

BHOPAL SMART CITY DEVELOPMENT CORPORATION LTD.



1st Annual Report 2016-2017

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WHAT IS BHOPAL SMART CITY DEVELOPMENT CORPORATION?

The Bhopal Smart city vision is an idea to transform the state capital of Madhya Pradesh into a future ready Smart City with enhanced livability workability and sustainability. To archive its desired aims and objectives, the Bhopal Smart City vision will follow an approach focused on re-strengthen, re-developing, re-structuring and re-defining the Infrastructure, Life Style, Economy and Ecosystem. The core infrastructure elements in a Bhopal Smart City would include:

- Adequate water supply
- Assured electricity supply
- Sanitation, including solid waste management
- Efficient urban mobility and public transport
- Affordable housing, especially for the poor
- Robust IT connectivity and digitalization
- Good governance, especially E-governance and citizen participation
- Sustainable environment,
- Safety and security o citizens, particularly women, children and the elderly, and health and education.

As per the Govt. Resolution no. F-10-22/2016/18-2 dated 10/03/2016, the composition of the Special Purpose Vehicle for Bhopal Municipal Corporation was approved. Thereafter, a Special Purpose Vehicle (SPV) company called the Bhopal Smart City Development Corporation Limited was established on 14 March 2016, under the companies act 2013. BSCDCL is owned by the Government of MP and is equally managed by Madhya Pradesh Urban Development Company Limited (MPUDCL) and Bhopal Municipal Corporation (BMC). BSCDCL'S sole objective is to implement the vision of the Smart City Proposal which comprises of the three elements i.e. **retrofitting, redevelopment and greenfield** and Bhopal comes under the purview of **redevelopment**.

VISION

Transforming city of lakes, its tradition and heritage which is a leading derivation for a smart, connected, and eco-friendly communities which can focus on education, research, entrepreneurship, and tourism”



OBJECTIVES

The objective is to promote a city that provides core infrastructure and gives a decent quality of life to its citizens, a clean and sustainable environment, jobs and economic growth through application of 'Smart' solutions.

- Identifying the true needs and views of the citizens through extensive citizen engagement, for City came with a Citizen Engagement Model with 9 different phases, probably the largest of its kind in the urban world, reaching out to more than 50% of the city households.
- Focus on 'More with Less' initiatives that have a high impact on quality of service and infrastructure but are less capital intensive and are easier to implement.
- Focus on city's raising funds from own sources making the city's infrastructure projects to become self-sustainable and not dependent on State or Central funds to develop city infrastructure
- Focus on low-cost Information Communication & Technology (ICT) based solutions to improve the quality of infrastructure
- Major degree of ongoing work of Bhopal Smart City Mission is focused on
 - a) Transportation & Mobility,
 - b) Water supply & Sewage,
 - c) Waste Sanitation,
 - d) Environment & Sustainability,
 - e) Safety & Security and
 - f) Energy.

CORPORATE INFORMATION

BOARD OF DIRECTORS

MR. SUDAM KHADE
CHAIRMAN & COLLECTOR

MRS. PRIYANKA DAS
EXECUTIVE DIRECTOR

**MR. CHANDRAMAULI
SHUKLA**
CEO & DIRECTOR

MRS. MANJU SHARMA
NOMINEE DIRECTOR

MR.JANARDAN PRASAD
NOMINEE DIRECTOR

**MR.ARUN KUMAR
PALIWAL**
NOMINEE DIRECTOR

MR.BUDDHESH VAIDYA
NOMINEE DIRECTOR

MR.SHIV KANT MUDGAL
NOMINEE DIRECTOR

**MR.PURUSHOTTAM
KAUSHIK**
INDEPENDENT DIRECTOR

MR D.K.MITTAL
INDEPENDENT DIRECTOR

KEY MANAGERIAL PERSONNEL

Mr.Yogesh Khakre

Company Secretary

Mrs. Meeta Athavale

Chief Financial Officer

SENIOR MANAGEMENT

Mr.Ramji Awasthi

Chief Engineer

Mr.Shriram Tiwari

Administrative Officer

Mr.V.P. Kulshreshtha

Chief Planner

REGISTERED OFFICE

Zone-14, Bhopal Municipal Corporation, BHEL,
Govindpura, Bhopal - 462023 (MP)

STATUTORY AUDITOR

ARUN KUMAR JAIN & ASSOCIATES

Chartered Accountants

64, Civil Lines, Near Kilol Park, Above Bank of India,
Bhopal-2, Phone-26600035

PRINCIPLE BANKS

Allahabad bank

E1/74 Arera Colony, Bhopal, Madhya Pradesh

NOTICE OF 1 ANNUAL GENERAL MEETING

Dear Sir/Madam,

Notice is hereby given that Adjourned First Annual General Meeting of Bhopal Smart City Development Corporation Limited (CIN: U70100MP2016SGC035540) will be held on 12th June,2019 at office of BSCDCL i.e., Zone-14 near Tatpar petrol Pump, B.H.E.L Govindpura, Bhopal (M.P.) interalia to transact the following business.

Ordinary Business-

1. To receive, consider, approve and adopt the Audited Balance sheet as at 31st March 2017 and statement of Profit and loss account and Cash Flow Statement for the year ended 31st March, 2017 on that date with report of Directors.

The financial Statements for the year ended 31st March 2017 were approved by Audit Committee on 07th December, 2017 and were placed before the Board along with the Board report for their approval. The Board approved the same and directed to submit the Annual accounts to the Statutory Auditor of the Company for their Audit report thereon; subject to the condition that modification in annual accounts if any suggested by statutory Auditor shall be incorporated with the prior approval of Audit Committee.

Hence Balance sheet of the Company as on 31st March 2017 & profit and loss account of the company as on date along with few modifications (considering resolution no.5 dated 07th December,2017) suggested by the Statutory Auditor were presented before the Audit Committee for their perusal and approval .

The committee approved the Annual Accounts and forwarded the same to the Board of Directors for their approval. Board approved the same vide resolution no.5 dated: 05th April, 2018 and directed to submit to Statutory Auditor and further to CAG for supplementary Audit report thereon.

On 29th December, 2018, Annual General Meeting was held for consideration and adoption of financial Statements, but due to non-availability of Supplementary Audit report, the meeting was adjourned.

The CAG later on provided the supplementary Audit Report on 31st January, 2019 which was later on presented before the Board for deliberations and discussions (vide resolution no.4 dated 02nd March 2019) and be noted.

The members shall therefore be furnished with the Balance Sheet of the Company as on 31st March, 2017 with the Comptroller and Auditor General of India (CAG) Comments and the representations provided by the management, the Profit & Loss Account for the year ended & Director's Report attached thereto including the annexure attached thereto for their approval. Hence, if approved the following resolution may be passed:

“RESOLVED THAT the Balance Sheet of the Company as on 31st March, 2017 with the Comptroller And Auditor General of India (CAG) Comments, the Profit & Loss account for the year ended on that date together with the schedules thereto, along with the reports of the directors and the auditors as circulated to all the members and tabled before the meeting be and are hereby approved and adopted.”

**By order of the Board of Directors
For Bhopal Smart City Development Corporation Limited**

Place: Bhopal (M.P.)

Date: 03rd May 2019

Sd/-

Yogesh Khakre

Company Secretary

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy so appointed need not be a member of the company. The instrument appointing proxy should, however, be deposited at the registered office of the company at least forty eight hours before the time of the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or member. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/ authority, as applicable.
2. Members desiring any information as regards the accounts are requested to write to the Company at an early date so as to enable the management to keep the information ready at the meeting.
3. In accordance with the provisions of Section 101 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration) Rules, 2014, this Notice and the Annual Report of the Company for the financial year 2016-17 are being sent by e-mail.
4. Relevant documents referred to in the Notice, statutory register and the Statement pursuant to Section 102(1) of the Companies Act, 2013 will be available for inspection by the members at the Registered Office of the Company during normal business hours on working days up to the date of the Annual General Meeting.

BOARD'S REPORT

REPORT OF THE BOARD OF DIRECTORS TO THE SHAREHOLDERS FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

Your directors are pleased to submit their 1ST Annual Report on the operations of your company (BHOPAL SMART CITY DEVELOPMENT CORPORATION LIMITED) along with audited financial statements for the financial year ended 31ST March, 2017.

FINANCIAL PERFORMANCE

The financial performance of the Company during the first financial year started from 14th March 2016 and ended on 31st March 2017, is summarized hereunder-

PROFIT AND LOSS ACCOUNT

	2016-17 (Rs in Lakhs)
Operating Years	
Revenue from operation (Revenue Grant from GOI)	NIL
Other income	352.08
Total Revenue	352.08
Expenses:	
Employee benefit expense	56.95
Depreciation and amortization expenses	0.33
Other expenses	294.80
Total Expense	352.08
Profit before interest and tax & exceptional items	0
Exceptional Items	0
Payment of interest	0
Profit before extra-ordinary items	0
Extraordinary Items	0
Profit before tax	0
Tax Expense:	
Current Tax	0
Deferred Tax	0.034

Profit After tax	(0.034)
Dividend	0
Net profit after dividend and Tax	(0.034)

BALANCE SHEET FOR THE YEAR ENDED 2016-17

ASSETS	2016-17 (Rs in Lakhs)
Non-current assets	1365.33
Net Current Assets	29482.83
Total	30848.16
EQUITY AND LIABILITIES	
Equity Share Capital	6010
Share application money pending allotment	13990
Non current Liabilities	10645.90
Current Liabilities	202.26
Total	30848.16

A perusal of the aforesaid statistics reveals that during the Financial Year under report, there was no revenue from operations of the company and the Profit after Tax was also Nil for the year.

STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

During the year under review, company completed various assignments and some projects are under implementation. A summarized view of the same is as under-

Sr	Project name	Start date	End date as/WO (PMC estimate)	WO cost in ₹.Cr	Physical Progress as on 30/11/17 (%)	Financial progress in ₹Crore 30/11/17 (%)	Comments
	Intelligent Street Pole	28-Nov-16	28-Sep-17	690	50%	PPP	9000 LED replaced. 46 Smart poles installed. OFC laying work in progress. Control and Command Centre work in progress.
	Bhopal Plus	1-	1-	3.98	76%	43.22%	Fully functional and

Sr	Project name	Start date	End date as/WO (PMC estimate)	WO cost in ₹.Cr	Physical Progress as on 30/11/17 (%)	Financial progress in ₹Crore 30/11/17 (%)	Comments
		Aug-16	Aug-19				is being used by citizens of Bhopal. Integration with Mayor Express completed.
	Smart Road from Polytechnic to Bharat Mata Square	25-Dec-16	25-Sep-17	31.75	50%	28.35%	Work in progress. Project is delayed due to some existing encroachments. The revised completion period is estimated to be March 2018.
	Green Master Plan for Bhopal	20-Apr-17	20-Apr-18	1.8	50%	10.56%	Under progress. Concept plan first draft submitted.
	Real time tracking and fuel tracking system for Municipal SWM vehicles	25-Nov-16	25-Nov-21	10	70%	PPP	Project under implementation. Payment schedule on per vehicle basis.
	Rationalization of property tax through GIS mapping	9-Oct-17	9-Oct-20	4.73	55%	-	Ward level survey under progress.
	Heritage Development of Sadar Manzil	31-Aug-16	31-Aug-17	1.85	72%	75.68%	Roofing and front façade rebuilding are in process. Flooring to be started.
	Design, Development, Implementation, Operation and Maintenance of Smart Parking Solution	26-Jul-17	26-Jul-27	20	15%	PPP	Project under implementation. 3 major parking spots of the city have been converted to smart parking.
	Integrated Control and Command centre	15-Dec-17	15-Dec-22	299			At present only work Order issued for all integrated cities.
	Tactical urbanism and Place making of Jyoti talkies	24-Jul-17	24-Apr-18	7.32	20%	-	Project under implementation
	Heritage Development of Sadar Manzil - Phase 2	7-Jul-18	7-Jul-19	8.92	3%	-	Site Clearance started
	Incubation centre	10-Oct-16	10-Oct-17	12.86	57%	25%	Civil work to be started soon. The revised expected

Sr	Project name	Start date	End date as/WO (PMC estimate)	WO cost in ₹.Cr	Physical Progress as on 30/11/17 (%)	Financial progress in ₹Crore 30/11/17 (%)	Comments
							date of completion is 31 st march 2018.
	Government Housing Phase 1 -ABD Area	1-Jan-18	1-Feb-20	205			Work Order issued
	Solar City-Residential and govt. Buildings	26-Aug-16	26-Aug-21	1	6%	5%	To promote solar power in residential roof top, BSDCL has initiated to give net metering cost to the individual residents who are installing solar roof top in the residences. Approx. 1000 residences are planned in first phase out of which grant has been disbursed to 5 individuals
	Solar City-Upper Lake	14-Nov-17	15-Mar-20	4	10%		Work in progress.
	Implementation of MEP Services and facade lighting for Sadar Manzil. Supply erection testing and commissioning of VCF of total 268 HP	1-Jan-18	1-Jun-18	1.7			Work Order issued recently.
	Development of infrastructure including furniture, workstations etc at Incubation centre and Control and Command Centre for BSCDCL	31-Mar-18	30-Sep-18	3.65			Work Order issued.
	Boulevard Street Phase 1	24-Jun-17	24-Mar-18	45.85	5%	4.30%	Project under implementation
	Visual Improvement/Augmentation of street/colony by Architecture Redesigning (Place Making)	23-Aug-17	23-Aug-18	9.7	10%	2.60%	Project under implementation
	Selection of Implementation Agency for Integrated Traffic Management System ITMS in Bhopal City	24-Aug-17	24-Aug-20	17.84	20%	5.60%	Project under implementation

Impactful Projects

- 1) The project for Smart Public bike sharing is under implementation on PPP mode.

Other Issues

- 2) The work for DPR preparation for “Boulevard Street Phase 2 project” is under process.

DIVIDEND

Since the company has not generated any profits during the period under review, the Directors regret their inability to propose any dividend.

PUBLIC DEPOSIT

The Company has not so far gone for acceptance of any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

CHANGES IN DIRECTORATE OF THE COMPANY

There have been the following changes in the Directors of the Company during the financial year ended 31st March 2017:

Changes by Appointment

1. Smt Chhavi Bhardwaj, Commissioner Bhopal Municipal Corporation was appointed as Executive Director vide Government order dated 05.04.2016.
2. Shri Chandramauli Shukla, CEO BSCDCL has been appointed as CEO vide government order dated 17.03.2016.
3. Shri Janardan Prasad, Director UT-II MOUD has been appointed as Nominee Director vide Government order dated 27.06.2016.
4. Smt Manju Sharma, Additional Commissioner UADD has been appointed as Director vide Board resolution dated 13.12.2016.

5. Shri A.K.Paliwal, Joint Director Finance has been appointed as Director vide Board resolution dated 13.12.2016.
6. Shri Neeraj Kumar Vashishtha, CEO BDA has been appointed as Director vide Board resolution dated 13.12.2016.
7. Shri Shiv Kant Mudgal, CEO BDA has been appointed as Director vide Board resolution dated 13.12.2016.
8. Shri D.K.Mittal has been appointed as Independent Director vide Board resolution dated 13.12.2016.

Changes by Resignations etc.

1. Smt Priyanka Das, Additional Commissioner UADD ceased as Director vide Government order dated 05.04.2016.
2. Shri Tejaswi S Naik, Additional Commissioner UADD ceased as Director vide Government order dated 30.05.2016.

PARTICULARS OF EMPLOYEES

During the period under report, the company did not have any person on its rolls whose particulars are required to be reported under Section 197 of the Companies Act, 2013, read with Rule 5 (1) of the (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and therefore your company has nothing to report under the aforesaid provisions of the Act.

EXTRACT OF ANNUAL RETURN

In term of Section 134(3)(a), read with Rule 12 of the Companies Management & Administration Rules, 2014, extract of the Annual Return of the Company made out in Form No. MGT-9 is attached to this report as **Annexure-I**.

DETAILS OF BOARD MEETINGS

In term of Section 134(b) of the Companies Act, 2013, against the minimum requirement of four meetings, your board met six times during the period started from 14th March 2016 and ended on 31st March 2017, the details of the meetings along with the attendance are given below-

Quarter ended	Date of Meeting	Strength of Board	No. of Directors Present
March - June 2016	21.03.2016	3	2
	04.04.2016	3	2
	26.04.2016	3	2
	23.05.2016	4	3
July - Sept 2016	28.07.2016	4	4
Oct- Dec 2016	13.12.2016	4	4
Jan- March 2017	-	-	-

Particulars	Date of Appointment	Date of Cessation	Date of Board Meetings					
			21.03.2016	04.04.2016	26.04.2016	23.05.2016	28.07.2016	13.12.2017
Nishant Warwade	14.03.2016	21.06.2016	Present	Present	Present	Present	Present	Present
Priyanka Das	14.03.2016	05.04.2016	Present	Present	Director is ceased as per Govt order dated 05.04.2016	-	-	-
Tejaswi Subray Naik	14.03.2016	30.05.2016	Absent	Absent	Absent	Absent	Director is ceased as per Govt order dated 30.05.2016	-
Chhavi Bhardwaj	05.04.2016	02.09.2017	-	-	Present	Present	Present	Present
Chandramauli Shukla	26.04.2016	-	-	-	-	Present	Present	Present

Your Directors are pleased to report further that in the matter of Board Meetings your company sought to comply with the Secretarial Standard on Board Meeting prescribed by the Institute of Company Secretaries of India and circulated agenda and notes of meetings to Directors well in advance and in defined agenda format incorporating all material information therein thereby facilitating meaningful and focused discussions at the meetings. Where it is not been practicable to attach any

document to the agenda, it is tabled at the meeting itself. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are tabled with the permission of the Chair.

SUBSIDIARIES AND ASSOCIATE COMPANIES

The company does not have any subsidiary and associate companies and therefore it has nothing to report in respect thereof.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- a) in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) The directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2017 and of the profit /loss of the Company for that period;
- c) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) The directors have prepared the annual accounts on a “going concern” basis;
- e) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

AUDITORS REPORT

Being Government Company within the meaning of Section 2 (45) of the Companies Act, 2013, the Comptroller & Auditor General appointed M/s Arun K Jain & Associates a firm of Chartered Accountants having firm registration no. CR0953, operating from their Office located at 64,Civil Lines Above Bank of India Near Kilol Park Bhopal as statutory Auditors to carry out the audit of the Company for the financial year, 2016-17.

COMMENTS FROM CAG ALONG WITH MANAGEMENT REPRESENTATIONS.

(Annexure-III)

DETAILS OF MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION

There are no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of report.

MATERIAL ORDER PASSED AND INSTRUCTION FROM COURTS, TRIBUNAL THAT CAN AFFECT EXISTENCE OF THE COMPANY

During the period under report no orders are passed and not instructions are given by any court, tribunal, regulators that could impact the going concern status of your Company. The financial statements of the Company for the year under report have been compiled based on going concern concept.

INTERNAL AUDIT REPORT AND INTERNAL FINANCIAL CONTROL

Your Company believes that freedom of management should be exercised within a framework of appropriate checks and balances and, therefore, it remains committed to ensuring effective internal controls that, among others, provide an assurance on orderly and efficient conduct of operations, security of assets, prevention and detection of frauds, errors, accuracy and completeness of accounting records and facilitates accurate, reliable and timely preparation of requisite financial statements.

Audit Committee also considered the internal audit report and directed to permit the compliance report on the observations of internal auditor in the next meeting of Audit Committee.

With a view to strengthening the existing mechanism for corporate governance and ensuring greater transparency in the Indian Corporate, the Companies Act, 2013 has re-emphasized the importance of a robust internal controls environment by introducing the concept of an Internal Financial Controls (IFC).

SECRETARIAL AUDITOR'S REPORT

Secretarial Audit Report in prescribed format as given by M/s Piyush Bindal & Associates, Practicing Company Secretaries is enclosed to the Board's Report, which is self-explanatory in itself. (**Annexure-II**)

POLICIES TO BE FRAMED IN THE COMPANY

As per the requirement of Companies Act 2013.

S.no.	Policies
1.	Vigil Mechanism Policy
2.	Risk Management Policy
3.	Policy for Prevention of Sexual Harassment of women at workplace

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186

During the period under report, no loans were advanced, guarantee given and investments made that attract the provisions contained under Section 186 of the Companies Act, 2013 and that, therefore, the company has nothing to disclose under the aforesaid provision of the Act.

RELATED PARTY TRANSACTIONS

The company did not enter into any material contract details of which needs to be disclosed under the report.

CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of Energy, Technology, Absorption, Foreign Exchange Earnings and Outgo are as under-

a) Conservation of Energy

Your company is a Service company engaged in providing consultancy services and it requires electrical energy only for the purpose of lighting its office premises and running its office equipments which it has installed. Such office equipments and electric fixtures do not consume much energy. Therefore it has nothing to report under Section 134(3)(m) of the Companies Act, 2013.

b) Technology Absorption

The Company continues to use the latest technologies for improving the quality of its services; its operations do not require import of any technology. Hence, it has nothing to report in the matter of absorption of technology.

c) Foreign Exchange Earnings/ Outgo

During the period under report, your company did neither earn nor expend anything in foreign exchange. Therefore it has nothing to report with respect of earnings and outgo of foreign exchange.

COMPLIANCE OF OTHER PROVISIONS OF THE COMPANIES ACT, 2013

Certain provisions of the Companies Act, 2013 and rules formulated and to be enforced under them dealing, inter-alia, with the following aspects which are either not applicable to the Company or Company has nothing reportable in respect thereof-

- Disclosure about CSR Policy in term of Section 134 (o) & 135 (2) read with Companies CSR Rules, 2014
- Particulars of Subsidiaries and Associate Companies
- Disclosure of receipt of any commission by Managing Director/Whole Time Director from company and also receiving remuneration from its subsidiary/ holding company in term of Section 197(14) of the Act
- Declaration by Independent Directors in term of Section 134(3) (d) read with Section 149 (C) of the Act and other provisions related thereto
- Manner in which formal Annual Evaluation of performance of the Board, its Committees, Individual Directors in term of Section 134(p) read with Companies (Accounts) Rule
- Provisions dealing with purchase of its own shares by a company
- Provisions governing Issue of Sweat Equity and Employees Stock Options Scheme issue of shares with differential voting rights etc. regulated by the Act under Companies (Share Capital & Debentures) Rules, 2014.

ACKNOWLEDGMENT

The Board of Directors of your Company wish to express gratitude for the guidance, support and co-operation received by the Bhopal Smart City Development Corporation Limited from various Departments of the Government

of India and Government of Madhya Pradesh, and other State Governments, Directorate, Urban Administration, MPUDCL, the Directorate of Industries, State level Financial Corporations/Institutions, and Nationalized/Commercial Banks, Ministry of Heavy Industries and Public Enterprises, Ministry of New & Renewable Energy, Department of Science & Technology and Department of Scientific & Industrial Research.

The Directors of your Company are grateful to the entrepreneurs, Industries Associations of Madhya Pradesh and other States for the confidence they reposed in Bhopal Smart City Development Corporation Limited. The Directors also place on record their appreciation for the dedicated and sincere services rendered by all the professionals and other staff of the Bhopal Smart City Development Corporation Limited.

For and on behalf of the Board
Bhopal Smart City Development Corporation Limited

Place: Bhopal	SD/- Chandramauli Shukla (Chief Executive Officer & Director) DIN NO 01121749	SD/- Arun Paliwal (Director) DIN NO 07662533
Date: 05.04.2018		

Annexure-I

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on the year ended on 31.03.2017

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

I. REGISTRATION & OTHER DETAILS:

CIN	U70100MP2016SGC035540
Registration Date	14.03.2016
Name of the Company	Bhopal Smart City Development Corporation Limited
Category/Sub-category of the Company	Public Company
Address of the Registered office & contact details	Zone-14, Near Tatpar Petrol Pump Bhel, Govindpura Bhopal -462023 (M.P.)
Whether listed company	No
Name, Address & contact details of the Registrar & Transfer Agent, if any.	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	SPV	75133	100

III. PARTICULARS OF HOLDING, SIBSIDIARY AND ASSOCIATE COMPANIES:

Not Applicable for the period under review

Name of the Company	CIN/GLN No.	Holding/Subsidiary /Associate	% of shares held by the company

Sub-total (B)(1):-	--	--	--	--	--	--	--	--	--
2. Non-Institutions									
a) Bodies Corp.	--	--	--	--	--	--	--	--	--
i) Indian	--	--	--	--	--	--	--	--	--
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals	--	--	--	--	--	--	--	--	--
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	--	--	--	--	--	--	--	--	--
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	--	--	--	--	--	--	--	--	--
c) Others	--	--	--	--	--	--	--	--	--
Non Resident Indians	--	--	--	--	--	--	--	--	--
Overseas Corporate Bodies	--	--	--	--	--	--	--	--	--
Foreign Nationals	--	--	--	--	--	--	--	--	--
Clearing Members	--	--	--	--	--	--	--	--	--
Trusts	--	--	--	--	--	--	--	--	--
Foreign Bodies	--	--	--	--	--	--	--	--	--
Sub-total (B)(2):-	--	--	--	--	--	--	--	--	--
Total Public Shareholding (B)=(B)(1)+ (B)(2)	--	--	--	--	--	--	--	--	--
C. Shares held by Custodian for GDRs & ADRs	--	--	--	--	--	--	--	--	--
Grand Total (A+B+C)	--	100000	1000000	100%	--	60100000	601000000	100%	Nil

ii) Shareholding of Promoters:

S.NO.	Shareholders Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Additional Commissioner UADD on behalf of Madhya Pradesh Urban Development Company	49990	49.99	30049990	49.99
2.	Chief Executive officer, Bhopal Development Authority	10	.01	10	.01
3.	Joint Director, Directorate of Town & Country Planning.	10	.01	10	.01
4.	Commissioner, Bhopal Municipal Corporation.	49960	49.96	30049960	49.96
5.	Joint Director, Finance UADD	10	.01	10	.01
6.	Additional Commissioner, BMC	10	.01	10	.01
7.	District Collector, Bhopal	10	.01	10	.01

(iii) Change in Promoters Shareholding

There were no changes in the shareholding of the promoters during the year.

(iv) Shareholding pattern of top ten shareholders : (Other than Directors, Promoters & Holders of GDRs and ADRs) as on March 31, 2017: Not Applicable for the period under review.

S.NO.	Shareholders Name	Shareholding at the beginning of the year 01-04-2016	Shareholding at the end of the year 31-03-2017	Cumulative Shareholding

		No. of shares	% of total shares of the company	Date	Increase/ Decrease in Shareholding	Reason	No. of shares	% of total shares of the company
	At the Beginning of the year	-	-	-	-	-	-	-
	Date wise Changes	-	-	-	-	-	-	-
	At the end of the year	-	-	-	-	--	-	-

(v) Shareholding of Directors and Key Managerial Personnel: No Directors of the Company hold any shares in their name but are allotted to their designated posts as nominees on behalf of MPUDCL and BMC

S.NO.	Shareholders Name	Shareholding at the beginning of the year 01-04-2016			Shareholding at the end of the year 31-03-2017		Cumulative Shareholding	
		No. of shares	% of total shares of the company	Date	Increase/ Decrease in Shareholding	Reason	No. of shares	% of total shares of the company
	At the Beginning of the year	-	-	-	-	-	-	-
	Date wise Changes	-	-	-	-	-	-	-
	At the end of the year	-	-	-	-	--	-	-

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

(Not Applicable for the period under review)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but	-	-	-	-

not due				
Total (i+ii+iii)	-	-	-	-
Change in Indebtedness during the financial year	-	-	-	-
* Addition	-	-	-	-
* Reduction	-	-	-	-
Net Change	-	-	-	-
Indebtedness at the end of the financial year	-	-	-	-
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager: (Not Applicable for the period under review)

S.No.	Particulars of Remuneration	Managing Director	Total Amount (in Rs.)
1	Gross salary	-	-
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission	-	-
5	Others (LTA)	-	-
	Total	-	-

B. Remuneration to Directors(Not Applicable for the period under review)

S.No	Particulars of Remuneration	Name of Director	Total Amount (in Rs.)
1	Director		
	Fee for attending Board/ Committee Meetings	-	-
	Commission	-	-
	Others, please specify	-	-
	Total (1)	-	-
2	Other Non-Executive Directors:	-	-
	Fee for attending Board/ Committee Meetings	-	-
	Commission	-	-
	Others, please specify	-	-
	Total (2)	-	-
	Total (1+2)	-	-
	Total Managerial Remuneration	-	-

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

S.No.	Particulars of Remuneration	Name of KMPs other than MD/WT/Manager			
		CEO	CFO	CS	Total
1	Gross Salary				
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act 1961				
	(b) Vaoue of perquisties u/s 17(2) if Income Tax Act, 1961				
	(c) Profit in lie of salary u/s 17(3) of Income Tax 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
5	Others, please specify				
	Total				

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board
Bhopal Smart City Development Corporation Limited

Place: Bhopal
Date: 05.04.2018

sd/-
Chandramauli Shukla
(Chief Executive Officer
& Director)
DIN NO 01121749

sd/-
Dr.Arun Paliwal
(Director)
DIN NO 07662533

Annexure-II

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017
[Pursuant to Section 204 (1) of the Companies Act, 2013 and Rule
No. 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

BHOPAL SMART CITY DEVELOPMENT CORPORATION LIMITED

CIN: U70100MP2016SGC035540

Zone-14, Near Tatpar Petrol Pump, BHEL, Govindpura, Bhopal-462023 (MP)

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Bhopal Smart City Development Corporation Limited** (hereinafter called the Company), promoted by Government of Madhya Pradesh and Urban Local Bodies (Bhopal Municipal Corporation). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the first financial year started from **14th March 2016** and ended on **31st March 2017** (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Company for the financial year ended on 31st March, 2017 according to the provisions of:

- i) The Companies Act, 2013 (the Act) and the rules made there under;
- ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under **(Not Applicable to the Company during the Audit Period)**;
- iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under **(Not Applicable to the Company during the Audit Period)**;
- iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit Period)**
- v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 **(Not Applicable to the Company during the Audit Period)**;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 **(Not Applicable to the Company during the Audit Period)**;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)**;
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 **(Not Applicable to the Company during the Audit Period)**;
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 **(Not Applicable to the Company during the Audit Period)**;
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client **(Not Applicable to the Company during the Audit Period)**;

- g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable to the Company during the Audit Period)** and
- h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable to the Company during the Audit Period)**.

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

- I. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective from 01st July 2015;
- II. The Listing Agreements entered into by the Company with the Stock Exchanges. **(Not Applicable to the Company during the Audit Period);**

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines as mentioned above except the Secretarial Standard (SS-1) with regard to Meeting of Board of Directors as the Company has not convened the Board Meeting in the Fourth Quarter of the Audit Period i.e. from January 2017 till March 2017. Further the maximum Interval of One Hundred & Twenty days between the Board Meetings held on 28th July 2016 and 13th December 2016 was exceeded.

We further report that having regard to the compliance system prevailing in the company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the company has complied with the all the laws/ rules/regulations, including the following specifically applicable to the company:

- (a) Income Tax Act, 1961 and rules made there under;
- (b) The Information Technology Act, 2000 and rules made there under;
- (c) Land Acquisition Act, 1894 and rules made there under;
- (d) The Right to Information Act, 2005 and rules made there under;
- (e) The Industrial and Labour Laws consisting of:
 - i. The Contract Labour (Regulation and Abolition Act, 1970);

- ii. The Minimum Wages Act, 1948;
- iii. The Sexual Harassment of Women at work places (Prevention, Prohibition and Redressal) Act, 2013;
- iv. The Employees Provident Fund and Miscellaneous Provision Act, 1952;

We further report that:-

- **Bhopal Smart City Development Corporation Limited** is a Special Purpose Vehicle (SPV) promoted by Government of Madhya Pradesh and Urban Local Bodies represented through Madhya Pradesh Urban Development Co Limited (MPUDCL) and Bhopal Municipal Corporation (BMC) respectively and all the directors are nominated by the Government of India (GoI), Government of Madhya Pradesh (GoMP) and Urban Local Bodies (Bhopal Municipal Corporation - BMC). The Board of Directors of the Company is constituted with Executive Directors, Non-executive Directors including Woman Directors and Independent Directors. The changes in the composition of the Board of directors that took place during the period under review were carried out in compliance with the provisions of the Companies Act, 2013.
- Adequate notice was given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- All decisions at Board Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors, as the case may be.
- The Company has not constituted the Committees to the Board till the end of Audit Period as per the applicable provisions of the Companies Act, 2013 but as per the explanation provided by the management of the Company it has constituted the Audit Committee, Nomination & Remuneration Committee after the end of Audit Period.

We further report that as per the requirement of the Companies Act, 2013 and other rules and regulations/guidelines, the Company has not formulated and adopted any policy during the Audit Period. **We further report that** based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Chief Executive Officer (CEO) and

taken on record by the Board of Directors at their meeting(s), we are of the opinion that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines:-

As informed by the Company, it has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures and also from the other concerned, wherever found necessary.

Place: Bhopal

Date: 06.12.2017

For Piyush Bindal & Associates

“Company Secretaries”

Sd/-

Piyush Bindal

(Proprietor)

FCS - 6749

CP. No. 7442

This report is to be read with our letter of even date which is annexed as Annexure A and forms integral part of this Report.

Annexure-A

To,

The Members,

BHOPAL SMART CITY DEVELOPMENT CORPORATION LIMITED

CIN: U70100MP2016SGC035540

Zone-14, Near Tatpar Petrol Pump, BHEL, Govindpura,

Bhopal-462023 (MP)

Our Secretarial Audit Report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices followed provided a reasonable basis for our opinion.
4. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
5. Wherever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Bhopal

Date: 06.12.2017

**For Piyush Bindal & Associates
"Company Secretaries"**

**Sd/-
Piyush Bindal
(Proprietor)
FCS - 6749
CP. No. 7442**

Annexure-III.

CAG COMMENTS AND MANAGEMENT REPRESENTATIONS

Sl. No.	Provisional Comments	Reply of Management	Reply of Statutory Auditor	Further Remarks
1.	<p>Balance Sheet</p> <p>Non Current Liabilities</p> <p>Other Long Term Liabilities – Rs. 106.46 crore (Note 4)</p> <p>As per para 10.3 of the Mission Statement & Guidelines issued by Govt. of India, funds provided by the Government of India in the Smart Cities Mission to the SPV will be in the form of tied grant and kept in a separate Grant Fund. These funds will be utilized only for the purposes for which the grants have been given and subject to the conditions laid down by MoUD.</p> <p>As per para 16 of the Accounting Standard (AS) 12 “Accounting for Government Grants”, Government grants of the nature of promoters’ contribution should be credited to capital reserve and treated as a part of shareholders’ funds.</p> <p>There was no obligation on the company to refund these grants. However, the company has shown these grants under the Non-Current Liabilities. These grants should have been shown under the shareholder’s funds under</p>	<p>The Balance Sheet was drafted recognizing the grant as Capital Reserve in accordance with AS 12. However the statutory auditor was not in agreement with the said treatment. In the audit committee meeting on 07-12-2017, the Committee members agreed to adopt the changes suggested by the Statutory Auditor.</p>	<p>Grant of `106.46 crores includes revenue grant of `7.05 crores which is presented as per para 9. Kindly refer para 16 read with para 10 & 8 of Accounting Standard (AS) 12 “Accounting for Government Grants”, no fixed asset has been created during the year and the projects on which grant has been expended are not owned by the company hence it was not conclusive to present it as capital reserve for the year. We will reconsider presentation in next year considering the facts at that time.</p>	

	<p>the head Reserves and Surplus. Therefore, Non-Current Liabilities are overstated and Reserve & Surplus is understated by Rs. 106.46 crore.</p>			
2.	<p>Non-Current Liabilities Other Long Term Liabilities – Rs. 106.46 crore (Note 4) General Fund (Revenue Grant) – Rs. 10 crore</p> <p>The above does not include Interest income of Rs. 0.47 crore on Revenue Grant. This was shown in Note 15 - Other Income. However, as per point no. 10.3 of Mission Statement & Guidelines issued by Govt. of India, funds provided by the Government of India in the Smart Cities Mission to the SPV will be in the form of tied grant and kept in a separate Grant Fund. Hence, interest earned on the Grant was to be added to the Grant which was not done. Revenue Grant to the extent of expenditure of Rs. 2.96 crore was recognized in Other Income (Note 15) which should have been recognized as Rs. 3.43 crore (2.96 crore+0.47 crore) under Other Income.</p>	<p>As per the provisions of Smart City Mission Guidelines, the fund is divided into 3 parts:</p> <ol style="list-style-type: none"> 1. 93% for Project Expenses i.e. the tied grant 2. 2% for A&OE Expenses for MOUD 3. 5% for Administrative and Office Expenses <p>In the Balance Sheet, the Capital/Tied Grant and interest thereon has been capitalized and shown in Balance Sheet.</p> <p>The Revenue Grant is deferred to the extent of expenditure incurred and amount is taken to Profit & Loss A/c as income of the company. The said treatment of grant and interest thereon was recommended by Joint Director (Finance) UADD on 16th Oct'17 in the meeting of all Chief Financial Officers of 7 Smart Cities to ensure uniformity of presentation.</p> <p>In line with the provisions Of Mission Guidelines, the interest on revenue grant is available for Administrative Expenses; therefore it is taken to Profit and Loss A/c to cover the Administrative Expenses.</p>	<p>Agree with the contention of the Company.</p>	

3.	<p>Non Current Liabilities (Note 4) Tied Grants for Project Works (Capital Grant) Rs. 86 crore</p> <p>It was mentioned that Rs. 86 crore were received from Madhya Pradesh Urban Development Corporation. However, it is factually incorrect as Rs. 86 crore were received from Central Government. Hence, it should have been shown as Project fund received from Central Government.</p>	<p>Agreed. It shall be corrected in the FY 2017-18 Final Accounts</p>	<p>Typographical mistake, it will be corrected in the next year. We have relied on the Internal Audit Report by Chartered Accountant.</p>	
4.	<p>Current Liabilities Trade Payables Rs. 66.94 lakh</p> <p>The above does not include Rs. 9.75 lakh payable to M/s UJAAS Energy Ltd in respect of Solar Power Project. The bill was received in December 2016, the payment against which was made in June 2017. Hence, Rs. 9.75 lakh should have been shown under the head Trade Payables.</p> <p>This has resulted in understatement of Trade Payables and Capital Work in progress (Solar Power Project Expenses) by Rs. 9.75 lakh.</p>	<p>The work has been completed in the year 2016 for which the bill was also raised but due to Net metering work pendency the payment was made in June 2017.</p>	<p>Bill was not approved and passed by the Company until the end of the reporting period.</p>	

5.	<p>Current Liabilities Short Term Provisions Rs. 3.00 lakh</p> <p>As per section 139 of the Company Act 2013, the CAG appointed (21.11.17) Statutory Auditor of the Company for the financial year 2016-18 at the annual fee of Rs. 20000. The Company did not make provision of auditor's fee amounting Rs. 20000 in its accounts.</p> <p>This has resulted in understatement of Current Liabilities and expenses by Rs. 20000.</p>	<p>There has been continuous communication between the AG Office New Delhi and Bhopal Smart City Development Corporation Limited and there had been confusion whether audit was to be conducted by AG Office or the Bhopal Smart City Development Corporation Limited Board was to appoint the auditor.</p> <p>On 20th of November, we were informed by Mr. Sujeet Michael that a letter has been dispatched by AG Office New Delhi that shall be conducted by their office. Since we had not received any hard copy in our office but a scanned copy of order sent by Mr. Michael on phone and the statutory auditor claims they have not received the fees annexure. Thus either parties did not have information to create the provision.</p>	<p>Appointment was made on 21.11.2017 ie. after the end of the reporting period by the O/o C & AG.</p>	
6.	<p>Balance Sheet Capital Work in Progress (Note 10) Rs. 8.67 crore Cycle Track Project expenses Rs. 5.06 crore</p> <p>The above includes an amount of Rs. 1.00 crore in respect of Cycle Track Project expenses in Capital Work in Progress. During scrutiny of records it was noticed that an amount of Rs. 1.00 crore</p>	<p>The payment of Rs.1.00 crore was paid against the invoice to M/s Next bike One Private Ltd as advance for purchase of necessary materials. It has been done on the basis of agreements Terms and conditions. Hence shall not be taken as Loans & advances.</p>	<p>Agree with the contention of the Company. We have relied on the Internal Audit Report by Chartered Accountant.</p>	

	<p>was paid to M/s Nextbike One Private Ltd as advance for purchase of necessary material. This should have been shown in Long terms loans and advances under Non-current Assets.</p> <p>This has resulted in overstatement of Capital Work in Progress and understatement of Long terms loans and advances by Rs. 1.00 crore.</p>			
7.	<p>Balance Sheet</p> <p>Fixed Assets</p> <p>Capital Work in Progress (Note 10) Rs. 8.67 crore</p> <p>Cycle Track Project Expenses Rs. 5.06 crore</p> <p>As per Note no. 10, Capital Work in Progress of Cycle Track Project was Rs. 5.06 crore. This Project Expenses includes Rs. 0.67 crore of 4th running bill as per measurement dated 12-04-17 and the same amount was shown as trade payable under Current liabilities despite the fact that it was related to financial year 2017-18. This should have been shown in next financial year i.e. 2017-18. This has resulted in overstatement of Capital Work in Progress and Current liabilities by Rs. 0.67 crore.</p>	<p>The Payment of Rs 0.67 crores of Cycle Track project was shown in financial year 2016-17 because it is measured on 23.03.2017. Budget has booked accordingly but the bill is verified and cleared in April 2017. Hence it has been considered in the Year 2016-17.</p>	<p>Agree with the contention of the Company. We have relied on the Internal Audit Report by Chartered Accountant.</p>	

8.	<p>Intangible assets under development (Note 11) Rs. 2.96 crore GIS project expenses Rs. 1.85 crore</p> <p>The above includes an amount of Rs. 1.85 crore in respect of GIS project expenses under Intangible assets under development under Fixed Assets. During scrutiny of records it was noticed that an amount of Rs. 25.38 lakh was paid (16-11-16) to M/s BSNL (GIS) as advance for providing the facility for Hosting of the GIS application and related data base. This should have been shown in Long terms loans and advances.</p> <p>This has resulted in overstatement of Intangible assets under development and understatement of Long terms loans and advances by Rs. 25.38 lakh.</p>	<p>The payment of Rs.25.38 Lakhs made to M/s BSNL (GIS) as advance for providing the facility for hosting of the GIS application and related data base. It shall not be considered as Loans and advances as it is the policy of the company to take advance payment before rendering services. So, it shall be taken as prepaid expenses rather than considering it as Loans and advances</p>	<p>The payment for the Hosting of GIS application has been made in advance as BSNL takes the amount in advance only. The contract with BSNL is a continuous service contract and BSNL has started rendering its services during the reporting period and the services will continue to be provided over the period of time. We have relied on the Internal Audit Report by Chartered Accountant.</p>	
9.	<p>Intangible Assets under development (Note-11) Rs. 2.96 crore Mobile Based Apps Expenses – Rs. 111.17 lakh</p> <p>The above includes consultancy fee expenditure of Rs. 25.10 lakh (for preparation of Smart City proposal) and Rs. 9.79 lakh (Citizen centric model development) incurred by</p>	<p>The Consultancy Fees Expenses “The above includes consultancy fee expenditure of Rs. 25.10 lacs (for preparation of Smart City Proposal) and Rs. 9.79 lacs (Citizen centric model development) incurred by the Municipal Corporation, Bhopal. The said expenses are incurred to draft the Smart City Proposal and Citizenship Development which is the</p>	<p>Agree with the contention of the Company. We have relied on the Internal Audit Report by Chartered Accountant.</p>	

	<p>the Municipal Corporation, Bhopal. This expenditure of Rs. 34.89 lakh was not part of the above project and no asset was created by this expenditure. This should have been shown as expenses (under Note 17 Other Expenses : Administrative Expenses), as per para 11.4 of Mission Statement & Guidelines issued by Ministry of Urban Development, Government of India (5 % Administrative and Office Expenses (A&OE) funds for state / ULB towards preparation of SCPs and for PMCs, Pilot studies connected to area-based developments and deployment and generation of Smart Solutions, capacity building as approved in the Challenge and online services).</p> <p>This has resulted into understatement of expenditure /loss and overstatement of Intangible Assets under development by Rs. 34.89 lakh.</p>	<p>baseline guidance on which the projects are executed. Thus it is taken in Project Expenses and not Administrative Expenses.</p> <p>However as recommended by the AG audit team we shall rectify the aforesaid in the current year Balance Sheet.</p>		
10.	<p>Current Assets Cash and Bank Balances (Note 13) Accrued interest on FDR – Rs. 4.53 crore Above includes an amount of Rs. 0.88 crore which was shown in ledger dated 31.03.2017. However, during scrutiny of Form 26 AS of the company, it was noticed that</p>	<p>The entry of Rs 0.88 crores dated 31.3.2017 was done by the Accountant. It seems to be mistaken by the Accountant therefore entry must be revised as recommended by CAG Auditors in subsequent financial year. It is inadvertent and non intentional mistake. Company's intention is not to</p>	<p>Agree with the contention of the Company. We have relied on the Internal Audit Report by Chartered Accountant.</p>	

	<p>no amount of Rs. 0.88 crore was shown in it. This amount was also included in interest received on surplus grant kept as Fixed Deposits under the head Non-Current Liabilities (Note 4). This has resulted into overstatement of Cash and Bank Balances and Non-Current Liabilities by Rs. 0.88 crore.</p> <p>Further, calculation sheet of Rs. 0.47 crore shown as interest on revenue grant (Note 15 – Other Income) has not been provided to audit despite several requests. In the absence of calculation sheet, Audit cannot verify the figure of Rs. 0.47 crore.</p>	<p>enhance profit by this entry as Company is showing no profit. No third party benefit has been given by this entry.</p> <p>The Rs 0.47 crore Interest on Revenue grant taken to P& L was calculated on a pro rata basis on reducing balance method on the Grant subsumed in P&L a/c</p>		
11.	<p>Notes to Accounts</p> <p>Significant Accounting Policies</p> <p>It was stated in point no 3 of the significant accounting policies that total funds received by BSCDCL during the financial year under consideration are Rs. 296 crore out of which Rs. 196 crore were received from the Central Government through MP Urban Development Co. Ltd and Rs. 100 crore were received from the State Government. The fund is further divided into Share Capital 60.10 lakh, share</p>	<p>The matching contribution of State Government of Rs. 100 Crores was received on 21/12/2017 by Bhopal Smart City Development Corporation Limited. During the preparation of Final Accounts and notes to the account, although matching contribution to be made, but there was no assurance from the State Government about the transfer of funds.</p>	<p>Agree with the contention of the Company.</p>	

	<p>application money pending allotment 139.90 crore, tied grants towards Project expenses of Rs. 86 crore and revenue grant of 10 crore for Administrative and office expenses.</p> <p>As per mission statement & guidelines issued by Govt. of India (point no. 11.1), an equal amount, on a matching basis, will have to be contributed by the State/ULB in financing of smart cities. Rs. 200 crore was receivable from State Govt. out of which only Rs. 100 crore was received from the State Government on matching basis as on 31 March 2017. Hence, Rs. 100 crore was receivable from State Government. This fact was not disclosed in point no. 3. Hence, this note is deficient to this extent.</p>			
12.	<p>Notes to Accounts</p> <p>B. Other disclosures</p> <p>Related Party Disclosure</p> <p>As per para 3 (b) of Accounting Standard 18 "Related Party Disclosures", Associates and joint ventures of the reporting enterprise and the investing party or venture in respect of which the reporting enterprise is an associate or a joint venture. Company was an associate company of Madhya Pradesh Urban Development Company Limited (MPUDCL).</p>	<p>Agreed. We have received official communication from MPUDCL that they are treating BSCDCL as its Associate and it shall be corrected in the FY 2017-18 Final Accounts</p>	<p>As per para 9 of the AS-18 "Related Party Disclosures", no disclosure is required in the financial statements of state-controlled enterprises as regards related party relationships with other state-controlled enterprises and transactions with such enterprises.</p>	

	<p>Company received share capital and share application money pending allotment from MPUDCL. However, these transactions were not shown under the head Related Party Disclosure, the details of the same may be provided to audit.</p> <p>This has resulted into non-compliance of AS 18 by the company. Statutory Auditor has also not qualified this non-compliance, the reasons of which may be explained to audit.</p>			
13.	<p>Notes to Accounts</p> <p>During scrutiny of Bank Guarantees, it was noticed that in four numbers Bank Guarantees valuing Rs. 0.86 crore out of 10 numbers Bank Guarantees valuing Rs. 5.34 crore were not confirmed by the Company. Further, the Bank Guarantees of Shree Krishna Infrastructure under ICC Project was not available with the Company. These facts were not disclosed by the Company in its notes to accounts.</p>	<p>All the 10 Bank Guarantees were confirmed by the Company and the Bank Guarantee of Shree Krishna Infrastructure under ICC project is a performance guarantee and cannot be considered as Asset of the Company. Hence it has not been shown in notes to accounts</p>	<p>Agree with the contention of the Company.</p>	
14.	<p>Auditor Report Annexure-II to the Auditors 'Report</p> <p>(i) As per the Generally Accepted Accounting Principles and Significant Accounting policies & Notes</p>	<p>i) In the FY 2016-17, the Company was not following the Accrual system of Accounting. The year-end entries for provisioning (Salary) have been made in the Balance Sheet. Although it</p>	<p>i) Agree with the contention of the Company.</p>	

	<p>to Accounts the Company is to follow accrual system of accounting for maintaining of books of accounts but some bills and vouchers have been recorded on cash accounting basis during the reporting period. Audit asked for details of these bills and vouchers alongwith supporting documents which were not provided to audit. Hence, these may be provided to audit so that the impact of these on the accounts may be ascertained.</p> <p>(ii)Payment for advertisement designing, interior designing etc. which are of the nature covered by sec 194 J of Income Tax for the purpose of Tax Deduction at source, have been classified under sec 194 C of the Act and TDS done accordingly which results in the short deduction of Income Tax from the suppliers eg. M/s Design Scape and Navin Arts. Statutory Auditor has not quantified the short deduction of income tax. Please provide the same to audit.</p>	<p>is a non-compliance, however during the year, there has been no impact on the finances of the Company</p> <p>ii) The TDS deducted has been under at 2% u/s 194C considering these as advertisement contracts but these two contracts have been in the nature of designing, so tax should have been deducted at 10% u/s 194J</p>	<p>ii) Agree with the contention of the Company.</p>	
15.	<p>Non-compliance of provisions of Companies Act, 2013</p> <p>As per sub-section of 4 (a) &(b) of section 56 of Companies Act, 2013, every</p>	<p>Since, BMC and MPUDC are two major shareholders of Bhopal Smart City Development Corporation Limited holding shares of Rs.60.10 Crores in equal</p>	<p>Agree with the contention of the Company</p>	

<p>company shall, unless prohibited by any provision of law or any order of Court, Tribunal or other authority, deliver the certificates of all securities allotted, transferred or transmitted—</p> <p>(a) within a period of two months from the date of incorporation, in the case of subscribers to the memorandum;</p> <p>(b) within a period of two months from the date of allotment, in the case of any allotment of any of its shares;</p> <p>During scrutiny of records it was noticed that the Company was incorporated on 14-03-2016. However, the Company has not issued share certificate of share capital of Rs. 60.10 crore mentioned in the Balance sheet. Hence, there was non-compliance of sub-section of 4 (a) & (b) of section 56 of Companies Act, 2013.</p>	<p>proportion. As, the Stamp duty has not been paid on share certificates due to Transaction between two Govt Departments and the shareholders not intended to take the share certificates but the capital structure information has been given as per format given by MPUDCL. It will be taken in the further Board Meeting of the Company.</p>		
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For and on behalf of the Board
Bhopal Smart City Development Corporation Limited

Place: Bhopal
Date: 05.04.2018

sd/-
Chandramauli Shukla
(Chief Executive Officer &
Director)
DIN NO 01121749

sd/-
Arun Paliwal
(Director)
DIN NO 07662533

INDEPENDENT AUDITORS' REPORT

To,

The Members

Bhopal Smart City Development Corporation Limited

Bhopal.

Report on the Financial Statements

We have audited the accompanying financial statements of Bhopal Smart City Development Corporation Limited, Bhopal ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and the Cash Flow Statement for the period 14.03.2016 to 31.03.2017 and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the rules made there

under. We conducted our audit in accordance with the standards on Auditing specified under section 143 (10) of the Act. Those Standards require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that gives the true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the company has in place an adequate internal financial control system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the company's directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its profit/loss and its cash flows for the period 14.03.2016 to 31.03.2017 subject to the remarks or observations mentioned in the annexure-II to the report.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the order') issued by the central Government of India in terms of section 143(11) of the

Act, the Annexure-I to the report contains the statement on the matters specified in paragraphs 3 and 4 of the order.

2. As required by section 143(3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the financial statements dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial Statement comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 except for the diversions as mentioned in the Significant Accounting Policies & Note to Accounts and observations mentioned in annexure-II to the report;
 - e. The company has in place adequate and effectively operating internal financial controls system except for the discrepancies/remarks mentioned in the annexure-II to the report.
 - f. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) rules ,2014 in our opinion and to the best of our information and according to the explanations given to us:
 - i. the company has disclosed impact of pending litigation on its financial position in Notes to Accounts attached here with;
 - ii. the company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. the company was not required to transfer any amount to Investor Education and Protection Fund;
 - iv. The company did not have holdings or dealings in Specified Bank Notes during the period from 8.11.2016 to 30.12.2016

Sd/-

For Arun K Jain & Associates
Chartered Accountants

PLACE: BHOPAL

Annexure-I to the Auditors' Report

The Annexure-I referred to in our report to the members of Bhopal Smart City Development Corporation Limited, Bhopal (the Company) for the year period 14.03.2016 to 31.03.2017

We report that:

- i. a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets;
- b) The fixed assets have been physically verified by the Management at reasonable intervals. No material discrepancies were noticed on such verification.
- c) The title deeds of the immovable properties under construction are not held in the name of the company
- ii. The Company has no inventory as all the work is being executed through work contractors
- iii. The company has not granted any loans secured or unsecured to parties covered in the register maintained under section 189 of the Companies Act.,
- iv. The company has complied with the provisions of the sec 185 and 186 of the Companies Act, 2013. No loans, advances and investments covered us 185 and 186 have been made by the Company.
- v. The company has not accepted any deposits.
- vi. Maintenance of cost records has not been specified for the Company by the Central Government under sub-section (1) of section 148 of the Companies Act.
- vii. a)The company is regular in depositing undisputed statutory dues including provident fund employees' state insurance, income tax, sales tax, duty of customs ,duty of excise, value added tax, cess and any other statutory dues with appropriate authorities but irregular in depositing the dues of Service Tax.
- b) According to the information and explanations given to us added tax, no disputed tax dues of sales- excise duty or value added tax are outstanding cess and payable by the Company.

- viii. The company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- ix. The company has not raised any moneys by way of initial public offer or further public offer.
- x. As per the representations and information furnished by the management no fraud by the company or on the company by its officers or employees has been noticed or reported during the year.
- xi. Sec 197 relating to managerial remuneration is not applicable to the Company as it is a Government Company.
- xii. The Company is a Government Company not a Nidhi Company.
- xiii. The related party transactions are in compliance with sec 177 and 188 of the Companies Act, 2013 and have been disclosed in the financial statements as required by the Accounting Standards.
- xiv. The company has made preferential allotments or private placement of shares during the year and non-compliance with sec 42 has been observed with respect to the following points:
 - a) The amount received for share allotment was not kept in a separate bank account;
 - b) The allotments were not completed within the time prescribed for share allotment after the receipt of the monies, as required by the section.
- xv. The company has not entered into non-cash transaction with directors or persons connected with him.
- xvi. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

BHOPAL
DATED: 05.04.2018

Sd/-
For Arun K Jain & Associates
Chartered Accountants
Firm Regn. No. 002626C
(Arun Jain)
Proprietor M.No 7166

Annexure-II to the Audit Report for the period 14.03.2016 to 31.03.2017

OBSERVATIONS OF INTERNAL AUDIT REPORT

- **Price water House Cooper-Implementation and Operations of Mobile based citizen service delivery and collaboration platform for city of Bhopal:**
 - Measurement of work executed and certification is not available for verification.
 - Data disaster recovery Insurance cover policy as per contract agreement was not provided by the contractor
 - No implementation schedule was available in the contract. Work execution certificate by the officials of BSCDCL not available for verification. Payment of Running Bill was not based on measurement of work executed.
- **Price Water House Cooper- ICT project:**
 - Verification of extended BG not available
 - Insurance cover of services involved in the project not provided by the contractor.
 - Measurement sheet and certification of work execution not available for verification for which running bill was submitted.
 - The RFP of ICT project does not mention the milestone or recognition point for work completion for the purposes of submission of bills and their approvals. The bills submitted mentioned only period for which the bills are submitted and does not mention the work done.
- **Shiv Shakti Construction Company- Smart Road Construction from Bharatmata Square to Polytechnic:**
 - No records were available showing the compliance of provisions of Minimum Wages Act, ESI and PF Act by the contractor as is required as per the agreement.
- **Ujas Energy Limited-Rooftop Solar Project:**
 - Project Completion certificate guarantee certificate is not available in files
 - SECI monitoring certificate not available in the records.

PROJECT EXPENSES CHECKING

Development of Cycle Track- '505.82 lakhs- KMGS Road Signs Pvt Ltd:

- Agreement dated 9.11.2016 was signed by the contractor only and was not signed by any official on behalf of BSCDCL. Later on during the concurrency of the audit the agreement was signed by the officials on behalf of BSCDCL.
- In 3rd Running Bill dt 30.3.2017 it was observed that for item no. 1 the estimated rate was Rs.1150/- per sqm, tender was quoted 1.20% below the estimate hence the rate works out to Rs.1136.20 per sqm but the running bill has been passed with the rate as Rs.1 136/- per sqm ie. less by Rs0.20 per sqm.

TDS has been deducted @ 2.24% instead of 2.00% and WCT (Works Contract Tax-MPVAT) has been deducted @5% instead of 2%.

Defect liability period is 24 months as per the agreement. A FDR of 5% of the contract value of Rs.2404066/- maturing on 28.04.2017. The FDR was renewed for a period of 6 months only and thereafter it is being renewed for 6 months period only whereas the defect liability period is for 24 months.

NON-COMPLIANCES

- MPVAT returns were not filed within prescribed time limits.
- Service tax under reverse charge mechanism was not deposited within prescribed time and the return of Service Tax was also not filed within prescribed time limit.
- Payments for advertisement designing, interior designing etc, which are of the nature covered by sec 194J of Income Tax for the purpose of Tax Deduction at Source, have been classified under sec 194C of the Act and TDS done accordingly which results in the short deduction of Income Tax from the suppliers eg. M/s Design Scape and Navin Arts.

OTHER OBSERVATIONS

- The imprest sheet is not proper as the dates are not in chronological order.
 - As per the Generally Accepted Accounting Principles and Significant Accounting Policies & Notes to Accounts the company is to follow accrual system of accounting for maintaining of books of accounts but some bills and vouchers have been recorded on cash accounting basis during the reporting period.

BALANCE SHEET

BHOPAL SMART CITY DEVELOPMENT CORPORATION LTD.

Zone-14, Bhopal Municipal Corporation, BHEL, Govindpura, Near Tatpar Petrol Pump, Bhopal, M.P.

BALANCE SHEET AS AT 31ST MARCH, 2017

Particulars	Note No.	As on 31.03.2017 (Amount in ₹.)
I. EQUITY AND LIABILITIES		
(1) Shareholders' funds		
(a) Share capital	1	601,000,000.00
(b) Reserves and surplus	2	(3,315.05)
(c) Money received against share warrants		-
(2) Share application money pending allotment	3	1,399,000,000.00
(3) Non-current liabilities		
(a) Long-term borrowings		-
(b) Deferred tax liabilities (Net)	18	3,315.05
(c) Other Long term liabilities	4	1,064,586,992.84
(d) Long-term provisions		-
(4) Current liabilities		
(a) Short-term borrowings		-
(b) Trade payables		-
(A) total outstanding dues of micro enterprises and small enterprises		-
(B) total outstanding dues of creditors other than micro enterprises and small enterprises	5	6,694,127.00
(c) Other current liabilities	6	13,232,923.00
(d) Short-term provisions	7	300,338.00
TOTAL		3,084,814,380.84

II. ASSETS		
1. Non-current assets		
<i>(a)</i> Fixed assets		
<i>(i)</i> Tangible assets	8	549,191.47
<i>(ii)</i> Intangible assets	9	17,777.05
<i>(iii)</i> Capital work-in-progress	10	86,725,581.00
<i>(iv)</i> Intangible assets under development	11	29,569,550.00
<i>(b)</i> Non-current investments		-
<i>(c)</i> Deferred tax assets (net)		-
<i>(d)</i> Long-term loans and advances	12	19,670,060.00
<i>(e)</i> Other non-current assets		-
2. Current assets		
<i>(a)</i> Current investments		-
<i>(b)</i> Inventories		-
<i>(c)</i> Trade receivables		-
<i>(d)</i> Cash and Bank Balances	13	2,936,454,103.32
<i>(e)</i> Short-term loans and advances		-
<i>(f)</i> Other current assets	14	11,828,118.00
TOTAL		3,084,814,380.84

Significant Accounting policies & Notes to Accounts - 19
The accompanying notes are an integral part of the financial statements.

For Arun K Jain & Associates
Chartered Accountants
FRN 002626C

For and on behalf of the Board of Directors

Sd/-
(CA Arun Jain)
Proprietor
M. no 71661

Sd/-
Chandramauli Shukla
(Chief Executive Officer)
DIN NO 01121749

Sd/-
Dr. Arun Paliwal
(Director)
DIN NO – 07662533

Sd/-
Meeta Athavale
(Chief Financial officer)

Sd/-
Yogesh Khakre
(Company Secretary)

Date:05.04.2018
Place: Bhopal

STATEMENT OF PROFIT&LOSS

BHOPAL SMART CITY DEVELOPMENT LTD.

Zone-14, Bhopal Municipal Corporation, BHEL, Govindpura, Near Tatpar Petrol Pump, Bhopal, M.P.

PROFIT & LOSS STATEMENT FOR PERIOD ENDING AS AT 31ST MARCH, 2017

	Particulars	Note No.	Figures for 14-03-16 to 31-03-17 (Amount in ₹.)
I	Revenue from operations		0.00
II	Other income	15	35,208,383.22
III	Total Revenue (I + II)		35,208,383.22
IV	Expenses:		
	Cost of materials consumed		0.00
	Purchases of Stock-in-Trade		0.00
	Changes in inventories of finished goods work-in-progress and Stock-in-Trade		0.00
	Employee benefits expense	16	5,695,582.00
	Finance costs		0.00
	Depreciation and amortization expense	8 & 9	32,634.48
	Other expenses	17	29,480,166.74
	Total expenses		35,208,383.22

V	Profit before exceptional and extraordinary items and tax (III - IV)		0.00
VI	Exceptional items		0.00
VII	Profit before extraordinary items and tax (V - VI)		0.00
VIII	Extraordinary items		0.00
IX	Profit before tax (VII- VIII)		0.00
X	Tax expense:	18	
	(1) Current tax		0.00
	(2) Deferred tax		3,315.05
XI	Profit (Loss) for the period from continuing operations (IX-X)		(3,315.05)
XII	Profit/(loss) from discontinuing operations		0.00
XIII	Tax expense of discontinuing operations		0.00
XIV	Profit/(loss) from Discontinuing operations (after tax) (XII-XIII)		0.00

XV	Profit (Loss) for the period (XI + XIV)		(3,315.05)
XVI	Earnings per equity share:		
	(1) Basic		0.00
	(2) Diluted		0.00
		For and on behalf of the Board of Directors	
For Arun K Jain & Associates			
Chartered Accountants			
FRN 002626C			
Sd/-	Sd/-	Sd/-	
(CA Arun Jain)	Chandramauli Shukla	Dr. Arun Paliwal	
Proprietor	(Chief Executive Officer)	(Director)	
M. no 71661	DIN NO 01121749	DIN NO – 07662533	
Date:05.04.2018	Sd/-	Sd/-	
Place:Bhopal	Meeta Athavale	Yogesh Khakre	
	(Chief Financial Officer)	(Company Secretary)	

Cash Flow Statement.

BHOPAL SMART CITY DEVELOPMENT LTD.

Zone-14, Bhopal Municipal Corporation, BHEL, Govindpura, Near Tatpar Petrol Pump, Bhopal, M.P.

Statement of Cash Flows for the period ending on 31st March 2017

Particulars		Figures as at the end of current reporting period
		(Amount in ₹.)
Cash flows from operating activities		
Cash receipts from Operations		-
Cash receipts from Other Income		35,208,383.22
Cash paid for Administrative and employees expenses		(35,208,383.22)
Profit before taxation		-
Adjustments for:		
Depreciation		32,634.48
Profit / (Loss) on the sale of property, plant & equipment		-
Working capital changes:		
(Increase) / Decrease Current Assets		(11,828,118.00)
(Increase) / (Decrease) in inventories		-
Increase / (Decrease) in Current Liabilities		20,227,388.00
Cash generated from operations		8,431,904.48
Interest paid		-
Income taxes paid		-
Dividends paid		-
Net cash from operating activities		8,431,904.48

Cash flows from investing activities		
Business acquisitions, net of cash acquired		-
Purchase of property, plant and equipment		(599,603.00)
Proceeds from sale of equipment		-
Acquisition of portfolio investments		-
Investment income		-
Investment in Other Non Current Assets		(19,670,060.00)
Capital work in Progress		(116,295,131.00)
<i>Net cash used in investing activities</i>		(136,564,794.00)
Cash flows from financing activities		
Proceeds from issue of share capital + share application		2,000,000,000.00
Proceeds from Other long-term Liabilities		1,064,586,992.84
Payment of long-term borrowings		-
<i>Net cash used in financing activities</i>		3,064,586,992.84
Net increase in cash and cash equivalents		2,936,454,103.32
Cash and cash equivalents at beginning of period		-
Cash and cash equivalents at end of period		2,936,454,103.32
		(2,936,424,738.78)

For and on behalf of the Board of Directors

For Arun K Jain & Associates

Chartered Accountants

FRN 002626C

(CA Arun Jain)

Proprietor

M. no 71661

Date :05.04.2018

Place :Bhopal

Sd/-

**Chandramauli Shukla
(Chief Executive
Officer)**

DIN NO 01121749

Sd/-

**Meeta Athavale
(Chief Financial
Officer)**

Sd/-

**Dr. Arun Paliwal
Director**

DIN NO – 07662533

Sd/-

**Yogesh Khakre
(Company
Secretary)**

Notes

Bhopal Smart City Development Corporation Limited, Bhopal.

Note 1- Share Capital

S. No.	Particulars	(Amount in ₹.)
		As on 31-03-2017
	(A) Authorized Share Capital	
	20,00,00,000 Equity Shares of Rs.10 Each	2,000,000,000.00
	(B) Issued Share Capital	
	601,00,000 Equity shares of Rs.10 Each	601,000,000.00
	(C) Subscribed and Fully Paid Up Share Capital	
	601,00,000 Equity shares of Rs.10 Each	601,000,000.00

- 1 Bhopal Smart City Development Corporation Limited (BSCDCL) is fully owned government company. Whose 50% shares are owned by Bhopal Municipal corporation and 50% shares are owned by Madhya Pradesh Urban Development Corporation.
- 2 Company is registered with 20, 00, 00,000 shares of Rs.10 each and has only one class of equity shares. each holder of equity share is entitled to one vote per share.
- 3 List of Share Holders as on 31.03.2017

S.No.	Name of Shareholder	Dept	No. of Shares	Amount	Shareholding in %
1	Addl Commissioner Urban Administration & Development Directorate	Madhya Pradesh Urban Development Corporation	30,049,990	300,499,900	49.99
2	Joint Director, Finance, Urban Administration & Development Directorate	Madhya Pradesh Urban Development Corporation	10	100	0.01
3	CEO, Bhopal Development	Bhopal Municipal Corporation	10	100	0.01

	Authority				
4	Joint Director, Town & Country Planning	Bhopal Municipal Corporation	10	100	0.01
5	Commissioner, Bhopal Municipal Corporation	Bhopal Municipal Corporation	30,049,960	300,499,600	49.96
6	Additional Commissioner, Bhopal Municipal Corporation	Bhopal Municipal Corporation	10	100	0.01
7	District Collector, Bhopal	Bhopal Municipal Corporation	10	100	0.01
TOTAL			60,100,000	601,000,000	100.00

Note 2 - General Reserves - Profit & Loss Account

S. No.	Particulars	As on 31-03-2017
1	Profit /(Loss) Brought Forward	0.00
2	Profit /(Loss) for the Year	(3,315.05)
Total		(3,315.05)

Note 3 - Share Application Money Pending Allotment

S. No.	Particulars	(Amount in ₹.)
		As on 31-03-2017
1	Bhopal Municipal Corporation Share application Money	699,500,000.00
2	Madhya Pradesh Urban Development Corporation Share application Money	699,500,000.00
Total		1,399,000,000.00

Note 4- Non Current Liabilities : Other Long Term Liabilities

S. No.	Particulars	(Amount in ₹.)
		As on 31-03-2017
	<u>Tied Grants for Project Works (Capital Grant)</u>	
1	Madhya Pradesh Urban Development Corporation	860,000,000.00
2	Bhopal Municipal Corporation	-
3	Interest Received On surplus grant kept as Fixed Deposits	<u>134,137,295.06</u>
		994,137,295.06
	<u>General Fund (Revenue Grant)</u>	
	Grant received for Administrative & Office Expenditure	100,000,000.00
	Less: recognized in P&L to the extent of expenditure incurred	<u>29,550,302.22</u>
	Revenue Grant Carried Forward	70,449,697.78
	Total	1,064,586,992.84

Note 5- Trade Payables**B. Total outstanding dues of creditors other than micro enterprises and small enterprises**

S. No.	Particulars	(Amount in ₹.)	
			As on 31-03-2017
1	KMGS Road Signs Pvt. Ltd	6,691,067.00	
2	Vinay Graphics	3,060.00	6,694,127.00

Note 6- Other Current Liabilities

S. No.	Particulars	(Amount in ₹.)
		As on 31-03-2017
	(a) Duties & Taxes	
1	GPF-Chandra Mauli Shukla	4,500.00
2	GSLIS-Chandra Mauli Shukla	600.00
3	Labour Welfare Cess @1%	111,758.00
4	Professional Tax Deducted	250.00

5	SERVICE TAX RCM PAYBLE	1,800.00	
6	TDS @ 2.24% U/s 194C	855,779.00	
7	TDS @10% U/s 194J	702,334.00	
8	TDS @2% U/s 194C	234,918.00	
9	WCT 3%	116,517.00	
10	WCT 5%	364,596.00	2,393,052.00
	(b) EMD		
1	Shiv Shakti Construction	1,588,000.00	
2	Semac Consultant	50,000.00	
3	SPC Management (HR Agency)	100,000.00	1,738,000.00
	(c) Retention/ withheld money		
1	Mailhem Ikos	2,711,563.00	
2	Satellite Imagery	50,000.00	
3	Rajputana Construction	837,817.00	3,599,380.00
	(d) Security Deposits		
1	Rajputana Const	582,080.00	
2	Mailhem	903,000.00	
3	TCE	185,000.00	1,670,080.00
	(e) Other Current Liability		
1	Municipal Corporation Bhopal	3,832,411.00	3,832,411.00
	Total		13,232,923.00

Note 7- Short Term Provisions			
Provision for employee dues			
1	Salary of Regular staff	212,066.00	
2	Salary of 25 days staff	88,272.00	300,338.00

Note 10- Capital Work in Progress :

(a) Project Expenses

S. No.	Particulars		(Amount in ₹.)
			As on 31-03-2017
1	ABD Project Expense	4,185,624.00	
2	BIO Gas Plant Project Expenses	10,500,000.00	
3	Cycle Track Project Expense	50,581,807.00	
4	Heritage Deveopment Project Expense	6,292,750.00	
5	ICCC Project Expense	10,395,676.00	
6	ICT Project Expense	3,833,334.00	
7	Solar Power Project Expenses	936,390.00	86,725,581.00
	Total		86,725,581.00

Note 11-Intangible Assets under development

S. No.	Particulars		(Amount in ₹.)
			As on 31-03-2017
1	GIS Project Expenses	18,452,529.00	
2	Mobile Based Apps Expenses	11,117,021.00	
	Total		29,569,550.00

Note 12- Long-term loans and advances**Loan And Advances (Secured against BG & Considered good)**

S. No.	Particulars		(Amount in ₹.)
			As on 31-03-2017
1.	Mobilization Advance Smart Road Project	1,36,99,653.00	
2.	Pwc Mobilization Advance ICT	12,46,411.00	
3.	Pwc Mobilization Advance MBA	35,11,905.00	
4.	Tce Mobilization Advance	12,12,091.00	1,96,70,060.00
	Total		1,96,70,060.00

Note 13 - Cash and Bank Balances

S. No.	Particulars	(Amount in ₹.)
		As on 31-03-2017
1	Allahabad Bank	51,870,685.26
2	Allahabad Bank- FDR	2,839,213,577.00
3	Accrued interest on FDR	45,259,784.06
4	Accrued interest on SB	110,046.00
5	Cash in Hand	11.00
	Total	2,936,454,103.32

Note 14 - Other Current Assets

S. No.	Particulars	(Amount in ₹.)
		As on 31-03-2017
1	IT Refund AY 2017-18	11,803,118.00
2	SD- 7FS Eco Tech	25,000.00
	Total	11,828,118.00

Note 15- Other Income

S. No.	Particulars		(Amount in ₹.)
			For the period 14-03-16 to 31- 03-17
1.	Revenue Grant to the extent of expenditure	2,95.50.302.22	

2.	Tender Fees Received	5,73,500.00	
3.	Interest Received on Mobilization Advance	3,70,616.00	
4	Vehicle Rent Received	18,300.00	
5.	Interest on Revenue grant	46,95,665.00	3,52,08,383.22
TOTAL			3,52,08,383.22

Note 16-Employee benefits expense		
S. No.	Particulars	(Amount in ₹.)
		For the period 14-03-16 to 31-03-17
1	Salary paid to Directors	371,036.00
2	Salary paid to BSCDCL staff	5,324,546.00
	Total	5,695,582.00

Note 17- Other Expenses : Administrative Expenses

S. No.	Particulars		(Amount in ₹.)
			For the period 14-03-16 to 31-03-17
1.	Advertisement Expenses	16,30,068.00	
2.	Bank Charges & Interest	18.74	
3.	Conference / Meeting/ Fair Expenses	24,99,767.00	
4.	Conveyance & Travelling Expenses (other staff)	14,48,205.00	
5.	Rates & taxes-Service TAX RCM Exp	68,340.00	
6.	Directors Travelling Expenses	2,65,195.00	
7.	Legal, Professional & Consultancy	16,52,725.00	
8.	Payment to Auditors	2,53,000.00	
9.	Office / General / Misc Expenses	3,77,553.00	
10.	Printing & Stationery	26,66,533.00	
11.	Repair & Maintenance of office Equipment	74,496.00	
12.	Telephone & Mobile Expenses	42,826.00	
13.	Web, Internet & Sms Expenses	32,433.00	

14.	Recruitment & Training to Staff	5,08,637.00	
15.	Preliminary Expenses	3,22,920.00	29,480,166.74
TOTAL			29,480,166.74

Note 18 - Deffered tax Liability

According to AS-22, deffered tax Liability for the year

S. No.	Particulars		(Amount in ₹.)
			For the period 14-03-16 to 31-03-17
	Depreciation as per Income tax Act	43,732.73	
	Less : Depreciation as per Companies act	32,634.47	
	Excess Depreciaiton for the purpose of defferred tax	11,098.26	
	Defferred tax Liability @	29.87%	3,315.05
	Total		3,315.05

For Arun K Jain & Associates

For Bhopal Smart City Development Corporation Limited

Chartered Accountants

FRN 002626C

Sd/-

Sd/-

Sd/-

(CA Arun Jain)

Chandramauli Shukhla

Dr. Arun Paliwal

Chief Executive Officer

Director

DIN NO 01121749

DIN NO - 07662533

Date:05.04.2018

Sd/-

Sd/-

Place: Bhopal

Meeta Athavale

Yogesh Khakre

Chief Financial Officer

Company Secretary