

ANNUAL ACCOUNTS FOR 2019-20



Bhubaneswar Smart City Limited

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

E-mail Id.: bbsr.bscl@gmail.com, CIN: U74990OR2016PLC020016

Website: <http://smartcitybhubaneswar.gov.in>

BHUBANESWAR SMART CITY LIMITED
BMC-Bhawani Mall, Block-1, 5th Floor, Saheed Nagar, Bhubaneswar-751007
Balance Sheet as at 31st March, 2020

In Rs.

Sl No.	Particulars	Notes No.	As at 31st March, 2020	As at 31st March, 2019
I.	ASSETS			
(1)	Non-Current Assets			
	(a) Property, Plant and Equipment	1	60,60,34,812	3,42,89,828
	(b) Capital Work -in-Progress	2	2,87,46,51,455	1,93,88,24,655
	(c) Other Intangible Assets	3	18,58,24,719	-
	(d) Intangible Assets under Development		-	-
	(e) Financial Assets		-	-
	(i) Investments	4	-	-
	(ii) Other Financial assets	5(A)	46,15,633	36,63,260
	(f) Deferred Tax Assets (Net)		-	3,29,468.00
	(g) Other Non-Current Assets	6(A)	-	1,87,779
(2)	Current Assets			
	(a) Financial Assets			
	(i) Cash & Cash Equivalents	7	2,26,61,22,968	1,98,51,47,895
	(ii) Bank Balances other than (i) above		-	-
	(iii) Loans		-	-
	(iv) Other Current Financial Assets		-	-
	(b) Current Tax Asset (Net)	5(B)	7,20,72,377	48,29,516
	(c) Other Current Assets	6(B)	-	-
	TOTAL ASSETS		6,12,06,06,047	4,08,77,46,438
II.	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share Capital	8	2,50,00,00,000	2,50,00,00,000
	(b) Other Equity	9	3,15,74,80,004	1,44,18,66,675
	LIABILITIES			
(1)	Non-current liabilities			
	(a) Financial Liabilities			
	(i) Other Financial Liabilities		-	-
	(b) Deferred tax liabilities (Net)	10(A)	2,77,86,323	1,04,46,265
	(c) Other Non-Current Liabilities	12(A)	21,38,60,404	-
(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		-	-
	(ii) Other Financial Liabilities	10(B)	9,34,11,141	7,03,66,452
	(b) Other Current Liabilities	12(B)	20,17,048	28,89,266
	(c) Provisions	13	1,02,37,443	1,81,29,158
	TOTAL EQUITY & LIABILITIES		6,12,06,06,047	4,08,77,46,438
Notes forming part of the financial statements (1-18)				

For T.K. Agarwala & Co.

Chartered Accountants

FRN: 0325201E

Nityananda Nayak
Partner

M. No: 102878

Ashish
Company Secretary

15/06/2020
Chief Financial Officer

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

[Signature]
Director - Cum - CEO
DIN: 06551288

[Signature]
Director - 2476
DIN: 02984779



BHUBANESWAR SMART CITY LIMITED

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

Statement of Profit and Loss for the period ended on 31st March, 2020

In Rupees			
Particulars	Note No.	As at 31st March, 2020	As at 31st March, 2019
I Revenue from operations	14	-	10,01,875
II Other Income	35	19,98,41,054	14,50,26,112
III Total Income (I+II)		19,98,41,054	14,60,27,987
IV Expenses			
(a) Employee Benefit Expenses	16	1,38,99,442	1,17,79,441
(b) Finance Costs	17	-	-
(c) Depreciation and Amortisation Expenses	1 & 3	4,31,60,625	79,33,842
(d) Other Expenses	18	16,06,91,821	14,32,38,213
Total Expenses		21,77,51,888	16,29,51,495
V Profit/(loss) before Exceptional Items and tax (III-IV)		(1,79,10,834)	(1,69,23,508)
VI Exceptional Items		-	-
VII Profit/Loss before tax (V-VI)		(1,79,10,834)	(1,69,23,508)
VIII Tax Expense			
(1) Current Tax		-	-
(2) Deferred Tax		21,41,89,872	(3,29,468)
IX Profit/(loss) after tax (VII-VIII)		(23,21,00,706)	(1,65,94,040)
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)		(23,21,00,706)	(1,65,94,040)
XII Earnings Per Equity Share			
(1) Basic		(9.28)	(0.66)
(2) Diluted		(9.28)	(0.66)

Notes forming part of the financial statements

(1-18)

For T.K. Agarwalla & Co.
Chartered Accountants
FRN: ~~100000~~ 0325201E

Nityanand Nayak
Partner
M. No: 302878

Company Secretary

Chief Financial Officer

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

Director - CFO
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, 2020

		In Rs.	
Sl.	Particular	As at March 31st,2020	As at March 31st,2019
1	Cash flows from operating activities		
	Net profit before taxation, and extraordinary item	(1,79,10,834)	(1,69,23,508)
	Adjustments for Depreciation	4,31,60,625	79,33,842
	Interest Income	(5,97,28,734)	(14,22,02,514)
	Share From Investee Company P&L FVTPL	-	18,97,000
	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	2,30,44,690	6,42,29,941
	Increase/(Decrease) in Other Financial Liabilities	1,64,67,840	32,02,730
	Increase/(Decrease) in Other Current Liabilities	(78,91,715)	1,02,59,417
	Increase/(Decrease) in Other Non-Current Liabilities	6,98,02,812.18	1,39,43,947
	(Increase)/Decrease in Income Tax Assets	(1,09,95,902)	-
	(Increase)/Decrease in other non current Assets	-	-
	(Increase)/Decrease in other current Assets	(3,05,48,143)	26,74,394
	(Increase)/Decrease in Other Financial Assets	(9,52,373)	(6,93,772)
	Increase/(Decrease) in Short Term Provisions	19,62,249	(2,362)
	Cash generated from operations	2,65,98,294	(5,54,93,106)
	Income Tax Paid	(1,64,88,862)	(1,86,61,664)
	Net cash used in operating activities (A)	1,01,09,432	(7,41,54,770)
2	Cash flows from investing activities		
	Purchase of fixed assets	(80,07,50,327)	(3,98,94,084)
	Interest received	5,97,28,734	29,68,57,036
	Advances for Projects		
	Investment in Capital Work-in-progress Projects	(93,58,26,800)	(1,81,49,78,285)
	Equity Shares		
	Fixed Deposit (net)	-	(9,96,14,350)
	Net cash used in investing activities (B)	(1,67,68,48,394)	(1,65,76,29,683)
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	1,94,77,14,034	
	Increase in Borrowings - Bank Over Draft		
	Net cash used in financing activities (C)	1,94,77,14,034	-
4	Net increase in cash and cash equivalents (A+B+C)	28,09,75,073	(1,73,17,84,453)
5	Cash and cash equivalents at beginning of period	1,98,51,47,895	3,71,69,32,347
6	Cash and cash equivalents at end of period	2,26,61,22,968	1,98,51,47,895

For T.K.Agarwalla & Co
Chartered Accountants
FRN: ~~000000~~ 0825201F

Nityananda Nayak
Partner
M. No: 302878

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



INVESTMENT

4 Investment- Non Current

Particular	As at 31st March ,2020	As at March 31st,2019
(i)Investment in BPTSL	-	-
TOTAL	0	0

OTHER FINANCIAL ASSETS

5(A) Other Financial Assets- Non Current

Particular	As at 31st March ,2020	As at March 31st,2019
(i)Security Deposits (Office Building)at amortised cost	31,62,802	29,69,488
(ii) Security Deposits (Others)	14,52,831	6,93,772
TOTAL	46,15,633	36,63,260

5(B) Other Financial Assets- Current

Particular	As at 31st March ,2020	As at March 31st,2019
(i)Loans and Advances		
(a) Advance Receivables considered good - Secured;	6,72,42,861	-
(b) Advance Receivables considered good - Unsecured;	-	-
(i)Advance for Bhubaneswar One Mobile-App- BDA	48,29,516	48,29,516
(c) Advance Receivables which have significant increase in Credit Risk;	-	-
(d) Advance Receivables - credit impaired	-	-
(ii)Interest Accrued on Fixed Deposits	-	-
TOTAL	7,20,72,377	48,29,516

OTHER ASSETS

6(A) Other Assets - Non Current

Particular	As at 31st March ,2020	As at March 31st,2019
(i)Prepaid Office Rental Expenses	-	1,87,779
TOTAL	0	1,87,779

6(B) Other Assets- Current

Particular	As at 31st March ,2020	As at March 31st,2019
Advances other than capital advances:		
(i)Advance for expenses	-	32,512
(iii)Advance Income Tax including TDS/TCS Receivable	8,57,42,609	7,02,53,747
(iii)Prepaid Office Rental Expenses	1,87,778	1,87,779
(iv) Duties & Taxes Receivable (Input GST)	1,09,95,902	
(v) FDR Interest Accrued	1,33,37,795	
(vi) Advance to CRUT for PBS	-	5,00,00,000.00
TOTAL	11,12,64,084	12,04,74,037

Note: The CWIP which was in the last financial year relating to PBS of Rs.5 Crores has been recasted and treated as revenue expenditure in the current year.



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
Equity shares of Rs. 100/- each	2,50,00,00,000	-	2,50,00,00,000	-
B. Other Equity				
Particulars	RESERVES AND SURPLUS		Capital Reserve	Total
	General reserve	Retained earnings		
Balance at April 1, 2016	-	-	-	-
Profit/Loss for the year	-	-9,06,07,839	-	-9,06,07,839
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	-	-	10,26,86,756	10,26,86,756
Balance at March 31, 2017	-	-9,06,56,839	1,52,26,86,756	1,43,20,29,917
Balance at April 1, 2017	-	-	-	-
Profit/Loss for the year	-	-9,06,56,839	-	-9,06,56,839
Capital Grant Reserve (Grants Received towards Capital Layout from Govt.)	-	-	1,52,26,86,756	1,52,26,86,756
Changes due to IndAS Transition	-	-22,88,03,967	-	-22,88,03,967
Interest on Smart City Mission Grant Fund	-	3,28,126	-	3,28,126
Balance at March 31, 2018	-	-28,94,411	10,11,88,681	10,11,88,681
Balance at April 1, 2018	-	-	-	-
Profit for the year	-	-21,86,11,979	1,62,18,74,937	1,40,32,62,958
Capital Grant Reserve (Grants Received towards Capital Layout from Govt.)	-	-	1,62,18,74,937	1,62,18,74,937
Changes during the year	-	-1,65,94,040	-	-1,65,94,040
Interest on Smart City Mission Grant Fund	-	-	-	-
Balance at March 31, 2019	-	-23,52,06,020	5,31,97,757	5,31,97,757
Balance at April 1, 2019	-	-	-	-
Profit for the year	-	-23,52,06,020	1,67,70,72,684	1,44,18,66,675
Capital Grant Reserve (Grants Received towards Capital Layout from Govt.)	-	-	1,67,70,72,684	1,67,70,72,684
Changes during the year	-	-23,52,06,020	-	-23,52,06,020
Interest on Smart City Mission Grant Fund	-	-	1,88,20,38,373	1,88,20,38,373
Balance at March 31, 2020	-	-48,73,06,725	11,62,79,102	11,62,79,102
Balance at April 1, 2020	-	-	-	-
Profit for the year	-	-	3,62,67,86,729	3,62,67,86,729
Capital Grant Reserve (Grants Received towards Capital Layout from Govt.)	-	-	-	-
Changes during the year	-	-	-	-
Interest on Smart City Mission Grant Fund	-	-	-	-
Balance at March 31, 2020	-	-	-	-

Notes:

(i) BSCCL has received Rs. 186.20 crores towards Capital Grants for the FY 2019-20.

(ii) Interest being generated during FY 2019-20 from the Unspent capital Grants has been added to the Capital Grants.

(iii) Deferred income has been recognised on the capitalisation of Smart City Equity Center, Adaptive Traffic Control System, IPSC-Sahel Nagar, and Part Operational System of MVI and Smart Park.



NOTE 11: Property, Plant and Equipment
In Rs

Asset	Gross Block			Depreciation			Net Block		Residual Value @ 5% of Acquisition Cost	
	Opening Gross Block as on 01.04.2019	Additions during the Year	Deductions during the Year	Closing Gross Block as on 31.03.2020	As at 01.04.2019	Depreciation for the Year	Deduction/ Adjustments	As at 31.03.2020		Net Block as on 31.03.2020
Tangible Assets										
Land (Operating Lease)	\$	-	-	5	-	-	-	-	5	5
Building	-	8,90,35,355	-	8,90,35,355	-	14,41,625	-	14,41,625	8,75,93,730	44,51,768
Plant & Machinery	-	39,37,59,419	-	39,37,59,419	-	1,18,59,570	-	1,18,59,570	38,18,99,849	1,96,87,971
Office Equipment	2,46,070	78,00,873	-	80,46,943	1,31,572	5,71,828	-	7,04,400	73,42,543	4,02,347
Computer	16,29,048	2,42,02,165	-	2,58,31,213	13,44,847	30,09,731	-	43,54,578	2,14,76,635	1,13,498
Electrical Installations	1,06,48,807	7,94,57,111	-	8,61,05,918	15,93,873	54,65,356	-	70,59,269	7,90,86,649	2,84,201
Furniture & Fixture	1,32,54,024	1,32,48,752	-	2,65,02,776	26,34,659	32,97,188	-	59,31,847	2,05,70,929	90,54,934
WCU-Office	1,82,80,061	-	-	1,82,80,061	40,81,230	60,93,354	-	1,01,55,589	81,24,471	1,06,19,365
Total	4,40,58,015	60,35,03,675	-	64,75,61,690	97,68,107	3,17,38,692	-	4,15,06,878	60,60,54,812	3,42,89,828
										3,14,54,092

NOTE: 3

Asset	Gross Block			Depreciation				Net Block		Residual Value @ 5% of Acquisition Cost
	Opening Gross Block as on 01.04.2019	Additions during the Year	Deductions during the Year	Closing Gross Block as on 31.03.2020	As at 01.04.2019	Depreciation for the Year	Deduction/ Adjustments	As at 31.03.2020	Net Block as on 31.03.2020	
Software	7,841	19,72,46,652	-	19,72,54,493	7,841	1,34,21,933	-	1,34,29,774	18,58,24,719	-
Software (Work in Progress)	-	-	-	-	-	-	-	-	-	-
Total	7,841	19,72,46,652	-	19,72,54,493	7,841	1,34,21,933	-	1,34,29,774	18,58,24,719	-
Total	4,40,65,856	80,07,80,327	-	84,48,16,183	97,76,028	4,31,60,625	-	5,29,36,652	79,18,79,531	3,42,89,828
Previous Year	41,71,880	2,16,14,024	-	2,57,85,904	18,42,295	79,33,842	-	57,13,901	2,00,72,003	12,88,898



NOTE: 2

CAPITAL WORK -IN-PROGRESS

Particulars	Opening As at 01.04.2019	Addition during the Year	Adjustments	In Rs	
				Closing As at 31.03.2020	
ATSC	6,56,96,559	1,95,68,448	8,52,65,007	-	-
BMC ICDMC	-	13,27,13,762	-	13,27,13,762	-
IPSC	1,84,10,836	86,89,087	2,70,99,923	-	-
LAKE NEUTRAL	1,84,081	-	-	-	1,84,081
MASTER SYSTEM INTEGRATION	1,20,15,28,829	1,04,93,20,989	60,65,27,266	1,64,43,22,552	-
BUS QUE SHELTERS (CWIP)	23,75,02,530	5,57,16,286	-	29,32,18,816	-
MLCP-SAHEED NAGAR	5,07,65,445.00	12,51,66,231.50	-	17,59,31,677	-
MLCP-UNIT-II	3,12,13,955	14,77,19,315	-	17,89,33,270	-
SMART JANPATH	25,50,42,822	18,57,19,647	-	44,07,62,469	-
SMART PARK- SAHEED NAGAR	2,12,88,036	(6,70,666)	2,06,17,370	-	-
SOCIAL EQUITY CENTER	5,68,69,423	98,710	5,69,68,133	-	-
PUBLIC BICYCLE SHARING(CWIP)	-	-	-	-	-
IPSC, BAPUJI NAGAR (CWIP)	13,888	82,62,690	-	82,76,578	-
SENSORY PARK (CWIP)	3,08,251	-	-	3,08,251	-
TOTAL	1,93,88,24,655	1,73,23,04,499	79,64,77,699	2,87,46,51,454.60	

Notes:

- (i) The CWIP which was in the last financial year relating to PBS of Rs.5 Crores has been recasted and treated as revenue expenditure in the current year.
(ii) Out of Total CWIP Rs.796477699/- have been recognised as Assets during current financial year.



Particular	As at 31st March, 2020	As at March 31st, 2019
A) Current Cash and bank balances		
(a) Unrestricted Balances with banks	18,66,69,838	23,92,13,423
(b) Cheques, drafts on hand -		
(c) Cash in hand -		
(d) Balances with banks in deposit accounts with original maturity of less than 3 months	1,81,75,14,891	1,06,48,89,834
Cash and Cash equivalent as per balance sheet	2,00,41,84,729	1,30,41,03,257
B) Other Bank Balances		
(a) Balances with banks in deposit accounts with original maturity more than 3 months	26,19,38,239	68,10,44,638.00
Total Other Bank Balances	26,19,38,239	68,10,44,638.00
TOTAL	2,26,61,22,968	1,98,51,47,895

8 Equity Share Capital

Equity Share Capital	As at 31st March, 2020	As at March 31st, 2019
Authorized:	Amount	Amount
Equity shares of Rs 100 each with voting rights	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

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

	No. of Shares	As at March 31st, 2019	As at March 31st, 2020	No. of Shares	As at March 31st, 2019
		% holding in that class of shares	% holding in that class of shares		% holding in that class of shares
Equity shares with voting rights					
Housing & Urban Development Department, Govt. of Odisha	1,12,50,000	45%	45%	1,12,50,000	45%
Bhubaneswar Municipal Corporation (BMC)	1,12,50,000	45%	45%	1,12,50,000	45%
Bhubaneswar Development Authority (BDA)	25,00,000	10%	10%	25,00,000	10%
Percentage	2,50,00,000	100%	100%	2,50,00,000	100%



9 OTHER EQUITY

	As at 31st March ,2020	As at March 31st,2019
	Amount	Amount
i)Capital Reserve		
Opening Balance	1,67,70,72,694	1,62,38,74,937
Add: Capital Grant Reserve	1,83,14,34,932	-
Interest on Smart City Mission Grant Fund	11,62,79,102	5,31,97,757
Balance at the end of the reporting period - March 31st 2019	3,62,47,86,729	1,67,70,72,694

	As at 31st March ,2020	As at March 31st,2019
ii)Retained Earnings		
Opening Balance	-23,52,06,020	-21,86,11,979
Transfer to retained earnings	-23,21,00,705	-1,65,94,040
Balance at the end of the reporting period - March 31st 2019	-46,73,06,725	-23,52,06,020

TOTAL (i)+(ii)	3,15,74,80,004	1,44,18,66,675
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OTHER FINANCIAL LIABILITIES

(A) Other Financial Liabilities -Non Current

Particular	As at 31st March ,2020	As at March 31st,2019
(i)Security Deposit-Contractors	2,77,86,323	1,04,46,265
TOTAL	2,77,86,323	1,04,46,265

(B) Other Financial Liabilities -Current

Particular	As at 31st March ,2020	As at March 31st,2019
(i) Earnest Money Deposits (EMD) Collected	20,17,048	21,69,420
(ii)Unpaid liability-Employees	-	7,19,846
TOTAL	20,17,048	28,89,266

1 Trade Payables and Other Payables

Particular	As at 31st March ,2020	As at March 31st,2019
(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	4,47,473	6,41,480
b)Sundry Creditors for Capital Goods	3,93,84,648	85,03,899
c)Sundry Creditors for Services	5,35,79,021	6,09,44,541
d)Sundry Creditors for Retainership	-	2,76,532
TOTAL	9,34,11,142	7,03,66,452



OTHER LIABILITIES**2(A) Other Liabilities -Non Current**

Particular	As at 31st March ,2020	As at March 31st,2019
Grants Received from OUHM, GoO(Social Equity centre)	2,99,44,712	3,00,00,000
CITIIS-Grants (Deferred Income)	7,60,29,098	-
Grant in Kind (Land for Projects) from GoO and Local Authorities at Nominal Cost of Rs 1/-	5	5
Lease Obligation-Office	77,72,950	1,39,43,947
TOTAL	11,37,46,765	4,39,43,952

NB: i) Grants received from OUHM has been considered against the Capitalisation of Social Equity Center. The Depreciation portion for the said Grants Rs 55288/- has been considered as Deferred Income

ii) The Grants from the CITIIS Projects has been received for the following participants of the projects and being managed by the BSCL towards the Project Expenditures :

Participants	Share %
Bhubaneswar Smart City	0.57
Bhubaneswar Development Authority	42.42
Bhubaneswar Municipal Corporation	22.73
CRUT	0.04
Works Department, Odisha	34.24

The Expenditures incurred towards the CITIIS Projects is being proportionately charged to respective participants and Deferred Income is recognised accordingly .

The interest being generated from the Short term Deposits of the CITIIS Grants is proportionately added to the respective participants Share of Grants.

3) Other Liabilities - Current

Particular	As at 31st March ,2020	As at March 31st,2019
(i) Statutory Dues Payable	1,01,38,342	1,80,12,167
(ii) Employees Contribution Payable	99,101	1,16,991
TOTAL	1,02,37,443	1,81,29,158

Provisions

Particular	As at 31st March ,2020	As at March 31st,2019
(i) Provisions for Income Tax	13,95,864	0
(ii) Provisions for Expenses	6,71,055	1,04,670
TOTAL	20,66,919	1,04,670



14 Revenue From Operation

Particulars	For the Period from April 01, 2019 to March 31, 2020	For the Period from April 01, 2018 to March 31, 2019
Parking Fees (Hockey World Cup)		1001875
	-	10,01,875.00

15 Other Income

Particulars	For the Period from April 01, 2019 to March 31, 2020	For the Period from April 01, 2018 to March 31, 2019
(a) BSCL Misc. Project Grants		
(i) Unfpa-Contribution	49,48,382	37,26,228
(ii) H & UD-Grant- A & DE	9,80,00,000	-
(iii) BMC-Contribution-ODF Activities	-	4,50,000
(iv) CITIS Grant- Deferred Income	54,00,000	-
(v) Deferred Income- Capital Grants	3,06,59,729	-
	13,90,08,111	41,76,228
(b) Income Other than Grants		
(i) Bank Interest Received (UNFPA)	-	28,524
(ii) Bank Interest Received - 50100189688908	-	18,784
(iii) Bank Interest Received-Sweep	90,85,830	1,34,88,489
(iv) FDR-Interest Received-HDFC	-	38,82,075
(v) FDR-Interest Received-IDBI	19,72,297	10,500
(vi) FDR-Interest Received-IndusInd	4,30,54,723	11,20,24,409
(vii) FDR-Interest Received-OSCB	-	1,25,68,235
(viii) Interest Income(Security Deposit _ Rent FVTPL)	1,93,314	1,81,498
(ix) Interest on Mob. Advance	54,22,570	-
	5,97,28,734	14,22,02,514
(c) Net Gain/(Loss) on Financial Assets Designated as at FVTPL		
(i) Share from Investee Company's Profit & Loss FVTPL	-	-18,97,000
	-	-18,97,000
(d) MISC Income		
(i) RTI Information Fees	30	102
(ii) BID Processing Fees	61,636	3,96,000
(iii) Recoveries for Fuel	-	2,218
(iv) Recoveries from Vendors	10,42,543	0
(v) EMD Forfeited	-	1,00,000.00
(vi) Prior period Income	-	46,050
	11,04,209	5,44,370
Total Other Income a+b+c+d	19,98,41,054	14,50,26,112

Notes: As per IndAS the proportionate amount of depreciation of Rs.30659769/-on those fixed assets created out of the Grants have been recognised as Deferred Income



16 Employee Benefits Expenses

Particulars	For the Period from April 01, 2019 to March 31, 2020	For the Period from April 01, 2018 to March 31, 2019
(i) Basic Pay	85,10,976	80,23,125
(ii) House Rent Allowances	5,69,884	3,10,890
(iii) Conveyance Charges	(1,21,846)	(1,04,905)
(iv) Dearness Allowances	12,67,183	7,72,723
(v) Grade Pay	-	13,200
(vi) BSCL Contribution (NPS, CPF, EDLI & RPFC)	1,65,280	1,73,707
(vii) BSCL Contribution (QTR Rent)	9,827	35,213
(viii) Leave Salary & Pension Contribution	33,95,884	17,60,540
(ix) Arrear Incremental Pay & Allowances	1,02,254	7,94,948
Total Employee Benefits Expenses	1,38,99,442	1,17,79,441

17 Finance Cost

Particulars	For the Period from April 01, 2019 to March 31, 2020	For the Period from April 01, 2018 to March 31, 2019
(i) Finance Cost	-	-
Total Finance costs	-	-

18 Other Expenses

Particulars	For the Period from April 01, 2019 to March 31, 2020	For the Period from April 01, 2018 to March 31, 2019
(a) Smart City Sanitation Expenses		
(i) Smart Environment Management Exp	-	5,29,80,000.00
(b) Project cost :Unfpa Smart City Awareness Expenses		
(i) NGO Expenses	22,43,790	19,03,380
(ii) Programme Management Support	22,26,805	20,72,410
(iii) Youth Connect Programme	8,54,354	8,33,778
(iv) Knowledge Management Programme	62,964	3,49,497
(v) Safety & Security of Women	5,48,204	7,47,392
(vi) UNFPA/BSCL Contingency	27,095	-
(vii) Citizen Connect Programme	1,77,798	57,152.00
(c) Operating Expenses:		
(i) PgMC Consultancy Expenses	5,16,37,902	2,97,98,373
(ii) Retainership Fees	98,99,571	35,48,908
(iii) Manpower Cost (Parking)	-	2,50,500.00
(iv) Parking Fees Vendor Share	-	7,53,773.00
(v) PBS Operative & Maintenance	5,90,00,000	-
(vi) Preparation of DPR,	9,25,444	-
(vii) Operation and Maintenance Exp. (ATCS)	50,71,232	-
(d) Administrative and Other Expenses:		
(i) Office Misc. Expenses	3,24,770	3,08,091
(ii) Office Rent (Inclusive of Rent Expenses on Amortised Security Deposits)	1,87,779	8,02,218
(iii) Statutory Audit Fees	50,000	59,000
(iv) Advertisement Expenses	2,86,969	18,13,759
(v) Company Welfare Expenses	88,564	1,44,226
(vi) Common Area Maintenance Charges	8,98,320	8,14,666



(e) Vehicle Hiring & Maintenance Charges		
(i) Vehicle Hiring & Maintenance Charges	18,43,494	16,80,453
(ii) Fuel Charges	7,43,797	8,34,466
(f) Project Management Cost		
(i) BUKC Project Expenses	54,00,000	3,00,00,000
(ii) Monitoring & Supervision Expenses	3,22,859	8,28,480
(iii) Training & Capacity Building Expenses	3,00,959	8,05,015
(iv) Inaugural Expenses	5,20,601	
(g) Miscellaneous Expenses		
(i) Computer Peripheral Expenses	80,630	61,932
(ii) CGST RCM	53,955	1,08,540
(iii) SGST RCM	53,955	1,08,540
(iv) Sitting Fees	2,85,000	2,10,000
(v) Legal & Professional Service	11,53,790	8,60,106
(vi) Security Charges	-	29,937
(vii) Service Provider Charges	81,11,652	52,82,048
(viii) Internet Charges	3,45,000	3,36,300
(ix) Electricity Expenses	57,39,205	38,64,417
(x) Power Back-Up Charges	1,20,000	1,41,600
(xi) Postage & Courier	15,000	18,415
(xii) Printing & Stationary	2,45,327	3,98,803
(xiii) Professional Tax - Company	2,500	2,500
(xiv) Telephone Expenses	20,393	55,604
(xv) BSCL Insurance	-	3,028
(xvi) Repair & Maintenance	36,038	42,269
(xvii) Prior Period Expenses	2,14,051	44,240
(xviii) Interest on TDS	4,794	1,27,328
(xix) Bank Charges	849	974
(xx) Interest on Lease Obligation	5,66,402	1,55,487
	16,06,91,821	14,32,38,213



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



Particulars	Rate of Dep.	Net block as on 01.04.2019	Addition upto Sept 2018 (>180 days)	Addition after Sept 2018 (<180 days)	Value realised on sale, extinguishment of asset	Gross Value of block of asset	Depreciation upto Sept 2019 (>180 days)	Depreciation upto March 2020 (<180 days)	Depreciation during the Year up to 31st March 2020	NET BLOCK as on 31.03.2020
Building	10.00%	-	-	-	-	-	-	-	-	-
Plant & Machinery	15.00%	-	-	-	-	-	-	-	-	-
COMPUTERS	40.00%	4,77,515	-	38,67,223	-	44,44,739	1,81,006	7,93,445	9,84,451	34,60,288
INTANGIBLE ASSET (SOFTWARE)	40.00%	-	1,003	1,07,545	-	1,08,548	401	21,509	21,910	86,638
OFFICE EQUIPMENT	15.00%	1,82,720	-	-	-	1,82,720	27,458	-	27,458	1,65,312
FURNITURE & FIXTURE	10.00%	1,18,04,180	1,56,858	-	-	1,18,04,036	11,86,104	-	11,80,104	1,06,20,932
ELECTRICAL EQUIPMENTS & INSTALLATION	15.00%	89,91,872	-	-	-	89,91,872	13,48,781	-	13,48,781	76,43,091
		2,12,56,288	1,97,859	40,74,768	-	2,55,28,915	27,47,700	8,14,954	35,62,654	2,19,66,261
PREVIOUS YEAR BALANCE		23,47,534	2,15,30,823	83,200		2,44,66,287	31,82,379	16,840	31,99,310	2,12,56,288

DETAILS OF ASSETS RECOGNISED IN THE BOOKS IN THE FY-2019-20 BUT NOT CONSIDERED FOR DEPRECIATION CALCULATED UNDER IT ACT:

Building	8503355
Plant & Machinery	393759419
COMPUTERS	20234942
INTANGIBLE ASSET (SOFTWARE)	197138104
OFFICE EQUIPMENT	7818873
FURNITURE & FIXTURE	13651856
ELECTRICAL EQUIPMENTS & INSTALLATION	75457110
TOTAL	796677099



Calculation of Deffered Tax for Financial the year 2019-20	
Net Block of asset as per IT Act	2,19,66,261.13
Net Block of asset as per CO Act	79,18,79,530.92
Difference	(76,99,13,269.79)
Deffered tax (Liability)/ Assets	(21,41,89,871.66)
Deffered tax asset due to Leave encashment	
Deffered tax asset due to Gratuity	
Deffered tax asset due to Bonus	
Deffered tax assets for porvision due to bad debts	
Total Deffered tax (Liability)/ Assets to be provided for	(21,41,89,872.00)
Less: Op deffered tax(Liability)/ Asset	3,29,468.00
Deffered tax (liability)/ Assets to be provided for the year	(21,38,60,404.00)

DETAILS OF ASSETS RECOGNISED IN THE BOOKS IN THE FY-2019-20 BUT NOT CONSIDERED FOR DEPRECIATION CALCULATION UNDER IT ACT:

Building	89035355
Plant & Machinery	393759419
COMPUTERS	20234942
INTANGIBLE ASSET (SOFTWARE)	197138104
OFFICE EQUIPMENT	7800873
FURNITURE & FIXTURE	13051896
ELECTRICAL EQUIPMENTS & INSTALLATION	75457110
TOTAL	79,64,77,699

Note: Due the above the WDV of assets under IT Act as on 31st March 2020 has come down.



Computation Income Under Normal Provisions of IT Act for the F.Y. 2019-2020		
	Amount (Rs.)	Amount (Rs.)
Net profit as per P/L account		(1,79,10,834)
Add:		
Dep under Co act	4,31,60,625	
Less: Adjustment of Depreciation on assets created out of Grants	(3,06,59,729)	
Inadmissible Expense		
Prior Period Expenses	2,14,061	
Interest on TDS	4,794	
	-	1,27,19,751
Less:		(51,91,083)
Dep under IT act	35,62,654	
Allowable Expense u/s 43B		
1/5th of Preliminary Expenses (4th year)	50,07,982	
IND -AS Adjustments		
Int Income on FV of Security Deposit Office	1,93,314	
Amortisation FV of Security Deposit Office Rent	(1,87,779)	
Gain/(Loss) from FV of Investment	-	
		85,76,170
Income from business & profession		(1,37,67,253)
Less: Set off of Cfd loss/unabsorbed depreciation u/s 72		-
Add: Income from other sources		-
Gross Total Income		(1,37,67,253)
Less: Deduction under Chap-VIA		-
Total Income		(1,37,67,253)
Income Tax		-
Surcharge		-
Education Cess & Higher Secondary Education Cess		-
Total Tax Payable		-
Interest Payable		-
Total Tax & Interest Payable		-
Advance Tax Paid		-
TDS	1,64,88,862	
Total Tax Paid		1,64,88,862
Balance Tax Refundable		1,64,88,862



Provision of Tax for Financial Year 2019-20		
Particulars		Rs. In INR
Net Profit as per Profit & Loss A/c		(1,79,10,834)
Normal Tax		-
Mat		-
Difference		-
Tax Payable		-
Advance Tax		-
Tax Deducted at Source		1,64,88,862
Refundable		1,64,88,862



Computation Tax Under u/s 115JB of IT act for the F.Y.-2019-20		Rs. In INR
Net profit as per P/L account		(1,79,10,834)
Add Positive Adj u/s 115JB		
Provision for Tax		
Deferred Tax Liabilities		
Ind AS impact		-
Add: 1/5 th of Transition Reserve (2nd Year)		1,75,925
Less: Bif Business Losses/Unabsorbed Depreciation which ever is less		-
Book Profit		(1,77,34,908)
Mat u/s 115JB @20.59%		-
Add: Interest u/s		
234A		-
234B		-
234C		-
Total liability		-
Less: Advance Tax paid		-
Less: Tax Deducted at Source		1,64,88,862
Balance Refundable		(1,64,88,862)

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 Block-1, 5th Floor, BMC Bhawani Mall, Saheed Nagar, Bhubaneswar-751007 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, 2020 have been approved and authenticated by the Board of Directors on its 16th Meeting held on 25th June, 2020

Note.2 Statement of Compliance:

These financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules as amended from time to time.

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, is effective from 01.04.2019. The impact of same is given in compliance with the provisions of IndAS-116 in the Financial Statements of the current financial year by recognizing the Right to use assets of Rs.81,24,471/- under property plant & Equipment and Liabilities of Rs.77,72,950/- Leased Obligation under non-current liabilities and depreciation and interest on lease payments are recognized in the statement of Profit & Loss for the period ended 31st March, 2020.

(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
- i) It is held primarily for the purpose of trading; or
- ii) It is due to be settled within twelve months after the reporting period; or
- iii) 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 rupee unless otherwise stated.

3.02 Use of estimates

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.

Estimation of uncertainties due to COVID-19:

The company has considered the possible effects that may result from the pandemic relating to COVID-19 on the carrying amount of its receivables and other assets and found that there will be no significant impact on the carrying values of the assets due to COVID-19.

Impact of COVID-19

The company does not foresee any large-scale contraction in demand which could result in significant down-sizing of its employee base rendering the physical infrastructure redundant.

The leases that the Group has entered with lessors towards properties used as offices are long term in nature and no changes in terms of those leases are expected due to COVID-19.

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. Costs directly attributable to construction or acquisition are capitalized until the property, plant and equipment are ready for use, as intended by the management.



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.

3.06 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.

3.07 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.

3.08 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.

3.09 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 useful life as per schedule II of the Companies Act 2013.
- (c) 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 (IndAS-116)

Ind AS 116 replacing the existing standard Ind AS 17 and is effective from 01.04.2019. In compliance with this Ind AS leased assets and leased liabilities have been recognized in the books of the Company in the FY 2019-20. The impact of this standard has been given with retrospective effect from the commencement of the lease and figures of the last financial year have been re-casted wherever required in accordance with the Ind AS-116.

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses Govt Bond Yield Rate as on the reporting date. The lease payments shall include fixed payments, variable lease payments, residual value guarantees, exercise price of a purchase option where the Company is reasonably certain to exercise that option and payments of penalties for terminating the lease, if the lease term reflects the lessee exercising an option to terminate the lease. The lease liability is subsequently re measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and remeasuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments. The company recognizes the amount of the re-measurement of lease liability due to modification as an adjustment to the right-of-use asset and statement of profit and loss depending upon the nature of modification. Where the carrying amount of the right-of-use asset is reduced to zero and there is a further reduction in the measurement of the lease liability, the Company recognizes any remaining amount of the re-measurement in statement of profit and loss. The Company has elected not to apply the requirements of Ind AS 116 Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value.

Transition to Ind AS 116:

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases, and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement,



presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases, retrospectively, with the cumulative effect of initially applying the standard, recognized on the date of initial application (April 1, 2019). Accordingly, the Company has restated comparative information, instead, the cumulative effect of initially applying this standard has been recognized as an adjustment to the opening balance of retained earnings as on April 1, 2019.

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 derecognizes 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 have 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

Income tax expense comprises current tax expense and the net change in the deferred tax asset or liability during the year. Current and deferred taxes are recognised in statement of profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity, respectively.

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 5A.

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.

3.40 Environmental liabilities

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

3.41 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.

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;
- 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.

Note-4 Disclosure of related party transactions

I. List of Related Parties

Name of Related Party	Nature of Relationship
Bhubaneswar Municipal Corporation (BMC)	Shareholder
Bhubaneswar Development Authority (BDA)	Shareholder
Capital Region Urban Transport (CRUT)	Associate Concern
Shri Prem Chandra Chaudhary, IAS, Chief Executive Officer	Key Managerial Personnel
Shri Manoranjan Samantaray, Chief Financial Officer	Key Managerial Personnel
Shri Ajaya Kumar Majhi, Company Secretary	Key Managerial Personnel



II. Transactions with related parties during the period:

Particulars	As at March 31, 2020 (In Rs)	As at March 31, 2019 (In Rs)
Bhubaneswar Development Authority	63,25,000	3,00,00,000
Bhubaneswar Municipal Corporation	67,37,400	5,80,86,039
CRUT	6,47,16,286	28,75,02,530
Remuneration to Key Managerial Personnel		
1) Short Term Employee Benefits:		
Shri R.Vineel Krishna, IAS, CEO (Till 24.06.2019)	4,43,880	17,58,612
Shri Arabinda Routray, CFO (Till 19.09.2019)	6,19,390	12,02,605
Shri Manoranjan Samantaray, CFO	6,29,462	-
Shri Ajaya Kumar Majhi, Company Secretary	10,30,968	9,60,000

III. Outstanding Balances:

Particulars	As at March 31, 2020 (In Rs)	As at March 31, 2019 (In Rs)
Receivable		
Bhubaneswar Development Authority	48,29,516	48,29,516
Bhubaneswar Municipal Corporation	0.00	0.00
Payable		
Bhubaneswar Municipal Corporation	1,82,25,800	5,35,41,450
Bhubaneswar Development Authority for BUKC	57,03,080	0.00

NOTE -5

Earning per share (EPS)

Particulars	As at March 31, 2020 in Rs.	As at March 31, 2019 in Rs.
Net profit available for equity share holders	(23,21,00,706)	(1,68,67,918)
Weighted average number of equity shares for Basic EPS	2,50,00,000	2,50,00,000
Face value per share	100	100
Basic EPS	(9.28)	(0.67)



Weighted average number of equity shares for Diluted EPS	2,50,00,000	2,50,00,000
Diluted EPS	(9.28)	(0.67)

NOTE – 6

Contingent Liabilities and Commitments

There are no contingent liabilities as at March 31, 2020. However, for the purpose of disclosure of status of pending case at Hon'ble High Court with no financial implication towards contingent liabilities 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(Arising out of W.P.(C) No.19563 of 2016 Date of order 29.11.2019) before the Hon'ble High Court of Orissa.
2. The aforesaid case is closed and there is no other financial implication.

Capital Commitments

Particulars	Total Project awarded Cost Rs.	Total Expenditure incurred upto 31.03.2020 Rs.	Balance Amount of Un- Executed Work as on March 31, 2020 Rs.
ATSC	14,69,69,669	8,52,65,007	6,17,04,662
BMC ICOMC	73,20,30,000	13,27,13,762	59,93,16,238
IPSC (Saheed Nagar)	338,55,751	27,099,923	67,55,828
LAKE NEUTRAL	509,541,225	184,081	509,357,144
MASTER SYSTEM INTEGRATION	68995,10,542	2,250,849,818	4,648,660,724
MLCP-SAHEED NAGAR	2887,00,000	175,931,877	112,768,323
MLCP-UNIT-II	4385,00,000	178,933,270	259,566,730
SMART JANPATH	795,656,565	440,762,469	354,894,096
SAMRT PARK-SAHEED NAGAR	216,46,648	20,617,370	1,029,278
SOCIAL EQUITY CENTER	64,154,771	56,968,133	7,186,638
IPSC, BAPUJI	506,37,433	8,276,578	42,360,855



NAGAR (CWIP)			
SENSORY PARK (CWIP)	9,305,737	3,08,251	8,997,486
BUS QUE SHELTERS	293,218,816	293,218,816	-

1. All above figures are inclusive of Taxes
2. In absence of certified value of unexecuted work as on 31st March 2020, same is considered as Total Costs 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

Previous year's figures are restated wherever necessary.

NOTE - 10

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 – 11

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 significant 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	1,00,000	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	1,00,000	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	1,00,000	Associates	10	-126.69	-
Loss in Financial Assets (Investment in CRUT) (18,97,000.00)					



Name of Equity	No of Share	Relationship	Face Value As on 31 March 2020	EPS	Carrying Amount
CAPITAL REGION URBAN TRANSPORT	1,00,000	Associates	10	-126.69	-
Loss in Financial Assets (Investment in CRUT)					

*Since EPS of CRUT share is not available as on 31.03.2020 hence last year EPS has been considered and Unrecognised loss: (Rs.1,26,00,000.00)

No Dividend has been declared by CRUT during the FY 2019-20.

NOTE-12

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 deposits.

NOTE-13

PPE: LAND (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	FY 2019-20
Social Equity Center	Ac. 0.666 Dec.	1.00			1.00
MLCP, Saheed Nagar	Ac. 0.734 Dec.		1.00		1.00
MLCP, Unit-II	Ac. 0.974 Dec.		1.00		1.00
IPSC-Saheed Nagar	Ac. 0.319 Dec.		1.00		1.00
IPSC-Bapuji Nagar	Ac. 0.268 Dec.			1.00	1.00
Total		1.00	3.00	1.00	5.00

For T.K. Agarwalla & Co.
Chartered Accountants
FRN: ER0884

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


(Nityananda Nayak)

 
Company Secretary Chief Financial Officer


Director-Cum-CEO
DIN: 06551288


Director
DIN: 02984779

Partner
M. No: 302878
Date:
Place: Bhubaneswar

