

NAME

**BHUBANESWAR SMART CITY LIMITED
BMC BHAWANI MALL, 5TH FLOOR, SAHEED NAGAR,
BHUBANESWAR-751007, ODISHA**

STATEMENT OF ACCOUNTS / DOCUMENTS

FOR THE PERIOD FROM 01.04.2018 TO 31.03.2019

MPS & ASSOCIATES

CHARTERED ACCOUNTANTS

L -11, BERMUNDA HB COLONY, BHUBANESWAR – 751003

TELEPHONE NO. 0674-2354653



MPS & ASSOCIATES

CHARTERED ACCOUNTANTS

L-11, Baramunda HB Colony, Bhubaneswar – 751 003

Telephone No : 0674- 2354653

EMAIL : mpsbbsr@gmail.com

To,

Dt. 16.11.2019

The Additional Deputy Comptroller & Auditor General (Commercial Audit)

10, Bahadur Shah Zafar Marg,

New Delhi-110124

Sir,

(Sub- Statutory Audit of M/s BHUBANESWAR SMART CITY LIMITED for the year 2018-2019)

We are sending herewith the audited accounts along with our observations as per Companies Act, 2013 of M/s Bhubaneswar Smart City Limited for the year 2018-19. We hope that you will find the report is in order & acceptable.

Thanking You,

Yours faithfully,

For MPS & Associates
Chartered Accountants


CA. P.R. Acharya
Partner
Membership No.-061658



Date: 16.11.2019

Place: Bhubaneswar

- CC: 1. O/o The Accountant General (General & Social Sector Audit), ODISHA
2. The CEO, Bhubaneswar Smart City Limited, Bhubaneswar



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Independent Auditor's Report

**To the Members of
M/s BHUBANESWAR SMART CITY LIMITED**

Report on the Ind AS financial statements

OPINION

We have audited the accompanying Ind AS financial statements of **BHUBANESWAR SMART CITY LIMITED** ("hereinafter referred to as the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS 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 accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, and profit/loss and its cash flows for the year ended on that date.

Basis for Opinion

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

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Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of utmost significance in our audit of the Ind AS financial statements for the current period. These matters were addressed in the context of our audit of the Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No	Key Audit Matters	Auditor's Response
1	Transition to Ind AS. The company has adopted Ind AS from 1 st April, 2018 with an effective date of 1 st April, 2017 for such transition. For the periods upto and including the year ended as on 31 st March, 2018, it had prepared and presented its financial statements in accordance to erstwhile generally accepted accounting principles in India (Indian GAAP). To give the effect of transition to Ind AS, these financial statements for the year ended as on 31 st March, 2019 together with the comparative financial information for the previous year ended 31 st March 2018 and the transition date Balance Sheet as at 1 st April, 2017 have been prepared under Ind As	<ul style="list-style-type: none">• Read the Ind As impact assessment performed by the management and the resultant changes made to the accounting policies considering the requirements of the new framework.• Evaluated the exemptions and exceptions allowed by Ind AS and applied by the management in applying the first-time adoption principle of Ind As 101 in respect of fair valuation of assets and liabilities existing as at transition date.• Tested the disclosure prescribed under Ind AS and accounting adjustments passed as at the transition date and in respect of the previous year to convert the financial information reported under erstwhile Indian GAAP to Ind AS.
2	Recognition, presentation and disclosures of revenues and other related balances.	Govt. Grants towards the capital expenditures has been kept under capital reserve and shall be adjusted against the capital assets after the completion of the particular construction. Interest income received on accounts of govt. Grant for capital layout is capitalised and not shown as income.

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Information Other than the Ind AS financial statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the Ind AS financial statements and our auditor's report thereon. Our opinion on the Ind AS 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 Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, 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.

Management's Responsibility for the Ind AS financial statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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In preparing the Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has 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 Ind AS financial statements

Our objectives are to obtain reasonable assurance about whether the Ind AS 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 Ind AS 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 Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, 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.

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- 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 Ind AS 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 Ind AS financial statements, including the disclosures, and whether the Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Ind AS financial statements may be influenced. We have considered quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Ind AS financial statements.

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.

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

Report on Other Legal and Regulatory Requirements

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

- a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
- b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, subjects to our observations as reported in "**Annexure - A**" to this report.
- c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. in our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors of the company none of the directors of the company, is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure - B**" to this report.

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g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "**Annexure - C**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

Place: Bhubaneswar

Date: 16/11/2019

For **MPS & Associates**

Chartered Accountants

FRN: 325105E

CA. P R Acharya

Membership No. 061658

UDIN: 19061658AAAFR9626





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"Annexure A" to the Independent Auditor's Report of even date on the standalone Ind AS financial statements of **BHUBANESWAR SMART CITY LIMITED**

(Referred to in paragraph 1 (b) of Report on Other Legal and Regulatory Requirements of our report of even date).

We report that :

1. During the year under review an amount of Rs. 23,75,02,529.60 and Rs.5,00,00,000/-been expended towards BUS QUE SHELTERS and PUBLIC BICYCLE SHARING respectively through Capital Region Urban Transport and accounted under Capital-Work-In-Progress without proper written agreement with Capital Region Urban Transport (CRUT). Therefore in absence of valid agreement we are unable to comment on the justification of financial transactions made with Capital Region Urban Transport (CRUT).
2. During the year under review, smart city sanitation expenses of Rs. 5,29,80,000/- been made by passing a provision entry in the books of account without proper supporting but on the basis of letter received from Bhubaneswar Municipal Corporation. Therefore in absence of proper supporting documents we are unable to comment on the expenses.
3. As observed, an amount of Rs. 8,76,666/- been paid in excess to contractor Ramesh Ch Samal towards Goods and Service Tax Amount on 7th RA bill for 2017-18 for redevelopment work of 3 Nos of park in Saheed Nagar locality as per PFMS-204-dt-23.12.2017. As per tender terms and conditions the said GST amount should be inclusive of the works order value awarded & as well as such excess amount paid to the contractor is still not recovered. Therefore, in our opinion CWIP for Saheed Nagar Smart Park is excess reported by an amount of Rs.8.76,666/-.
4. During the year under review, penalty charges recoverable @ 0.50% for Rs. 1,67,027/- is as per clause no.-(2a) of Tender Terms from contractor Mr. Biswa Prasad Mohanty on Estimated Contract Values awarded for Rs.3,34,05,389/- with a specific condition for completion of work within a period of 11 months with effect from 04/10/2017. But work is not completed during the period under review as well as no extension of time was allowed and no clarification

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received for the delay in completion. Therefore, in our opinion profit & Loss account is under reported by an amount of Rs.1,67,027/-.

5. During the year under review, Total ITC claimed As per GSTR - 3B for the month of March, 2019 is Rs. 2,67,37,678/- (IGST Rs.6,66,000/-, CGST Rs. 1,30,35,839/- & SGST Rs. 1,30,35,839/-) whereas the said amount is not matching with books of accounts. As explained by the management, GST Reconciliation is pending and will be reconciled during filing of GST annual return for the financial year 2018-19. Therefore, we are unable to comment on the effects of non-reconciliation of GST on the financial statements of the company.

Place: Bhubaneswar

Date: 16/11/2019

For **MPS & Associates**

Chartered Accountants

FRN:325105E



CA. P R Acharya

Membership No: 061658

UDIN: 19061658AAAAFR9626



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"Annexure - B" to the Independent Auditor's Report of even date on the standalone Ind AS financial statements of BHUBANESWAR SMART CITY LIMITED

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 **BHUBANESWAR SMART CITY LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the 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.

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Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS 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 Ind AS 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 consolidated Ind AS 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

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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, 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". However the internal audit process needs to be further strengthened covering all aspects of business activity of the entity .

Place: Bhubaneswar

Date: 16/11/2019

For **MPS & Associates**

Chartered Accountants

FRN:325105E

CA. P. P. Acharya

Membership No. 061658

UDIN: 19061658AAAAFR9626





Annexure - C

(Referred to in paragraph 2 of Report on Other Legal and Regulatory Requirements of our report of even date).

Referred to in paragraph 2 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Ind AS financial statements of the Company for the year ended March 31, 2019:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Company has a program of verification its fixed assets in a phased manner which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification. However it is advised to have physical verification of fixed assets by an external agency in periodic intervals.
- (c) According to the information and explanations given by the management, following title deeds of land, included in fixed assets/WIP are not available with the Company:
 - MLCP-SAHEED NAGAR
 - IPSC (Saheed Nagar)
 - MLCP-UNIT-II
 - SOCIAL EQUITY CENTER
 - IPSC, BAPUJI NAGAR
 - SENSORY PARK
 - SAMRT PARK- SAHEED NAGAR
- (d) the company does not hold any inventories and therefore, the provisions of clause 3 (ii) of the Order does not apply to the company.



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- 2) According to information and explanations given to us, the Company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. So, the clause (iii)(a), (b), (c) of the Order is not applicable.
- 3) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 4) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2019 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.
- 5) Maintenance of cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 not applicable to the company for the Current Financial Year.
- 6) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues have generally been regularly deposited during the year by the Company 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, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, duty of excise, cess and other statutory dues were in arrears as at 31st March 2019 for a period of more than six months from the date they became payable.





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b) As at March 31st 2019 details of disputed statutory dues of income tax, sales tax, Value added tax and Entry tax are as follows:

Sl No	Period	Name of the Tax Law	Demand	Forum in which pending
			Amount (Rs) in Lakhs	
1			NIL	

- 7) The Company has not defaulted in repayment of dues to any financial institutions, banks and debenture holders.
- 8) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- 9) During the course of our examination of books of account carried out in accordance with the generally accepted auditing practices in India and in our opinion and as per 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.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 11) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 12) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the Ind AS financial statements as required by the applicable accounting standards.

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- 13) As per information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence reporting under clause (xiv) of the Order is not applicable.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 15) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Place: Bhubaneswar

Date: 16/11/2019

For MPS & Associates

Chartered Accountants

FRN:325105E



CA P. R. Acharya

Membership No: 061658

UDIN: 19061658AAAAFR9626



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Annexure-I

Directions under section 143 of the Companies Act, 2013
For the Annual Accounts of 2018-19

S.I No	Directions	Remarks
General Direction		
1	Whether the Company has clear title lease deeds for free hold and leasehold respectively? If not, please state the area of free hold and leasehold land for land which title/lease deeds are not available.	No. Title deeds of all lands included in fixed assets/WIP are not available with the Company.
2	Whether there are any cases of waiver/write-off of debts/loans/interest etc., if yes, the reasons there for and amount involved.	No
3	Whether proper records are maintained for inventories lying with third parties & assets received as gifts/grants from Government or other authorities?	The company does not hold any inventories. As payments are made on the basis of running bills after completion & certification of work by the authority concerned so inventories of contractors awarded the work are not of BSCL.
Sector specific direction(Infrastructure)		
1.	Whether the company has taken adequate measures to prevent encroachment of idle land owned by it? Whether any land of the Company is encroached under litigation not put to use or declared surplus? Details may be provided?	Company does not own any land as no title deeds of land was with the company. The lands on which construction is going on are under WIP & without any encroachment.
2.	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 the deviation if any.	No project is taken up on the basis of PPP mode by the company.
3.	Whether system of monitoring the execution of works vis-à-vis the milestones stipulated in the agreement is in existence and the impact of cost escalation, if any, revenues/losses from contracts, etc. have been properly accounted for in the books?	Yes, except as reported in our audit report regarding penalty to be recovered for delay in completion of the work.

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EMAIL : mpsbbsr@gmail.com

4.	Whether funds received/receivable for specific schemes from Central/state agencies were properly accounted for/utilized? List the cases of deviations.	Yes
5.	Whether the bank guarantees have been revalidated in time?	Yes
6.	Comment on the confirmation of balances of trade receivables, trade payables, term deposits, bank accounts and cash obtained.	Balance confirmation was available from banks. But balance confirmation from trade payables was not available.
7.	The cost incurred on abandoned projects may be quantified and the amount actually written-off shall be mentioned.	NIL. As explained no projects declared as abandoned.

For MPS & Associates

Chartered Accountants

CA. P R Acharya

Partner

Membership No: 061658

UDIN: 19061658AAAAFR9626



Date: 16/11/2019

Place: Bhubaneswar

ANNUAL ACCOUNTS
FOR
2018-19



Bhubaneswar Smart City Limited

BMC-Bhawani Mall, Block-1, 5th Floor, Saheed Nagar, Bhubaneswar-751007

BHUBANESWAR SMART CITY LIMITED
BMC-Bhawani Mall, Block-1, 5th Floor, Saheed Nagar, Bhubaneswar-751007
Balance Sheet as at 31st March, 2019

(In Rs)

Sl No.	Particulars	Notes No.	As at 31st March, 2019	As at 31st March, 2018	As at 31st March, 2017
1.	ASSETS				
(1)	Non-Current Assets				
	(a) Property, Plant and Equipment	1	2,00,72,003	23,21,744	31,35,638
	(b) Capital Work-in-Progress	2	1,98,88,24,655	17,38,46,370	-
	(c) Other Intangible Assets	3	-	7,841	-
	(d) Intangible Assets under Development		-	-	-
	(e) Financial Assets				
	(i) Investments	4	-	18,97,000	15,51,000
	(ii) Other Financial assets	5(A)	36,63,260	27,87,990	10,29,600
	(f) Deferred Tax Assets (Net)		3,29,468	-	-
	(g) Other Non-Current Assets	6(A)	1,87,779	3,75,557	-
(2)	Current Assets				
	(a) Financial Assets				
	(i) Cash & Cash Equivalents	7	1,98,51,47,895	3,71,69,32,347	3,89,38,32,030
	(ii) Bank Balances other than (i) above		-	-	-
	(iii) Loans		-	-	-
	(iv) Other Current Financial Assets	5(B)	48,29,516	68,53,429	59,00,003
	(b) Current Tax Asset (Net)		-	-	-
	(c) Other Current Assets	6(B)	7,04,74,037	5,44,86,768	3,26,15,708
	TOTAL ASSETS		4,07,35,28,613	3,95,95,09,047	3,93,80,63,980
II.	EQUITY AND LIABILITIES				
	EQUITY				
	(a) Equity Share Capital	8	2,50,00,00,000	2,50,00,00,000	2,50,00,00,000
	(b) Other Equity	9	1,44,15,92,797	1,40,52,62,958	1,43,26,29,618
	LIABILITIES				
(1)	Non-current liabilities				
	(a) Financial Liabilities		-	-	-
	(i) Other Financial Liabilities	10(A)	1,04,46,265	23,42,764	-
	(b) Other Non-Current Liabilities	12(A)	3,00,00,005	3,00,00,004	1
(2)	Current liabilities				
	(a) Financial Liabilities				
	(i) Trade Payables and Other Payables	11			
	(a) Dues of micro and small enterprises				
	(b) Dues of creditors other than micro and small enterprises		7,03,66,452	61,36,511	23,81,446
	(ii) Other Financial Liabilities	10(B)	28,89,266	77,90,037	4,85,000
	(b) Other Current Liabilities	12(B)	1,81,29,158	78,69,741	3,65,464
	(c) Provisions	13	1,04,670	1,07,032	22,02,451
	TOTAL EQUITY & LIABILITIES		4,07,35,28,613	3,95,95,09,047	3,93,80,63,980

Notes forming part of the financial statements

(1-18)

For MPS & Associates
Chartered Accountants
FRN: 325106E

CA P.R. Acharya
Partner
M. No. 061658

Company Secretary

Chief Financial Officer

For and on Behalf the Board of Directors
Bhubaneswar Smart City Ltd.

Director cum-CEO
DIN: 211
06551288

Director
DIN: 02984779



BHUBANESWAR SMART CITY LIMITED

BMC-Bhawani Mall, Block-1,5th Floor,Saheed Nagar,Bhubaneswar-751007

Statement of Profit and Loss for the Year ended on 31st March, 2019

In Rupees			
Particulars	Note No.	As at 31st March, 2019	As at 31st March, 2018
I Revenue from operations	14	10,01,875	
II Other Income	15	14,50,26,112	17,62,88,416
III Total Income (I+II)		14,60,27,987	17,62,88,416
IV Expenses			
(a)Employee Benefit Expenses	16	1,17,79,441	88,47,847
(b)Finance Costs	17	-	-
(c)Depreciation and Amortisation Expenses	1 & 3	38,71,606	13,72,643
(d)Other Expenses	18	14,75,74,326	29,46,23,267
Total Expenses		16,32,25,373	30,48,43,757
V Profit /(loss) before Exceptional Items and tax (III-IV)		(1,71,97,386)	(12,85,55,341)
VI Exceptional Items		-	-
VII Profit/Loss before tax(V-VI)		(1,71,97,386)	(12,85,55,341)
VIII Tax Expense			
(1)Current Tax		-	-
(2)Deferred Tax		(3,29,468)	-
IX Profit/(loss) after tax (VII-VIII)		(1,68,67,918)	(12,85,55,341)
X Other Comprehensive Income			
(A)(i) Items that will not be reclassified to Profit or Loss			
(i) Related to employee benefit		-	-
(ii)Income Tax Relating to items that will not be Reclassified to Profit or Loss		-	-
(B)(i)Items that will be reclassified to Profit or Loss		-	-
(ii)Income Tax relating to items that will be Reclassified to Profit or Loss		-	-
XI Total Comprehensive Income for the Period (Comprising Profit(loss) and Other Comprehensive Income for the Period		(1,68,67,918)	(12,85,55,341)
XII Earnings Per Equity Share			
(1) Basic		(0.67)	(5.14)
(2)Diluted		(0.67)	(5.14)

Notes forming part of the financial statements

(1-18)

For MPS & Associates
Chartered Accountants
FRN: 325106E

CA P.R. Acharya
Partner
M. No: 061658

Company Secretary

Chief Financial Officer

For and on Behalf the Board of Directors
Bhubaneswar Smart City Ltd.

Director -Cum-CEO
DIN: 06551288

Director
DIN: 02984779

BHUBANESWAR SMART CITY LIMITED
BMC-Bhawani Mall, Block-1, 5th Floor, Saheed Nagar, Bhubaneswar-751007
Cash Flow Statement for the year ended 31st March, 2019

		In Rs	
Sl	Particular	As at March 31st, 2019	As at March 31st, 2018
1	Cash flows from operating activities		
	Net profit before taxation, and extraordinary item	(1,71,97,386)	(12,85,55,341)
	Adjustments for Depreciation	38,71,606	13,72,643
	Interest Income	(14,22,02,514)	(14,83,36,833)
	Share From Investee Company P&L FVTPL	18,97,000.00	(3,46,000)
	Office Rent (Fair Value Amortised Expenses)	1,87,779	1,87,779
	Interest Paid	-	-
	Operating profit before working capital changes		
	Increase/(Decrease) in Trade Payable	6,42,29,941	37,55,065
	Increase/(Decrease) in Other Financial Liabilities	32,02,730	96,47,801
	Increase/(Decrease) in Other Current Liabilities	1,02,59,417	75,04,277
	Increase/(Decrease) in Other Non-Current Liabilities	-	3,00,00,000
	(Increase)/Decrease in Income Tax Assets	-	-
	(Increase)/Decrease in other non current Assets	-	-
	(Increase)/Decrease in other current Assets	26,74,394	29,46,212
	(Increase)/Decrease in Other Financial Assets	(6,93,772)	(21,64,271)
	Increase/(Decrease) in Short Term Provisions	(2,362)	(20,95,419)
	Cash generated from operations	(7,37,73,167)	(22,60,84,087)
	Income Tax Paid	(1,86,61,664)	(2,46,29,493)
	Net cash used in operating activities (A)	(9,24,34,831)	(25,07,13,580)
2	Cash flows from investing activities		
	Purchase of fixed assets	(2,16,14,023)	(5,66,587)
	Interest received	29,68,57,036	31,77,12,527
	Advances for Projects		
	Investment in Capital Work-in-progress Projects	(1,81,49,78,285)	(17,38,46,370)
	Equity Shares		
	Fixed Deposit (net)	(9,96,14,350)	(6,94,85,674)
	Net cash used in investing activities (B)	(1,63,93,49,622)	7,38,13,896
3	Cash flows from financing activities		
	Proceeds from issuance of share capital		
	Interest paid		
	Contribution Received from Shareholders towards Equity		
	Increase/(Decrease) in Other Equity		
	Increase in Borrowings - Bank Over Draft		
	Net cash used in financing activities (C)	-	-
4	Net increase in cash and cash equivalents (A+B+C)	(1,73,17,84,452)	(17,68,99,684)
5	Cash and cash equivalents at beginning of period	3,71,69,32,347	3,89,38,32,031
6	Cash and cash equivalents at end of period	1,98,51,47,895	3,71,69,32,347

For MPS & Associates
Chartered Accountants
FRN: 325106E

CA P.R. Acharya
Partner
M. No: 061658

For and on Behalf the Board of Directors
Bhubaneswar Smart City Ltd.

Company Secretary

Chief Finance Officer

Director-Cum-CEO
DIN: 06551288

Director
DIN: 02984779



NOTE: 1: Property, Plant and Equipment
In Rs

Asset	Gross Block				Depreciation			Net Block		Residual Value @ 5% of Acquisition Cost
	Opening Gross Block as on 01.04.2018	Additions during the Year	Deductions during the Year	Closing Gross Block as on 31.03.2019	As at 01.04.2018	Depreciation for the Year	Deduction/ Adjustments	As at 31.03.2019	Net Block as on 31.03.2019	Net Block as on 31.03.2018
Tangible Assets										
Land (Operating Lease)	4	1		5	-	-	-	-	5	4
Building	-	-	-	-	-	-	-	-	-	-
Office Equipment	1,21,570	1,24,500	-	2,46,070	61,479	71,093	-	1,32,572	1,13,498	60,091
Computer	14,72,090	1,56,190	-	16,29,048	9,08,177	3,96,670	-	13,44,847	2,84,201	12,104
Electrical Installations	3,32,585	3,03,16,322	-	1,06,48,807	1,02,170	14,91,703	-	15,93,873	90,54,934	81,453
Furniture & Fixture	22,36,873	1,10,17,151	-	1,32,54,024	7,30,360	19,04,299	-	26,34,659	1,05,19,305	5,32,440
Total	41,63,930	2,16,14,024	-	2,37,77,954	18,02,186	38,63,765	-	57,05,951	2,00,77,003	23,21,744
										12,88,898

NOTE: 3

Asset	Gross Block				Depreciation			Net Block		Residual Value @ 5% of Acquisition Cost
	Opening Gross Block as on 01.04.2018	Additions during the Year	Deductions during the Year	Closing Gross Block as on 31.03.2019	As at 01.04.2018	Depreciation for the Year	Deduction/ Adjustments	As at 31.03.2019	Net Block as on 31.03.2019	Net Block as on 31.03.2018
Software	7,950	-	-	7,950	109	7,841	-	7,950	-	7,841
Software (Work in Progress)	-	-	-	-	-	-	-	-	-	-
Total	7,950	-	-	7,950	109	7,841	-	7,950	-	7,841
Total	41,71,880	2,16,14,024	-	2,57,85,904	18,42,295	38,71,606	-	57,13,901	2,00,72,003	23,29,585
Previous Year	36,05,289	5,66,587	-	41,71,876	4,61,052	13,71,043	-	18,42,295	23,29,581	31,35,637
										2,08,197



NOTE: 1: Property, Plant and Equipment

Asset	Gross Block			Depreciation				Net Block		Residual Value @ 5% of Acquisition Cost	
	Opening Gross Block as on 01.04.2017	Additions during the Year	Deductions during the Year	Closing Gross Block as on 31.03.2018	As at 01.04.2017	Depreciation for the Year	Deduction/ Adjustments	As at 31.03.2018	Net Block as on 31.03.2018		Net Block as on 31.03.2017
Tangible Assets											
Land (Operating lease)	1	3	-	4	-	-	-	-	4	1	-
Buildings	-	-	-	-	-	-	-	-	-	-	-
Office Equipment	1,08,580	12,990	-	1,21,570	21,291	40,188	-	61,679	60,091	87,280	6,079
Computer	12,83,523	1,89,375	-	14,72,898	1,67,343	7,80,834	-	9,48,177	5,24,721	11,16,180	73,645
Electrical Installations	3,17,595	14,990	-	3,32,585	23,426	78,744	-	1,02,170	2,30,415	2,94,169	16,629
Furniture & Fixture	18,05,591	3,41,282	-	21,46,873	2,57,592	4,72,768	-	7,30,360	15,06,513	16,37,999	1,11,844
Total	36,05,290	5,58,640	-	41,63,930	4,69,652	11,72,534	-	18,42,186	23,21,744	31,35,638	2,08,197
NOTE: 3											
Intangible Assets											
Software	-	7,950	-	7,950	-	109	-	109	7,841	-	-
Software (Work in Progress)	-	-	-	-	-	-	-	-	-	-	-
Total	-	7,950	-	7,950	-	109	-	109	7,841	-	-
Total											
	36,05,290	5,66,590	-	41,71,880	4,69,652	11,72,643	-	18,42,295	23,29,585	31,35,638	2,08,197
Previous Year	-	36,05,290	-	36,05,290	-	4,69,652	-	4,69,652	31,35,638	-	1,89,265



NOTE: 2

CAPITAL WORK -IN-PROGRESS

In Rs

Particulars	Opening As at 01.04.2018	Addition during the Year	Adjustments	Closing As at 31.03.2019
ATSC	2,92,42,054.20	3,64,54,504.66		6,56,96,558.86
IPSC	17,046.00	1,83,93,790.00		1,84,10,836.00
LAKE NEUTRAL	14,091.00	1,69,990.40		1,84,081.40
MASTER SYSTEM INTEGRATION	9,61,07,644.08	1,10,55,71,184.96	1,50,000.00	1,20,15,28,829.04
BUS QUE SHELTERS (CWIP)	-	23,75,02,529.60		23,75,02,529.60
MLCP-SAHEED NAGAR	3,68,470.00	5,05,47,245.00	1,50,270.00	5,07,65,445.00
MLCP-UNIT-II	3,45,467.00	3,08,68,488.00		3,12,13,955.00
SMART JANPATH	19,625.00	25,51,66,452.00	1,43,255.00	25,50,42,822.00
SMART PARK- SAHEED NAGAR	1,73,95,955.00	38,92,081.00		2,12,88,036.00
SOCIAL EQUITY CENTER	3,03,36,018.00	2,65,33,405.00		5,68,69,423.00
PUBLIC BICYCLE SHARING(CWIP)		5,00,00,000.00		5,00,00,000.00
IPSC, BAPUJI NAGAR (CWIP)		13,888.00		13,888.00
SENSORY PARK (CWIP)		3,08,251.00		3,08,251.00
TOTAL	17,38,46,370.28	1,81,54,21,809.62	4,43,525.00	1,98,88,24,654.90



INVESTMENT

4 Investment- Non Current

Particular	As at March 31st,2019	As at March 31st,2018	As at March 31st,2017
(i)Investment in BPTSL	-	18,97,000	15,51,000
TOTAL	0	18,97,000	15,51,000

OTHER FINANCIAL ASSETS

5(A) Other Financial Assets- Non Current

Particular	As at March 31st,2019	As at March 31st,2018	As at March 31st,2017
(i)Security Deposits (Office Building)at amortised cost	29,69,488	27,87,990	10,29,600
(ii) Security Deposits (Others)	6,93,772	-	-
TOTAL	36,63,260	27,87,990	10,29,600

5(B) Other Financial Assets- Current

Particular	As at March 31st,2019	As at March 31st,2018	As at March 31st,2017
(i)Loans and Advances			
(a) Advance Receivables considered good - Secured;	-	-	-
(b) Advance Receivables considered good - Unsecured;	-	-	-
(i)Advance for Bhubaneswar One Mobile-App- BOA	48,29,516	48,29,516	50,04,346
(c) Advance Receivables which have significant increase in Credit Risk;	-	-	-
(d) Advance Receivables - credit impaired	-	-	-
(ii)Interest Accrued on Fixed Deposits	-	20,23,913	8,95,657
TOTAL	48,29,516	68,53,429	59,00,003

OTHER ASSETS

6(A) Other Assets - Non Current

Particular	As at March 31st,2019	As at March 31st,2018	As at March 31st,2017
(i)Prepaid Office Rental Expenses	1,87,779	3,75,557	-
TOTAL	1,87,779	3,75,557	0

6(B) Other Assets- Current

Particular	As at March 31st,2019	As at March 31st,2018	As at March 31st,2017
Advances other than capital advances:			
(i)Advance for expenses	32,512	27,06,906	56,53,118
(ii)Advance Income Tax including TDS/TCS Receivable	7,02,53,747	5,15,92,083	2,69,62,590
(iii)Prepaid Office Rental Expenses	1,87,779	1,87,779	-
TOTAL	7,04,74,037	5,44,86,768	3,26,15,708



7 Cash & Cash Equivalents

Particular	As at March 31st, 2019	As at March 31st, 2018	As at March 31st, 2017
A) Current Cash and bank balances			
(a) Unrestricted Balances with banks	23,92,13,423	11,19,83,525	3,93,97,534
(b) Cheques, drafts on hand -		-	-
(c) Cash in hand -		-	-
(d) Balances with banks in deposit accounts with original maturity of less than 3 months	1,06,48,89,834	3,60,49,48,822	3,85,44,34,496
Cash and Cash equivalent as per balance sheet	1,30,41,03,257	3,71,69,32,347	3,89,38,32,030
B) Other Bank Balances			
(a) Balances with banks in deposit accounts with original maturity more than 3 months	68,10,44,638	-	-
Total Other Bank Balances	68,10,44,638	-	-
TOTAL	1,98,51,47,895	3,71,69,32,347	3,89,38,32,030

8 Equity Share Capital

Equity Share Capital	As at March 31st, 2019	As at March 31st, 2018	As at March 31st, 2017
Authorized:	Amount	Amount	Amount
Equity shares of Rs 100 each with voting rights	5,00,00,00,000	5,00,00,00,000	5,00,00,00,000
Issued, Subscribed and Fully Paid:			
Equity shares of Rs 100 each with voting rights	2,50,00,00,000	2,50,00,00,000	2,50,00,00,000

(ii) Details of shares held by each shareholder holding more than 5% shares:

	No. of Shares	As at March 31st, 2019	No. of Shares	As at March 31st, 2018	No. of Shares	As at March 31st, 2017
Equity shares with voting rights	No. of Shares	% holding in that class of shares	No. of Shares	% holding in that class of shares	No. of Shares	% holding in that class of shares
Housing & Urban Development Department, Govt. of Odisha	1,12,50,000	45%	1,12,50,000	45%	1,12,50,000	45%
Bhubaneswar Municipal Corporation (BMC)	1,12,50,000	45%	1,12,50,000	45%	1,12,50,000	45%
Bhubaneswar Development Authority (BDA)	25,00,000	10%	25,00,000	10%	25,00,000	10%
Percentage	2,50,00,000	100%	2,50,00,000	100%	2,50,00,000	100%



9 OTHER EQUITY

	As at March 31st, 2019	As at March 31st, 2018	As at March 31st, 2017
	Amount	Amount	Amount
(i) Capital Reserve			
Opening Balance	1,62,38,74,937	1,52,26,86,256	-
Add: Capital Grant Reserve	-	-	1,42,00,00,000
Interest on Smart City Mission Grant Fund	5,31,97,757	10,11,88,681	10,16,86,256
Balance at the end of the reporting period - March 31st 2019	1,67,70,72,694	1,62,38,74,937	1,52,26,86,256
(ii) Retained Earnings			
Opening Balance	-11,86,11,979	-9,00,56,638.50	-
Transfer to retained earnings	-1,68,67,918	-12,85,55,340.88	-9,00,56,638.50
Balance at the end of the reporting period - March 31st 2019	-23,54,79,897	-21,86,11,979	-9,00,56,639
TOTAL (i)+(ii)	1,44,15,92,797	1,40,52,62,958	1,43,26,29,618

OTHER FINANCIAL LIABILITIES

10(A) Other Financial Liabilities - Non Current

Particular	As at March 31st, 2019	As at March 31st, 2018	As at March 31st, 2017
(i) Security Deposit-Contractors	1,04,46,265	23,42,764	-
TOTAL	1,04,46,265	23,42,764	0

10(B) Other Financial Liabilities - Current

Particular	As at March 31st, 2019	As at March 31st, 2018	As at March 31st, 2017
(i) Earnest Money Deposits (EMD) Collected	21,69,420	71,83,420	4,85,000
(ii) Unpaid Liability-Employees	7,19,846	6,06,617	-
TOTAL	28,89,266	77,90,037	4,85,000

11 Trade Payables and Other Payables

Particular	As at March 31st, 2019	As at March 31st, 2018	As at March 31st, 2017
(i) Total outstanding dues of micro enterprises and small enterprises	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises			
a) Sundry Creditors-UNFPA	6,41,480	3,58,777	2,48,526
b) Sundry Creditors for Capital Goods	85,03,899	55,62,634	21,32,920
c) Sundry Creditors for Services	6,09,44,541	-	-
d) Sundry Creditors for Retainership	2,76,332	2,15,100	-
TOTAL	7,03,66,452	61,36,511	23,81,446

OTHER LIABILITIES

12(A) Other Financial Liabilities - Non Current

Particular	As at March 31st, 2019	As at March 31st, 2018	As at March 31st, 2017
Grants Received from OJHM, GoD (Social Equity Centre)	3,00,00,000	3,00,00,000	-
Grant in Kind (Land for Projects) from GoD and Local Authorities at Nominal Cost of Rs 1/-	5	4	1
TOTAL	3,00,00,005	3,00,00,004	1

12(B) Other Financial Liabilities - Current

Particular	As at March 31st, 2019	As at March 31st, 2018	As at March 31st, 2017
(i) Statutory Dues Payable	1,80,12,167	77,43,106	2,62,804
(ii) Employees Contribution Payable	1,16,991	1,26,633	1,02,660
TOTAL	1,81,29,158	78,69,741	3,65,464

13 Provisions

Particular	As at March 31st, 2019	As at March 31st, 2018	As at March 31st, 2017
(i) Provisions for Income Tax	-	-	-
(ii) Provisions for Expenses	1,04,670	1,07,032	22,02,451
TOTAL	1,04,670	1,07,032	22,02,451



14 Revenue From Operation

Particulars	For the Period from April 01, 2018 to March 31, 2019	For the Period from April 01, 2017 to March 31, 2018
Parking Fees (Hockey World Cup)	10,01,875	
	10,01,875	-

15 Other Income

Particulars	For the Period from April 01, 2018 to March 31, 2019	For the Period from April 01, 2017 to March 31, 2018
(a) BSCL Misc. Project Grants		
(i) Unfpa-Contribution	37,26,228	39,39,238
(ii) H & UD-Grant- A & OE	-	2,00,00,000
(iii) BMC-Contribution-ODF Activities	4,50,000	30,00,000
	41,76,228	2,69,39,238
(b) Income Other than Grants		
(i) Bank Interest Received (UNFPA)	28,524	48,046
(ii) Bank Interest Received - 50100189688908	18,784	30,304
(iii) Bank Interest Received-Sweep	1,34,88,489	29,81,818
(iv) FDR-Interest Received-HDFC	38,82,075	6,67,44,352
(v) FDR-Interest Received-IDBI	10,500	-
(vi) FDR-Interest Received-IndusInd	11,20,24,409	-
(vii) FDR-Interest Received-OSCB	1,25,68,235	7,83,61,908
(viii) Interest Income(Security Deposit _Rent FVTPL)	1,81,498	1,70,405
	14,22,02,514	14,83,36,833
(c) Net Gain/(Loss) on Financial Assets Designated as at FVTPL		
(i) Share from Investee Company's Profit & Loss FVTPL	(18,97,000)	3,46,000
	(18,97,000)	3,46,000
(d) MISC Income		
(i) RTI Information Fees	102	50
(ii) BID Processing Fees	3,96,000	6,30,000
(iii) Recoveries from Employees	-	2,000
(iv) Recoveries for Fuel	2,218	17,600
(v) Recoveries from Vendors	-	16,695
(vi) EMD Forfeited	1,00,000	-
(vii) Prior period Income	46,050	-
	5,44,370	6,66,345
Total Other Income a+b+c+d	14,50,26,112	17,62,88,416



16 Employee Benefits Expenses

Particulars	For the Period from April 01, 2018 to March 31, 2019	For the Period from April 01, 2017 to March 31, 2018
(i) Basic Pay	80,23,125	3,72,780
(ii) House Rent Allowances	3,10,890	38,86,077
(iii) Consolidated Pay	-	5,84,554
(iv) Conveyance Charges	(1,04,905)	(92,129)
(v) Dearness Allowances	7,72,723	30,72,377
(vi) Grade Pay	13,200	4,30,599
(vii) BSCL Contribution (NPS)	1,73,707	1,31,628
(viii) BSCL Contribution (QTR Rent)	35,213	51,246
(ix) Leave Salary & Pension Contribution	17,60,540	4,10,715
(x) Arrear Incremental Pay & Allowances	7,94,948	-
Total Employee Benefits Expenses	1,17,79,441	88,47,847

17 Finance Cost

Particulars	For the Period from April 01, 2018 to March 31, 2019	For the Period from April 01, 2017 to March 31, 2018
(i) Finance Cost	-	-
Total Finance costs	-	-

18 Other Expenses

Particulars	For the Period from April 01, 2018 to March 31, 2019	For the Period from April 01, 2017 to March 31, 2018
(a) Smart City Sanitation Expenses		
(i) Waste Let's Recycle	-	12,50,00,000
(ii) Smart Environment Management Exp	5,29,80,000	-
(b) Project cost : Unfpa Smart City Awareness Expenses		
(i) NGO Expenses	19,03,380	14,82,934
(ii) Programme Management Support	20,72,410	18,33,619
(iii) Youth Connect Programme	8,33,778	18,84,208
(iv) Knowledge Management Programme	3,49,497	5,52,233
(v) Safety & Security of Women	7,47,992	1,88,900
(vi) UNFPA/BSCL Contingency	-	6,347
(vii) Citizen Connect Programme	57,152	-
(c) Operating Expenses:		
(i) PgMC Consultancy Expenses	2,97,98,373	11,55,63,380
(ii) Retainership Fees	35,48,908	28,80,322
(iii) Manpower Cost (Parking)	2,50,500	-
(iv) Parking Fees Vendor Share	7,53,773	-
(d) Administrative and Other Expenses:		
(i) Office Misc. Expenses	3,08,091	2,08,201
(ii) Office Rent (Inclusive of Rent Expenses on Amortised Security Deposits)	52,93,818	22,46,979
(iii) Statutory Audit Fees	59,000	35,400
(iv) Advertisement Expenses	18,13,759	13,04,204
(v) Cleaning & Sanitation Charges	-	94,013
(vi) Company Welfare Expenses	1,44,226	1,55,509
(vii) Common Area Maintenance Charges	8,14,666	4,75,904



(e) Vehicle Hiring & Maintenance Charges		
(i) Vehicle Hiring & Maintenance Charges	16,80,463	15,43,754
(ii) Fuel Charges	8,34,466	7,15,155
(f) Project Management Cost		
(i) Bhubaneswar One Project	-	1,74,830
(ii) BUKC Project Expenses	3,00,00,000	3,00,00,000
(iii) Monitoring & Supervision Expenses	8,28,480	6,44,786
(iv) Survey Expenses	-	5,21,632
(v) Audio Visual Expenses	-	34,220
(vi) Training & Capacity Building Expenses	8,05,015	2,15,846
(g) Miscellaneous Expenses		
(i) Computer Peripheral Expenses	61,932	20,229
(ii) Service Tax RCM	-	1,37,302
(iii) CGST RCM	1,08,540	57,087
(iv) SGST RCM	1,08,540	57,087
(v) Sitting Fees	2,10,000	3,90,000
(vi) Legal & Professional Service	8,60,106	14,09,261
(vii) Security Charges	29,937	4,20,739
(viii) Service Provider Charges	52,82,048	23,56,659
(ix) Internet Charges	3,36,300	2,83,619
(x) Electricity Expenses	38,64,417	4,00,256
(xi) Power Back-Up Charges	1,41,600	1,29,200
(xii) Postage & Courier	18,415	12,000
(xiii) Printing & Stationary	3,98,803	1,68,960
(xiv) Website Domain charges	-	6,057
(xv) Professional Tax - Company	2,500	2,500
(xvi) Telephone Expenses	55,604	28,729
(xvii) BSCI Insurance	3,028	5,348
(xviii) Labour Licence Expenses	-	11,225
(xix) Repair & Maintenance	42,269	2,537
(xx) Prior Period Expenses	44,240	9,33,577
(xxi) Interest on TDS	1,27,328	27,850
(xxii) Bank Charges	974	669
	14,75,74,326	29,46,23,267



BHUBANESWAR SMART CITY LIMITED

Statement of Changes in Equity for the year 31.03.2019

In Rs

A. Equity Share Capital:

Particulars	Balance as at 31st March, 2017	Changes in equity share capital	Balance as at 31st March, 2018	Changes in equity share capital	Balance as at 31st March, 2019
Equity shares of Rs. 100/- each	2,50,00,00,000	-	2,50,00,00,000	-	2,50,00,00,000

B. Other Equity

Particulars	RESERVES AND SURPLUS		Total
	General reserve	Retained earnings Capital Reserve	
Balance at April 1, 2016			
Profit/Loss for the year	-9,06,07,639	-	-9,06,07,639
Capital Grant Reserve (Grants Received towards Capital Layout from Govt.)		1,42,00,00,000	1,42,00,00,000
Changes due to IndAS Transition	5,51,000	-	5,51,000
Interest on Smart City Mission Grant Fund		10,26,86,256	10,26,86,256
Balance at March 31, 2017	-	1,52,26,86,256	1,43,26,29,618
Balance at April 1, 2017			
Profit/Loss for the year	-9,00,56,639	1,52,26,86,256	1,43,26,29,618
Capital Grant Reserve (Grants Received towards Capital Layout from Govt.)		-	-
Changes due to IndAS Transition	3,28,626	-	3,28,626
Interest on Smart City Mission Grant Fund		10,11,89,681	10,11,89,681
Balance at March 31, 2018	-	1,62,38,74,937	1,40,52,62,958
Balance at April 1, 2018			
Profit for the year	-21,86,11,979	1,62,38,74,937	1,40,52,62,958
Capital Grant Reserve (Grants Received towards Capital Layout from Govt.)		-	-
Changes during the year	-1,68,67,918	5,31,97,757	5,31,97,757
Interest on Smart City Mission Grant Fund		-	-
Balance at March 31, 2019	-	1,67,70,72,694	1,44,15,92,797



Security Deposit

YEAR	Security Deposite (at Amortised Cost)				Prepaid Expenses		
	Opening Balance	Interest income	Amount Received	Closing Balance	Opening Balance	Rent Exp	Closing Balance
2017-18	26,17,585	1,70,405	-	27,87,990	7,51,115	1,87,779	5,63,336
2018-19	27,87,990	1,81,498	-	29,69,488	5,63,336	1,87,779	3,75,557
2019-20	29,69,488	1,93,314	-	31,62,802	3,75,557	1,87,779	1,87,779
2020-21	31,62,802	2,05,898	33,68,700	-	1,87,779	1,87,779	-

Year	Cash Flow	PVF@6.51	Discounted Cash Flow
2017-18	0	0.94	
2018-19	0	0.88	
2019-20	0	0.83	
2020-21	33,68,700	0.78	26,17,585



Investment

Name of Equity	No of Share	Relationship	accounting method	face Value As on 31 March 2017	EPS	Carrying Amount
CAPITAL REGION						
URBAN TRANSPORT	100000	Associates	equity Method	10	5.51	15,51,000.00

Name of Equity	No of Share	Relationship	accounting method	face Value As on 31 March 2018	EPS	Carrying Amount
CAPITAL REGION						
URBAN TRANSPORT	100000	Associates	equity Method	10	3.46	18,97,000.00

Name of Equity	No of Share	Relationship	accounting method	face Value As on 31 March 2019	EPS	Carrying Amount
CAPITAL REGION						
URBAN TRANSPORT	100000	Associates	equity Method	10	-126.69	-
Loss in Financial Assets (Investment in CRUT)						-18,97,000.00



Bhubaneswar Smart City Limited

Notes forming part of the financial statements

Note .1 General Information :

Bhubaneswar Smart City Limited ('BSCL' or 'the company') is a public company domiciled and incorporated in India under the Companies Act, 2013 ('the Act'). The registered office of the company is situated at BMC Bhawani Mall, 5th Floor, Saheed Nagar, Bhubaneswar formed under Smart City Mission of the Government of India for implementation of smart city projects in Bhubaneswar. The Company adopted for implementation of Indian Accounting Standards (Ind AS) voluntarily at the 13th Meeting of Board of Directors of BSCL held on 25th July 2019.

The financial statements for the year ended on 31st March, 2019 have been approved and authenticated by the Board of Directors on its 14th Meeting held on 2nd November, 2019

Note.2 Statement of Compliance:

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 with effect from 1st April, 2018, with a transition date of 1st April 2016. All the notified accounting standards which are applicable to the Company have been taken into consideration and complied without any exception while preparing the first Ind AS compliant financial statements of the Company.

Note.3 Significant Accounting Policies:

3.01 Basis of preparation and presentation

(a) Statement of Compliance

The financial statements of the Company have been prepared on accrual basis of accounting in accordance with the Indian Accounting Standards (Ind-AS) as prescribed under section 133 of the Companies Act 2013 (The Act), as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), and other accounting principles generally accepted in India. The Company has uniformly applied the accounting policies during the period.

Operating Cycle: The Company has a normal operating cycle of 12 months considering its operations.

(b) Adoption of New and Revised Standards

The Ministry of Corporate Affairs has notified The Companies (Indian Accounting Standard) Amendment Rules, 2019 dated 30.03.2019 which inter- alia includes the new standard on leases Ind AS 116 replacing the existing standard Ind AS 17, to be effective from 01.04.2019. The impact of same is yet to be assessed.



(c)Current & Non-current classification

The Company has ascertained its operating cycle as twelve months for the purpose of Current/Non Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

- i) It is expected to be realized, or is intended to be sold or consumed, in the normal operating cycle; or
- ii) It is held primarily for the purpose of trading; or
- iii) It is expected to realise the asset within twelve months after the reporting period; or
- iv) The asset is a cash or cash equivalent unless it is 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.

Similarly, a liability is classified as current if:

- i) It is expected to be settled in the normal operating cycle; or
- ii) It is held primarily for the purpose of trading; or
- iii) It is due to be settled within twelve months after the reporting period; or
- iv) The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

(d)Basis of Measurement

The Financial Statements are prepared under the historical cost except for the defined benefit plans and plan assets which have been measured at fair value.

(e)Functional and Presentation Currency

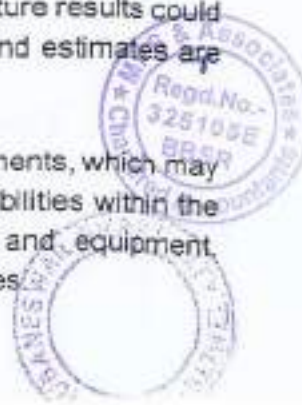
The Financial Statements have been presented in Indian Rupees (INR), which is the Company's functional currency. All financial information presented in INR has been rounded off to the nearest two decimals of Lakhs unless otherwise stated.

3.02 Use of estimate

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures relating to contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and future periods are affected. The management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and differences between actual results and estimates are recognized in the periods in which the results are known/materialize.

Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, valuation of deferred tax liabilities and provisions and contingent liabilities.



3.03 Investments in associates and joint ventures

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint arrangement. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

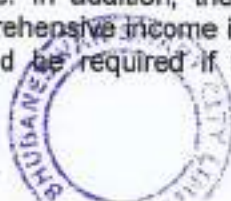
The results, assets and liabilities of associates or joint ventures are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105. Under the equity method, an investment in an associate or a joint venture is initially recognised in the balance sheet at cost and adjusted thereafter to recognise the Entity's share of the profit or loss and other comprehensive income of the associate or joint venture.

Distributions received from an associate or a joint venture reduces the carrying amount of the investment. When the Entity's share of losses of an associate or a joint venture exceeds the Entity's interest in that associate or joint venture (which includes any long-term interests that, in substance, form part of the Entity's net investment in the associate or joint venture), the Entity discontinues recognizing its share of further losses. Additional losses are recognised only to the extent that the Entity has incurred legal or constructive obligations or made payments on behalf of the associate or joint venture.

After application of the equity method of accounting, the Entity determines whether there is any objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the net investment in an associate or a joint venture and that event (or events) has an impact on the estimated future cash flows from the net investment that can be reliably estimated. If there exists such an objective evidence of impairment, then it is necessary to recognise impairment loss with respect to the Entity's investment in an associate or a joint venture.

When necessary, the entire carrying amount of the investment is tested for impairment in accordance with Ind AS 36 Impairment of Assets as a single asset by comparing its recoverable amount (higher of value in use and fair value less costs of disposal) with its carrying amount, any impairment loss recognised forms part of the carrying amount of the investment. Any reversal of that impairment loss is recognised in accordance with Ind AS 36 to the extent that the recoverable amount of the investment subsequently increases.

The Entity discontinues the use of the equity method from the date when the investment ceases to be an associate or a joint venture, or when the investment is classified as held for sale. When the Entity retains an interest in the former associate or joint venture and the retained interest is a financial asset, the Entity measures the retained interest at fair value at that date and the fair value is regarded as its fair value on initial recognition in accordance with Ind AS 109. The difference between the carrying amount of the associate or joint venture at the date the equity method was discontinued, and the fair value of any retained interest and any proceeds from disposing of a part interest in the associate or joint venture is included in the determination of the gain or loss on disposal of the associate or joint venture. In addition, the Entity accounts for all amounts previously recognised in other comprehensive income in relation to that associate or joint venture on the same basis as would be required if that associate or joint venture had directly



disposed of the related assets or liabilities.

The Entity continues to use the equity method when an investment in an associate becomes an investment in a joint venture or an investment in a joint venture becomes an investment in an associate. There is no re-measurement to fair value upon such changes in ownership interests.

When the Entity reduces its ownership interest in an associate or a joint venture but the Entity continues to use the equity method, the Entity reclassifies to profit or loss the proportion of the gain or loss that had previously been recognised in other comprehensive income relating to that reduction in ownership interest if that gain or loss would be reclassified to profit or loss on the disposal of the related assets or liabilities.

3.04 Property, Plant and Equipment

Property, plant and equipment, other than freehold lands, held for use in the production and/or supply of goods or services, or for administrative purposes, are stated at cost, less accumulated depreciation and accumulated impairment losses. Freehold lands, unless impaired, are stated at cost.

3.05 Initial Measurement

The initial cost comprises purchase price, non-refundable purchase taxes, other directly expenditure attributable to acquisition, borrowing cost, if any, incurred for bringing the assets to its location and condition necessary for it to be capable of operating in the manner intended by Management, and the initial estimates of the present value of any asset restoration obligation or obligatory decommissioning and dismantling costs.

Expenditure incurred on development of freehold land is capitalized as part of the cost of the land.

In case of self-constructed assets, cost includes the costs of all materials used in construction, direct labour, allocation of overheads and directly attributable borrowing costs, if any. Unsettled liabilities for price variation in case of contracts are accounted for on estimated basis as per the terms of the contracts.

Spare parts having unit value of more than Rs.5 lakh that meets the criteria for recognition as Property, Plant and Equipment are recognized as Property, Plant and Equipment.

Besides, spares of critical nature and irregular in use, which can be identified to a particular equipment and having unit value more than Rs.1 lakh is also recognised as Property, Plant and Equipment.

3.6 Subsequent expenditure

Subsequent costs are included in the assets carrying amount or recognized 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 of the item can be measured reliably.

Expenditure on major maintenance or repairs including cost of replacing the parts of assets and overhaul costs associated where it is probable that future economic



benefits will be available to the company, are capitalized and the carrying amount of the item so replaced is derecognized. Similarly overhaul costs associated with major maintenance are capitalized and depreciated over their useful lives where it is probable that future economic benefits will be available and any remaining carrying amounts of the cost of previous overhauls are derecognized.

The costs of the day to day servicing of property, plant and equipment recognized in the statement of profit and loss as incurred.

Physical verification of Fixed Assets is undertaken by the management at a reasonable interval and in a phased manner so as to complete 100% verification in a cycle of three years. The discrepancies noticed, if any, are accounted for in the year in which such differences are found

Property, plant and equipment which are subject to componentization, comprises of main assets, componentized assets and remainders, if any. The Company has chosen a benchmark of Rs. 1 crore or above for the purposes of componentization..

3.7 Capital work-in-progress

Assets in the course of construction for production and/or supply of goods or services or administrative purposes, or for which classification is not yet determined, are included under capital work in progress and are carried at cost, less any recognised impairment loss. Such capital work in progress, on completion, is transferred to the appropriate category of property, plant and equipment.

Expenditure incurred on construction of assets which are not ready for their intended use are carried at cost less impairment (if any) under Capital work in progress. The cost includes purchase cost of materials/ duties and non refundable taxes, any directly attributable costs and interest on borrowings used to finance the construction of assets.

Capital expenditure on assets not owned by the company is reflected as a distinct item in capital work in progress till the period of completion and ready for the intended use and, thereafter, under Property, Plant and equipment. However, similar expenditure for CSR/ community development is charged off to revenue.

Expenses for assessment of new potential projects incurred till investment decision are charged to revenue. Expenditure incurred for projects after investment decisions are accounted for under capital work in progress and capitalized subsequently.



3.8 Depreciation and amortization

Depreciation on assets are provided on a Written Down Value(WDV) basis over their useful life of the asset, which has been determined considering the useful lives prescribed under Schedule II of the Companies Act, 2013 and technical estimations carried out by the Management.

Component of an item of property, Plant and Equipment with a cost that is significant in relation to the total cost of that item is depreciated separately if its useful life differs from the others components of the asset.

The residual value of assets are maintained at 5% of the original cost .

The estimated useful lives are reviewed at each year end and the effect of change, if any, is accounted for prospectively. Useful lives of the assets considered for depreciation are described hereunder:

Individual Assets costing Rs.5,000/- or less are depreciated fully in the year in which they are put to use.

Freehold land is not depreciated. Premium paid on leasehold land including land development and rehabilitation expenses amortized over the years taking its useful life .

3.9 De-recognition

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal is recognised in the statement of profit and loss.

3.10 Intangible Assets

3.10.1 Intangible assets acquired separately

Intangible assets acquired are reported at cost less accumulated amortisation and accumulated impairment losses, if any. Intangible assets having finite useful life are amortised over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each annual reporting period, and the effect of any changes in estimate is accounted for on a prospective basis.

3.10.2 Internally-generated intangible assets – research and development expenditure

Expenditure on research activities, except capital expenditure considered as Property, plant and equipment, is recognized as an expense in the period in which it is incurred.

An internally-generated intangible asset arising from development is recognized if, and only if, all the conditions stipulated in Ind AS 38 – Intangible Asset are met.



3.10.3 User Rights:

Amount of expenditure incurred in a cluster project having future economic benefits, with exclusive use of co-beneficiaries but without physical control on the assets are capitalized as user rights.

3.10.4 Software

Operating software acquired separately (RDBMS, ERP/SAP etc.) are capitalized as intangible asset (Software) where they are clearly linked to long term economic benefits for the Company. They are measured initially at purchase cost and then amortized on a straight-line basis over their estimated useful lives.

3.10.5 License and Franchise

Amount of expenditure incurred for obtaining license for use of technology is capitalized as Intangibles under the head "License and Franchise".

3.10.6 Derecognition of intangible assets

An intangible asset is derecognized on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, are recognized in the statement of profit and loss when the asset is derecognized.

3.10.7 Amortization

The basis of amortization of intangible assets, based on useful life is as follows:

(a) Licenses in the nature of technical know-how for processing plants which are available for the useful life of the respective processing plants are amortized over a period of ten years.

(b) Software classified as intangible assets carries a useful life of 3 years.

(d) User Right for cluster projects is amortized over a period of 10 years from the date of commissioning.

3.11 Impairment of tangible and intangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that the carrying amount of those assets may not be recoverable through continuing use. If any such indication exists, the recoverable amount (i.e. higher of fair value less cost to sell and the value-in-use) of the asset is reviewed in order to determine the extent of impairment loss (if any). Where the asset does not generate cash flows that are independent from other assets, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs.

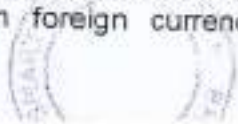
If the recoverable amount of an asset (or CGU) is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount and the difference between the carrying amount and recoverable amount is recognized as impairment loss in the statement of profit or loss.

Intangible assets with an indefinite useful life and intangible assets not yet available for use are tested for impairment annually and whenever there is an indication that the asset may be impaired.

3.12 Functional & Foreign Currencies

Items included in the financial statements are measured using the currency of the primary economic environment i.e Indian Rupee in which the Company operates. The Company's functional and reporting currency is Indian Rupees (INR). The financial statements are presented in Indian Rupees.

In preparing the financial statements, transactions in foreign currencies i.e currencies other than the entity's functional currency are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates



prevailing at that date.

Exchange differences on monetary items are recognised in the statement of profit and loss in the period in which they arise.

3.13 Provisions and contingent liabilities

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount can be reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money (if the impact of discounting is significant) and the risks specific to the obligation. The increase in the provision due to unwinding of discount over passage of time is recognized as finance cost. Provisions are reviewed at the each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed.

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities are not recognized in the financial statements. A contingent asset are not recognized in the financial statement ,but are disclosed where an inflow of economic benefit is probable.

3.14 Leases

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease, based on the substance of the lease arrangement.

3.14.1 Assets taken on finance lease

Financial leases are those that transfer substantially all the risks and rewards incidental to ownership to the lessee.

Finance leases are capitalised at the commencement of lease, at the lower of the fair value of the property or 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. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly against income over the period of the lease.

3.14.2 Assets taken on operating lease

Leases other than finance leases are operating leases, and the leased assets are not recognized in the Company's balance sheet. Upfront lease payments, if any, made under operating leases are recognized in the statement of profit and loss over the term of the lease. Rent and maintenance charges paid for assets/facilities taken on operating leases are charged to revenue in the period in which they arise.



3.15 Inventories

Inventory of raw material are valued at cost net of tax credit wherever applicable. Stores and spares other than those meeting the criteria for recognition as Property, Plant and Equipment are valued at cost net of tax credit wherever applicable. Stores and spares (other than major spares considered as Property, Plant and Equipment) held but not issued for more than 5 years are valued at 5% of the cost.

Materials and other supplies held for use in the production (other than considered as non-moving) are not written down below cost, if the finished products in which they will be incorporated are expected to be sold at or above cost. These are stated below the cost at net realizable value if the finished products in which they are to be incorporated are sold below cost.

Cost of raw materials, stores and spares as stated above are determined on moving weighted average price.

Inventories of finished goods, semi-finished goods, intermediary products and work in process including process scrap are valued at lower of cost and net realizable value. Cost is generally determined at moving weighted average price of materials, appropriate share of labour and related overheads. Net realizable value is the estimated selling price in the ordinary course of business available on the reporting date less estimated cost necessary to make the sale.

Inventory of scraps internally generated are valued at net realizable value.

3.15.1 Non-inventoried stock items

Non-inventoried stock items such as medicine, printing & stationery and canteen stores are charged to consumption account in the system at the time of purchase. Basing on physical verification report, value of such stock (on purchase cost) at the yearend is adjusted while finalizing the Annual Accounts. The consumption account of such stores is reduced to the extent of physical stock value.

3.16 Financial Instruments

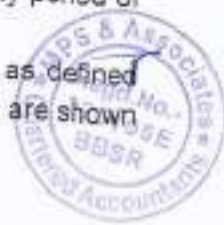
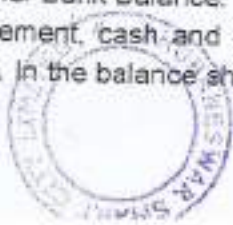
Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction cost that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liabilities.

3.16.1 Financial assets

a) Cash or Cash Equivalent:

The Company considers all short term Bank deposits having a maturity period of three months or less as cash & cash equivalent. Term deposits in Bank with a maturity period of more than 3 months are considered as other Bank Balance.

For the purposes of the Cash Flow Statement, cash and cash equivalents is as defined above, net of outstanding bank overdrafts. In the balance sheet, bank overdrafts are shown within borrowings in current liabilities.



b) Financial assets at amortized cost:

Financial assets are subsequently measured at amortized costs if the financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

c) Financial assets at Fair value through Other Comprehensive Income (OCI)

Financial assets are measured at fair value through other comprehensive income if these financial assets are 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 assets give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

d) Financial assets at Fair value through Profit or loss

Financial assets are measured at fair value through profit or loss unless it is measured at amortized cost or at fair value through other comprehensive item on initial recognition. The transaction cost directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognized in the statement of profit or loss.

3.17 Financial liabilities

Trade and other payables are initially measured at transaction costs. Other financial liabilities are measured at amortized cost using the effective interest method.

3.18 Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognized at the proceeds received, net of direct issue costs.

3.19 Compound Instruments

The component parts of compound instruments (convertible instruments) issued by the Company are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangement. At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for a similar non-convertible instrument. This amount is recorded as a liability on an amortized cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date. The equity component is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognized and included in equity, net of income tax effects, and is not subsequently re-measured.

3.20 Financial guarantee contract liabilities

Financial guarantee contract liabilities are initially measured at their fair values and, if not designated as at FVTPL, are

Subsequently measured at the higher of:

- The amount of the obligation under the contract, as determined in accordance with IAS 37 Provisions, Contingent Liabilities and Contingent Assets; and
- The amount initially recognized less, where appropriate, cumulative amortization recognized in accordance with the revenue recognition policies.



3.21 De-recognition of financial assets

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity.

3.22 Impairment of financial assets

At each reporting date, the Company assess whether the credit risk on a financial instrument has increased significantly since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the statement of profit and loss.

3.23 Derecognition of financial liability

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or expired.

3.24 Offsetting financial instruments

Financial assets and liabilities of the Company are offset and the net amount reported in the balance sheet, when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business.

3.25 Accounting for government grants

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in the statement of profit and loss on a systematic basis over the periods in which the Company recognises as expenses the related costs for which the grants are intended to compensate. Government grants whose primary condition is that the Company should purchase, construct or otherwise acquire non-current assets are recognized in the balance sheet by setting up the grant as deferred income and are transferred to profit or loss on a systematic basis over the useful life of the related assets.

Other government grants (grants related to income) are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic basis. Grants related to income are presented under other income in the statement of profit and loss.

Government grant in the nature of Promoters' Participation in the ownership of the Entity for Capital Layout shall be treated and shown under the Other Equity as Capital Grant reserve



3.26 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. The Company considers a period of twelve months or more as a substantial period of time.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

3.27 Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable. Revenues are reduced by the estimated rebates and other similar allowances.

3.27.1 Sales of Goods/Services

The Company derives revenue primarily from services towards the providing public utilities to the general public within the Smart City Areas. The Company recognizes revenue when all the following criteria are satisfied:

- (i) significant risks and rewards of ownership has been transferred to the customer;
- (ii) there is no continuing management involvement with the goods usually associated with ownership, nor effective control over the service supplied /goods sold has been retained;
- (iii) the amount of revenue can be measured reliably;
- (iv) It is probable that the economic benefits associated with the transaction will flow to the Company;
- (v) recovery of the consideration is assured reasonably.

3.27.2 Income from dividend and interest

a) Dividend

Dividends income from investments is recognised when the right to receive the dividend is established.

b) Interest

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and effective interest rate.

However, Interest Income received on account of Government Grants for Capital Layout is capitalized and not shown as income.

c) Income from Incentives from Government Agencies

Government Grants, if any, received during the year against any project or Scheme implemented during that year is credited to the project or Scheme cost. If such Grant is received at a later year after completion of the project, the same is treated as other income in the year in which it is received. Revenue related grants are treated as other income in the year in which they are received.

3.27.3 Other income

Revenue from rentals and operating leases is recognised on an accrual basis in accordance with the substance of the relevant agreement.

Interest/surcharge recoverable on advances* to suppliers as well as warranty claims wherever there is uncertainty of realisation/acceptance are not treated as accrued and are therefore, accounted for on receipt/acceptance.



Insurance claims are accounted for based on certainty of realisation .

Grants from NGO, UNFPA etc. are accounted for based on fulfillment of obligation attached to grants and shown under other Income.

3.28 Income Taxes

Tax expense represents the sum of current tax and deferred tax.

3.28.1 Current taxes

Current tax expense is based on taxable profit for the year as per the Income Tax Act, 1961. Current tax liabilities (assets) for the current and prior period are measured at amounts expected to be paid (or recovered) using the tax rates and tax laws that have been enacted or substantively enacted by the end of reporting period and includes any adjustment to tax payable in respect of previous years.

3.28.2 Deferred taxes

Deferred tax expense or income is recognized on temporary difference between the carrying amount of assets and liabilities in the financial statements and the corresponding tax base used in computation of taxable profits.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Tax relating to items recognized directly in other comprehensive income forms part of the statement of comprehensive income.

Deferred tax is provided on all temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and adjusted to the extent it has become probable that sufficient taxable profits will be available to allow the asset to be recovered

3.29 Employee benefits

3.29.1 Short-term employee benefits

Employee benefits payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries and wages, bonus and ex- gratia. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognized as an expense as the related service is rendered by employees.

3.29.2 Post-employment and other long-term employee benefits

The company does not provide and nor expects to provide any post-employment or other long-term employee benefits to employees.

3.30 Earnings Per Share (EPS)

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the net profit or loss for the period by the weighted average number of equity shares outstanding during the period as adjusted for the effects of all diluted potential equity shares except where the results are anti-dilutive.



3.31 Cash flow statement

The Cash Flow Statement is prepared by the indirect method set out in Ind AS 7 on Cash Flow Statements and presents cash flows by operating, investing and financing activities of the Company

3.32 Exceptional items

Exceptional items are items of income and expenses within profit or loss from ordinary activities but of such size, nature or incidence whose disclosure is felt necessary for better explanation of the performance of the Company.

3.33 Restatement of material error / omissions

The value of errors and omissions is construed to be material for restating the opening balances of assets and liabilities and equity for the earliest prior period presented, if the sum total effect of earlier period income / expenses exceeds Rs.25 Lakhs.

3.34 Critical judgments in applying accounting policies:

The following are the critical judgments, apart from those involving estimations (see point 1.02), that the management have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

Financial assets at amortized cost

The management has reviewed the Company's financial assets at amortized cost in the light of its business model and has confirmed the Company's positive intention and ability to hold these financial assets to collect contractual cash flows. The carrying amount of these financial assets are disclosed in note 12

Key sources of estimation uncertainty:

The following are the key assumptions concerning the future, and other key sources of estimation of uncertainty at the end of the reporting period that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

Impairment of investments

The Company reviews its carrying value of investments carried at amortized cost annually, or more frequently when there is indication for impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for.

Provisions

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

Prepaid Expenses

Prepaid expenses up to Rs. 5,00,000/- per transaction per year shall be treated as expenses in the Financial Year in which it is paid.



3.35 Fair Value Measurement

Fair value is the price that would be received from the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell an asset or transfer the liability takes place either:

- In the principle market for the asset or liability
- in the absence of principle market, in the most advantageous market for the asset or liability. The principle or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

The fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

Determination of Fair Value

1) Financial Assets

The fair value of financial assets is estimated as the present value of future cash flows, discounted at the market rate of interest at the reporting date. This fair value is determined for disclosure purpose.

2) Financial Liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit & loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Companies financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent Measurement

Fair value through Profit & Loss

Financial liabilities at fair value through profit & loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. All changes in fair value of such liabilities are recognized in statement of profit or loss.



3.36 Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered through a sale transaction rather than through continuing use. This condition is only met when the sale is highly probable and the asset, or disposal group, is available for immediate sale in its present condition and is marketed for sale at a price that is reasonable in relation to its current fair value. The Company must also be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Non-current assets (and disposal groups) classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell

3.37 Onerous contracts

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

3.38 Restructurings

A restructuring provision is recognized when there is a detailed formal plan for the restructuring which has raised a valid expectation in those affected. The measurement of a restructuring provision includes only the direct expenditures arising from the restructuring

3.39 Restoration, rehabilitation and decommissioning

An obligation to incur restoration, rehabilitation and environmental costs arises when environmental disturbance is caused by the development or other activities. The Company has recognized the obligated restoration, rehabilitation and decommissioning liability as mandated in the land document on which the Plant property and equipment is erected.

Such costs, discounted to net present value, are provided for and a corresponding amount is capitalized at the start of each project, as soon as the obligation to incur such costs arises. These costs are charged to the statement of profit or loss over the life of the operation through the depreciation of the asset and the unwinding of the discount on the provision.

The cost estimates are reviewed periodically and are adjusted to reflect known developments which may have an impact on the cost estimates or life of operations. The cost of the related asset is adjusted for changes in the provision due to factors such as updated cost estimates, changes to lives of operations, new disturbance and revisions to discount rates. The adjusted cost of the asset is



depreciated prospectively over the lives of the assets to which they relate. The unwinding of the discount is shown as finance and other cost in the statement of profit or loss.

3.35 Environmental liabilities

Environment liabilities are recognized when the Company becomes obliged, legally or constructively to rectify environmental damage or to perform remediation work.

3.40 Litigation

Provision is recognized once it has been established that the Company has a present obligation based on consideration of the information which becomes available up to the date on which the Company's financial statements are finalized.

3.41 First Time Adoption of Ind As

These are the Company's first financial statements prepared in accordance with Ind AS. The accounting policies set out in note 3 have been applied in preparing the financial statements for the year ended 31st March, 2019, the comparative information presented in these financial statements for the year ended 31 March, 2018 and in the preparation of an opening Ind AS balance sheet as at 1st April, 2017 (the Company's date of transition). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and notes. In preparing these Ind AS financial statements, the Company has availed certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings). This note explains the adjustments made by the Company in restating its financial statements prepared under previous GAAP, including the Balance Sheet as at 1st April, 2017 and the financial statements as at and for the year ended 31st March, 2018.

A Ind AS optional exemptions

I. Deemed cost for property, plant and equipment, investment property and intangible assets

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as



its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets. Accordingly, the Company has elected to measure all of its property, plant and equipment, and intangible assets at their previous GAAP carrying value.

B. Ind AS mandatory exceptions from retrospective application

1. Estimates

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error. Ind AS estimates as at 1st April, 2017 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:

- a) Fair Value of Security Deposits carried at FVTPL over the period of Lease Period
- b) Investment in Associate Concern carried at Equity Method

2. Classification and measurement of financial assets and liabilities

The classification and measurement of financial assets will be made considering whether the conditions as per Ind AS 109 are met based on facts and circumstances existing at the date of transition. Financial assets can be measured using effective interest method by assessing its contractual cash flow characteristics only on the basis of facts and circumstances existing at the date of transition and if it is impracticable to assess elements of modified time value of money i.e. the use of effective interest method, fair value of financial asset at the date of transition shall be the new carrying amount of that asset. The measurement exemption applies for financial liabilities as well.

Applying a requirement is impracticable when the entity cannot apply it after making every reasonable effort to do so. It is impracticable to apply the changes retrospectively if:

- a) The effects of the retrospective application or retrospective restatement are not determinable;



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b) The retrospective application or restatement requires assumptions about what management's intent would have been in that period;

The retrospective application or retrospective restatement requires significant estimates of amounts and it is impossible to distinguish objectively information about those estimates that existed at that time.

For the purpose of certain financial instruments carried at amortised cost for which fair value was determined on the date of transition to Ind AS, discount rates as at the date of transition were determined on the normal deposits rate of bank (FD rate) for the period in case of financial assets (deposits given) and entity's own borrowing rate (incremental rate) for discounting the financial liabilities (deposits received).

3. Changes In Existing Decommissioning, Restoration and Similar Liabilities

The Company has elected to apply the exemption provided in Appendix D.D21 to D21A of Ind-As 101 in determination of decommissioning, restoration and similar liabilities.

4. Transition to Ind AS- Reconciliation between Previous GAAP and IndAS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from Previous GAAP to Ind AS.





Reconciliation between IGAAP and IndAS for Impact on Balance sheet

Sl No.	Particulars	Notes to Accounts	Previous GAAP as at 1st April, 2018	Reclassification	Adjustments	Ind-As as at 1st April, 2018	Previous GAAP as at 1st April, 2017	Reclassifications	Adjustments	Ind-As as at 1st April, 2017
I.	ASSETS									
(1)	Non-Current Assets									
	(a) Property, Plant and Equipment	1	23,23,740			23,23,744	31,35,637			31,35,638
	(b) Capital work-in-progress	2	1738,46,370		4	1738,46,370				
	(c) Other Intangible assets	3	7,841			7,841				
	(d) Intangible Assets under Development									
	(h) Financial Assets									
	(i) Investments	6	10,00,000			18,97,000	10,00,000			15,51,000
	(ii) Other Financial assets	5(A)	36083,17,522	(36019,48,822)	(5,00,710)	27,87,990	38554,64,096	-30544,34,496	5,51,000	10,29,600
	(i) Deferred tax Assets (net)									
	(j) Other non-current assets	6(A)			3,75,557	3,75,557				
(2)	Current Assets									
	(a) Financial Assets									
	(i) Cash & cash Equivalents	7	1,119,83,525	36049,48,822		37169,32,347	303,97,534	38544,34,496		38938,32,030
	(ii) Bank balances other than (iii) above									
	(iii) Loans									
	(iv) Other Financial assets	5(B)	58,53,429			58,53,429	58,00,003			59,00,003
	(c) Current tax Assets (net)									
	(d) Other current assets	6(B)	542,36,989		1,87,779	544,86,768	326,15,708			325,15,708
	TOTAL ASSETS		39586,29,417		8,79,630	39595,09,047	39375,12,979		5,51,001	39380,63,980
II.	EQUITY AND LIABILITIES									
	EQUITY									
	(a) Equity share capital	8	25000,00,000			25000,00,000	25000,00,000			25000,00,000
	(b) Other equity	9	10343,83,352	(300,00,000)	8,79,676	14083,62,958	14120,78,018		5,51,000	14125,29,618
	LIABILITIES									
(1)	Non-current liabilities									
	(a) Financial Liabilities									
	(i) Other financial liabilities	10(A)								
	(ii) Other non-current liabilities	12(A)	23,42,764		4	23,42,764				
(2)	Current liabilities									
	(a) Financial Liabilities									
	(i) Trade payables and other payables	11	61,36,511			61,36,511	23,81,446			23,81,446
	(ii) Other financial liabilities	10(B)	77,90,037			77,90,037	4,85,000			4,85,000
	(b) Other current liabilities	12(B)	78,69,741			78,69,741	3,65,464			3,65,464
	(c) Provisions	13	1,07,032			1,07,032	22,02,451			22,02,451
	TOTAL EQUITY & LIABILITIES		39586,29,417		8,79,630	39595,09,047	39375,12,979		5,51,001	39380,63,980
	Check									



Statement of Profit and Loss for the Year ended on 31st March, 2018

Particulars	Note No.	Figures for Period Ending 31st March, 2018 (As per Ind-As)	Adjustments	Figures for Period Ending 31st March, 2018 (As per Ind-As)
Continuing Operations				
Revenues				
I Revenue from operations				
II Other Income	15	1757,72,011	5,16,405	1762,88,416
III Total Income (I+II)		1757,72,011	5,16,405	1762,88,416
IV Expenses				
(a) Employee Benefit Expenses	16	88,47,847		88,47,847
(b) Finance Costs	17	669		669
(c) Depreciation and Amortisation Expense	18.3	13,72,643		13,72,643
(d) Other Expenses	18	2944,34,819	1,87,779	2946,22,598
Total Expenses		3046,55,978	1,87,779	3048,43,757
V Profit/(Loss) before Exceptional Items and tax (III-IV)		-1288,83,967	3,28,626	-1285,55,341
VI Exceptional Items				
VII Profit/Loss before tax (V-VI)		-1288,83,967		-1288,83,967
VIII Tax Expense			3,28,626	-1285,55,341
(1) Current Tax				
(2) Deferred Tax				
IX Profit/(Loss) after tax (VII-VIII)		-1288,83,967		-1288,83,967
X Other Comprehensive Income				
(A) (i) Items that will not be reclassified to Profit or Loss			3,28,626	-1285,55,341
(ii) Income Tax Relating to items that will not be reclassified to Profit or Loss				
(B) (i) Items that will be reclassified to Profit or Loss				
(ii) Income Tax relating to items that will be reclassified to Profit or Loss				
XI Total Comprehensive Income for the Period (Comparing Profit/Loss) and				
Other Comprehensive Income for the Period		-1288,83,967	3,28,626	-1285,55,341
XII Earnings Per Equity Share	19			
(1) Basic		-5.16		-5.14
(2) Diluted		-5.16		-5.14



Note-4 Disclosure of related party transactions**I. List of Related Parties**

Name of Related Party	Nature of Relationship
Bhubaneswar Municipal Corporation (BMC)	Share Holder
Bhubaneswar Development Authority (BDA)	Share Holder
Capital Region Urban Transport (CRUT)	Associate Concern
Shri R. Vineel Krishna, Chief Executive Officer	Key Managerial Personnel
Shri Arabinda Routray, Chief Financial Officer	Key Managerial Personnel
Shri Ajaya Ku Majhi, Company Secretary	Key Managerial Personnel

II. Transactions with related parties during the period:

Particulars	As at March 31, 2019 (In Rs)	As at March 31, 2018 (In Rs)
Bhubaneswar Development Authority	3,00,00,000.00	3,00,00,000.00
Bhubaneswar Municipal Corporation	5,80,86,039.00	12,74,36,720.00
CRUT	28,75,02,530.00	
Remuneration to Key Managerial Personnel		
1) Short Term Employee Benefits:		
Shri R. Vineel Krishna, CEO	17,58,612/-	13,66,072/-
Shri Aravinda Routray, CFO	12,02,605/-	10,93,505/-
Shri Ajaya Kumar Majhi, Company Secretary	9,60,000/-	9,60,000/-

I. Outstanding Balances:

Particulars	As at March 31, 2019 (In Rs)	As at March 31, 2018 (In Rs)
Receivable		
Bhubaneswar Development Authority	48,29,516.00	48,29,516.00
Bhubaneswar Municipal Corporation	0.00	28,20,000.00
Payable		
Bhubaneswar Municipal Corporation	5,35,41,450.00	1,71,600.00



NOTE -5**Earning per share (EPS)**

Particulars	As at March 31, 2019	As at March 31, 2018
Net profit available for equity share holder	Rs 299,83,221	Rs (1285,55,341)
Weighted average number of equity shares for Basic EPS	25000000	25000000
Face value per share	100	100
Basic EPS	1.20	(5.14)
Weighted average number of equity shares for Diluted EPS	25000000	25000000
Diluted EPS	1.20	(5.14)

NOTE - 6**Contingent Liabilities and Commitments**

There are no contingent liabilities as at March 31, 2019. However for the purpose of disclosure the Status of pending case at Hon'ble High Court with no financial implications towards contingent liabilities is given below:

Status of case matter pending before High Court of Orissa filed by Enkon Pvt Ltd.

1. Enkon Pvt Ltd has filed a Review Petition No.53/2017 before the Hon'ble High Court of Orissa with the following prayers:

- (A) Grant review against the final judgement and Order dated 07.02.2017 of this Hon'ble Court in W.P.(C) No.19563 of 2016;
- (B) Hold and declare that the Opposite Party No.1 does not have the jurisdiction to issue the Request for Proposal (RFP) No.518/BSCL/2016 dated 28.10.2016, more particularly the jurisdiction to re-allot the 12 traffic signal sites already allotted to the Petitioner vide agreement dated 23.12.2008.
- (C) Pass any other or further orders as may be deemed fit and proper in the circumstances of the case.

2. The Review Petition has been filed against the judgement and Order dated 07.02.2017 of the Hon'ble High Court in W.P.(C) No.19563 of 2016, whereby the writ petition filed by Enkon was dismissed by the Hon'ble High Court by a reasoned judgement. Enkon by way of the writ petition had challenged the RFP dated 28.10.2016, further praying for continuation of MOU dated 23.12.2008 (made with Commissionerate of Police).



3. Enkon thereafter filed a Special Leave Petition before the Hon'ble Supreme Court in which the Hon'ble Supreme Court disposed of the SLP by granting liberty to the petitioner to file an application for review before the High Court, if so advised.
4. BSCL has filed its reply to the review petition wherein the broad contentions of BSCL are as follows:
 - The MOU dt.23.12.2008 specifically stated that Enkon has voluntarily agreed to install traffic signals at their own cost.
 - There is no right ever created in favour of the petitioner nor any obligation towards the Commissionerate of Police.
 - The period of the said MOU was from 2008 to 2018, hence there exists no rights of the petitioner as of now to claim any relief.
 - The system of integrated traffic control is already completed and running pursuant to the RFP dated 28.10.2016 and it adopts the latest technology developed C-DAC with special focus on the Indian context and the same is in public interest and larger public benefit.
5. There are no interim orders in the case, hence there is no impediments in the present working of the system. The matter is posted to 01.11.2019 for hearing.

Capital Commitments

Particulars	Total Project awarded Costs	Total Expenditure incurred upto 31.03.2019	Balance Amount of Un- Executed Work as on March 31, 2019
ATSC	1469,69,669	608,36,394	861,33,275
IPSC (Saheed Nagar)	338,55,751	182,33,740	156,22,011
LAKE NEUTRAL	5095,41,225	-	5095,41,225
MASTER SYSTEM INTEGRATION	68995,10,542	12002,73,560	56992,36,982
MLCP-SAHEED NAGAR	2887,00,000	501,66,479	2385,33,521
MLCP-UNIT-II	4385,00,000	302,21,394	4082,78,606
SMART JANPATH	7956,56,565	1712,67,912	6243,88,653
SAMRT PARK- SAHEED NAGAR	216,46,648	212,74,148	3,72,500
SOCIAL EQUITY CENTER	641,54,771	566,71,423	74,83,348
IPSC, BAPUJI NAGAR (CWIP)	506,37,433	-	506,37,433
SENSORY PARK (CWIP)	93,05,737	2,94,363	90,11,374

- 1) All above figures are inclusive of Taxes
- 2) In absence of certified value of unexecuted work as on 31st March 2019, same is considered as Total Cost less value certified/payments done till year end.



NOTE - 7

Segment Reporting

Information reported to the chief operating decision maker (CODM) for the purposes of resource allocation and assessment of segment focuses on the types of public welfare projects undertaken by the Company. The Company undertakes various projects for the public welfare as per the Smart City Mission Statement and Guidelines, which in the context of Indian Accounting Standard 108 'Segment Information' represents single reportable segment. The revenues, total expenses and net profit as per the Statement of Profit and Loss represents the revenue, total expenses and the net profit of the sole reportable segment.

NOTE - 8

There are no Micro and Small Scale Business enterprises as defined in the Micro, Small and Medium enterprises Act 2006 to whom the company owes dues on account of principle amount together with interest.

The above information regarding Micro Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the company. This has been relied upon by the auditors.

NOTE - 9

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has voluntarily early adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 for the period ended March 31, 2018. These financial statements, for the period March 23, 2016 to March 31, 2017 are the Company's first financial statements prepared in accordance with Ind-AS. Financial statements, for the period April 01, 2017 to March 31, 2018 are the Company's second financial statements prepared in accordance with Ind-AS.



NOTE - 10

Previous years figures are restated wherever necessary.

NOTE - 11

In case of Capital Work in Progress Company has anticipated that it shall have sufficient revenues from the same projects and effective control shall remain with the Company. In this regards, since the project is being executed on the assets owned by Local Authorities and Govt. Of Odisha Company has begun the process of having a memorandum of understanding with concern department of Govt of Odisha about the rights of the Company. In case of no such comfort in future, Company shall charge the same costs to Profit & Loss Account.

NOTE - 12**Investment in CRUT:**

The Investment made in the equity share of the Capital Region Urban Transport is treated as per the Ind AS 28 as strategic Investment with significance influence over the investee due to the evidence of representation on Board of Directors or Corresponding Governing Body of the Investee, Interchange of Managerial Personnel, Provision of Essential Technical Information, Material transaction between the company and the investee. The Investment in equity share has been recasted based on equity method. The Carrying amount of the investment is adjusted to recognize the Company's share of profit & loss of the investee after the date of acquisition.

Excessive Loss in the investee company shall reduce the Investment carrying cost to Nil without further booking of Loss.

Un Quoted Equity Shares in CRUT

Name of Equity	No of Share	Relationship	Face Value As on 31 March 2017	EPS (Rs)	Carrying Amount (Rs)
CAPITAL REGION URBAN TRANSPORT	100000	Associates	10	5.51	15,51,000.00



Name of Equity	No of Share	Relationship	face Value As on 31 March 2018	EPS	Carrying Amount
CAPITAL REGION URBAN TRANSPORT	100000	Associates	10	3.46	18,97,000.00

Name of Equity	No of Share	Relationship	face Value As on 31 March 2019	EPS	Carrying Amount
CAPITAL REGION URBAN TRANSPORT	100000	Associates	10	-126.69	-
Loss in Financial Assets (Investment in CRUT) (18,97,000.00)					

*Unrecognised loss: (1,07,72,000.00)

No Dividend has been declared by CRUT during the FY 2018-19.

NOTE-13

Fair Valuation of Financial Instrument :

i) Security Deposits : (Financial Assets)

The refundable interest free Security Deposit for the BSCL Office is amortized to Present Value by discounting the same over the lease period . The rate of FDRs as invested by BSCL has been taken as base rate for discounting over the period of lease.

The Security Deposits which are refundable within 12 months i.e. current financial assets are not subject to the fair valuation by discounting to Present value.

ii) Security Deposits : (Financial Liabilities);

The Securities Deposits being retained from the Running Accounts Bills of various Project Expenses are assumed to be deemed cost of security



NOTE-14**PPE: LAND (OPERATING LEASE)**

Physical hand over/ Permissible Possession of Govt Land for permanent infrastructural development under the Smart City Projects (like Multilevel Car Parking, IPSC, Social Equity Centre etc.) being handed over to BSCL free of Cost shall be treated as Govt Grants in Kind i.e. Non-Monetary Govt. Grant (under Non Current Liabilities) and shown at the Nominal Value of Rs 1.00 for the respective land area being used for permanent infrastructural establishment since the title of such properties not registered in the name of the BSCL.

Projects	Area Allotted	Land Value (Year Wise) At Nominal cost of Re 1.00		
		FY 2016-17	FY 2017-18	FY 2018-19
Social Equity Center	Ac. 0.666 Dec.	1.00		
MLCP ,Saheed Nagar	Ac. 0.734 Dec.		1.00	
MLCP ,Unit-II	Ac. 0.974 Dec.		1.00	
IPSC-Saheed Nagar	Ac. 0.319 Dec.		1.00	
IPSC-Bapuji Nagar	Ac. 0.268 Dec.			1.00
Total		1.00	3.00	1.00

For **MPS & Associates**
Chartered Accountants
FRN: 325106E

CA P.R. Acharya
Partner
M. No: 061658

For and on Behalf the Board of Directors of
Bhubaneswar Smart City Limited

Company Secretary

Chief Financial Officer

Director-Cum-CEO
DIN: 06551238

Director
DIN: 02984779

Date:
Place: Bhubaneswar

