit or loss	-	-	
Total (B)	-	-	



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33 Payment to Auditors As:		₹ (In Lakh)	
Particulars	2020-21	2019-20	
(a) Auditors			
Statutory Auditors Fees	0.50	0.50	
Gst	0.09	0.09	
Total	0.59	0.59	

34 EARNING PER SHARES (EPS)		₹ (In Lakh)	
Particulars	2020-21	2019-20	
i) Net Profit after Tax as per statement of Profit and Loss attributable to Equity Shareholders	(0.30)	32.15	
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	(0.00)	0.02	
vi) Diluted Earning Per Share	(0.00)	0.02	
vii) Face Value per Equity Share (Rs.)	10.00	10.00	

35 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 01.04.2020 (KMP) till 20.07.2020
4	Aditi Garg (IAS)	Chief Executive Office from 20.07.2020 (KMP) till 18.02.2021
5	Sheetla Patle (IAS)	Chief Executive Office from 19.02.2021 (KMP) till 21.07.2021
6	CA Rachna Gaur	Chief Finance Officer (KMP)
7	CS Anurag Kumar Saxena	Company Secretary
8	Bhopal Smart City	Common Holding Company
9	Urban Administration &	Control Existes
10	Madhya Pradesh Metro Rail Co	Control Existes
11	Atal Indore City Transport	Control Existes

(ii) Transaction during the year with related parties:

Sr. No.	Related Party	Nature of Transaction	₹ (In Lakh)	
			2020-2021	2019-2020
1	Aditi Garg (IAS) (KMP)	Remuneration	10.37	7.81
2	Sheetla Patle (IAS)	Remuneration	1.92	-
3	CA Rachna Gaur (KMP)	Remuneration	9.50	8.66
4	CS Anurag Kumar Saxena	Remuneration	8.15	7.76
5	Bhopal Smart City Development Limited	Reimbursement for Common Cloud for ICC	-	583.84

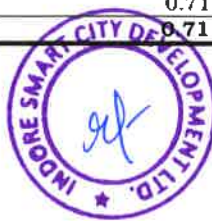
(iii) Balances with Related Parties

Sr. No.	Related Party	31.03.2021	31.03.2020	Nature of transaction
1	Indore Municipal Corporation	198.62	201.97	Amount payable
2	Urban Administration &	7.70	27.98	Amount receivable
3	Madhya Pradesh Metro Rail Co	3.55	7.73	Amount receivable
4	Atal Indore City Transport	247.01	-	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:-

	2020-21	2019-20
i) Short-term benefits	-	-
ii) Post employment benefits	0.71	0.65
Total	0.71	0.65



36 CONTINGENT LIABILITIES AND COMMITMENTS

(I) Contingent Liabilities

(A) Claims against the Company/disputed liabilities not acknowledged as dues

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

(ii) Disputed Amount payable to vendor 156.56

(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 464.53 Crores 958.79 Crores

(B) Other Commitments NIL NIL

37 CAPITAL MANAGEMENT

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

- a) Maintain financial strength to attain AAA ratings domestically and investment grade ratings internationally.
- b) Ensure financial flexibility and diversify sources of financing and their maturities to minimize liquidity risk while meeting investment requirements.
- c) 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.

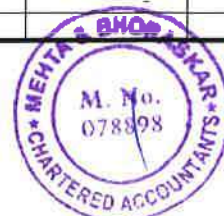
Particulars	₹ (In Lakh)	
	As at 31st March, 2021	As at 31st March, 2020
Non-Current Liabilities (Other than DTL)	47,445.19	34,010.06
Current maturities of Long Term debts	-	-
Gross Debt	47,445.19	34,010.06
Cash and Cash Equivalents	12,226.04	1,962.67
Net Debt (A)	35,219.15	32,047.39
Total Equity (As per Balance Sheet) (B)	19,534.68	19,534.98
Net Gearing (A/B)	1.80	1.64

38 FINANCIAL INSTRUMENTS

(i) Financial instruments by category

The carrying value of financial instruments by categories as at March 31, 2021 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
Financial Assets						
Trade Receivables	11	-	-	-	279.58	279.58
Cash and cash equivalents	9	-	-	-	12,226.04	12,226.04
Other Bank Balances	10	-	-	-	65.73	65.73
Loan	-	-	-	-	-	-
Other Financial Assets (Current)	12	-	-	-	58.25	58.25
Other Financial Assets (Non Current)	-	-	-	-	-	-
Total					12,629.60	12,629.60



Financial Liabilities						
Borrowings (Current)		-	-	-	-	-
Borrowings (Non Current)		-	-	-	-	-
Trade Payables		-	-	-	-	-
other Financial Liabilities (Current)	20	-	-	-	4,201.68	4,201.68
other Financial Liabilities (Non Current)	18	1,404.89	-	-	-	1,404.89
Total		1,404.89	-	-	4,201.68	5,606.57

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
Financial Assets						
Trade Receivables	11	-	-	-	88.01	88.01
Cash and cash equivalents	9	-	-	-	1,962.67	1,962.67
Other Bank Balances	10	-	-	-	64.53	64.53
Loan		-	-	-	-	-
Other Financial Assets (Current)	12	-	-	-	76.84	76.84
Other Financial Assets (Non Current)		-	-	-	-	-
Total		-	-	-	2,192.05	2,192.05
Financial Liabilities						
Borrowings (Current)		-	-	-	-	-
Borrowings (Non Current)		-	-	-	-	-
Trade Payables		-	-	-	-	-
other Financial Liabilities (Current)	20	-	-	-	4,825.21	4,825.21
other Financial Liabilities (Non Current)	18	598.74	-	-	-	598.74
Total		598.74	-	-	4,825.21	5,423.94

Carrying amounts of trade receivables, cash and cash equivalents, bank balances, and trade payables as at March 31, 2021 and 2020, 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.	31-03-2021	31-03-2020
(a) Financial assets measured as FVTPL upon initial recognition	0	0.00	0.00
(b) Financial assets measured at amortised cost	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 (i)+(ii)	0	314.64	250.19
(i) Security Deposit Stated at Fair Value	25	243.29	191.34
(ii) Interest on Security Deposit(Unwinding)	29	71.34	58.85

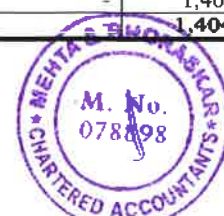
All financial instruments are initially recognized and subsequently re-measured at fair value as described below:

(iii) Fair Value measurement hierarchy:

Fair value measurement hierarchy as at 31st March 2021

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	
Financial Assets						
Trade Receivables	11	279.58	-	-	-	-
Cash and cash equivalents	9	12,226.04	-	-	-	-
Other Bank Balances	10	65.73	-	-	-	-
Loan	-	-	-	-	-	-
Other Financial Assets (Current)	12	58.25	-	-	-	-
Other Financial Assets (Non Current)	-	-	-	-	-	-
Total		12,629.60				
Financial Liabilities						
Borrowings (Current)	-	-	-	-	-	-
Borrowings (Non Current)	-	-	-	-	-	-
Trade Payables	-	-	-	-	-	-
other Financial Liabilities (Current)	20	4,201.68	-	-	-	-
other Financial Liabilities (Non Current)	18	1,404.89	-	-	1,404.89	1,404.89
Total		5,606.57			1,404.89	1,404.89



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	
Financial Assets						
Trade Receivables	11	88.01	-	-	-	-
Cash and cash equivalents	9	1,962.67	-	-	-	-
Other Bank Balances	10	64.53	-	-	-	-
Loan	-	-	-	-	-	-
Other Financial Assets (Current)	12	76.84	-	-	-	-
Other Financial Assets (Non Current)	-	-	-	-	-	-
Total		2,192.05				
Financial Liabilities						
Borrowings (Current)	-	-	-	-	-	-
Borrowings (Non Current)	-	-	-	-	-	-
Trade Payables	-	-	-	-	-	-
Other Financial Liabilities (Current)	20	4,825.21	-	-	-	-
Other Financial Liabilities (Non Current)	18	598.74	-	-	598.74	598.74
Total		5,423.94			598.74	598.74

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

Particulars	As at 31 March 2021	As at 31 March 2020
	At FVTPL	At FVTPL
Opening Balance	598.74	292.30
Addition during the year	978.10	438.93
Sale/Reduction during the year	0	0.00
Total Gain/(loss)	171.95	132.49
Closing Balance	1404.89	598.74

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

Interest Rate Exposure ₹ (In Rupees)

Particulars	As at 31st March, 2021	As at 31st March, 2020
Financial Assets		
Fixed Deposit With Bank Long Term & Bank Balance with Saving	12,291.77	2,027.20
Total	12,291.77	2,027.20



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

Interest rate Sensitivity Particulars	₹ (In Lakh)			
	As at 31st March,2021		As at 31st March,2020	
	Up Move	Down Move	Up Move	Down Move
Impact on Equity				
Impact on P & L	71.59	71.59	26.62	26.62
Total Impact	71.59	71.59	26.62	26.62

(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

As at 31 March 2021

Particulars	₹ (In Lakh)			
	Less than One	1 to 5 years	More than 5	Total
Non-derivative				
Security Deposits Refundable	526.40	443.65	903.95	1873.99
Derivative (N.A)				

As at 31 March 2020

Particulars	₹ (In Lakh)			
	Less than One	1 years to 5	More than 5	Total
Non-derivative				
Security Deposits Refundable	688.73	653.02	222.14	1,563.89
Derivative (N.A)				

(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.

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

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

As at March 31st, 2021 and March 31st 2020, 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,2021	As at 31st March,2020
(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	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

41 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.



42 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 2020-21

43 APPROVAL OF FINANCIAL STATEMENTS

The financial statements were approved for issue by the board of directors on 15 Sept, 2021

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

For and behalf of the Board of Directors

For M/s Mehta & Bhorkar
Chartered Accountants
Firm Reg. No. 008016C



[CA. Lokesh Jain]
Partner
M.No. 078898

UDIN: 21078898AANACX5067

PLACE: Indore
DATE: 15 Sept, 2021



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



Rishav Gupta
[Chief Executive Officer]
PAN: AUYPG1556F



Smart City
INDORE

Indore Smart City
Development Limited



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