



**A.K.Chadda & Co.**  
CHARTERED ACCOUNTANTS

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**INDEPENDENT AUDITOR'S REPORT**

To

The Members of

**CHANDIGARH SMART CITY LIMITED**

**Report on the Audit of Financial Statements**

**Opinion**

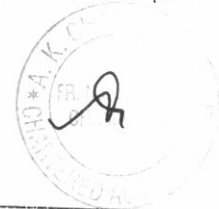
We have audited the accompanying financial statements of **CHANDIGARH SMART CITY LIMITED** ('the company') which comprise the Balance Sheet as at 31<sup>st</sup> March 2020, the Statement of Profit and Loss statement, the Cash Flow Statement for the year then ended and a summary of the significant accounting policies along with notes to accounts accompanying the financial statements and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in case of the Balance Sheet, of the state of affairs of the Company as at **31 March 2020**;
- (b) in case of Profit and Loss Account, of the **Profit** for the year ended on that date.
- (c) in case of Cash Flow Statement, of the cash flows for the year ended on that date.

**Basis for Opinion**

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



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## **Management Responsibility for the Financial Statements**

The Company's Board of Directors are responsible for the matters 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, financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities, selection and application of appropriate accounting policies, making judgements and estimates that are reasonable and prudent, and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

## **Auditor's Responsibility for the Audit of the Financial Statements**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.



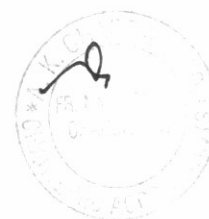
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraph 3 and 4 of the order.
2. As required by section 143(3) of the Act, we report to the extent applicable, that:
  - a. We have sought and obtained all 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 Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.



- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- e. On the basis of written representations received from the directors as on 31 March 2020 and taken on record by the Board of Directors, none of the director is disqualified as on 31 March 2019, from being appointed as a director in terms of Section 164(2) of the Companies Act, 2013.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- a) The Company does not have any pending litigations which would impact on its financial position.
  - b) The Company has no long-term contracts including derivative contracts so no need to make any provision.
  - c) There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For AK Chadda & Co.**

Chartered Accountants

ICAI Firm Registration No. 008683N

  
**Anil Chadda**

Partner

ICAI Membership No. 087312

Place – Chandigarh

Dated – 22-12-2020

UDIN - 21087312AAAAAA7707

**“Annexure A” to the Independent Auditors’ Report referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2020:**

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a reasonable period of time having regard to the size of the company and nature of its business. Pursuant to the program, the fixed assets have been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) According to the information and explanations given to us and on the basis of the records of the Company, the Company holds no immovable properties in its name.
- 2) The activity of the Company does not require it to hold any physical inventory. Therefore, the provisions of paragraph 3 (ii) of the Order are not applicable to the Company and hence not commented upon.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of paragraph 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) On the basis of records produced before us, the Company has not granted any loans, made any investments, given any guarantees and securities as specified in sections 185 and 186 of the Companies Act, 2013. Therefore, the provisions of paragraph 3 (iv) of the Order are not applicable to the Company and hence not commented upon.
- 5) On the basis of records produced before us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under with regard to the deposits accepted from the public are not applicable.
- 6) On the basis of records produced before us and as informed to us by the management, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Goods and Services tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanation given to us, there are no dues of sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.



8) In our opinion and according to the information and explanations given to us, the Company has not accepted any loans or borrowings from any other financial institutions, banks or from the Government and has not issued any debentures.

9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and term loans. Accordingly, the provisions of paragraph 3 (ix) of the Order are not applicable to the Company and hence not commented upon.

10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the year ended 31st March, 2020.

11) The company, being a government company, provisions of Section 197 of read with Schedule V are not applicable to the Company.

12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of paragraph 4 (xii) of the Order are not applicable to the Company.

13) In our opinion and according to the information and explanations given to us, transactions with the related parties are in compliance with the section 188 of the Act. Further, the Company is not covered by section 177. Therefore, no compliance with section 177 of Companies Act, 2013 is required. The details regarding Related Party transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.

14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of paragraph 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.

15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of paragraph 3 (xv) of the Order are not applicable to the Company and hence not commented upon.

16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of paragraph 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

for **AK Chadda & Co.**

Chartered Accountants

ICAI Firm Registration No.

008683N

  
**Anil Chadda**

Partner

ICAI Membership No. 087312

Place - Chandigarh

Dated - 22-12-2020

UDIN - 21087312 AAAA7707

**Annexure – B to the Auditors' Report  
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of  
the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of Chandigarh Smart City Limited ('the Company') as of 31 March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

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

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over the financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over the Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable for to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over the financial reporting.

**Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of the financial reporting and the preparation of financial statements for the external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that



- (1) pertains to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipt and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

### **Opinion**

In our opinion, the Company has, in all material aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

for **AK Chadda & Co.**

Chartered Accountants

ICAI Firm Registration No.  
008683N

  
**Anil Chadda**

Partner

ICAI Membership No. 087312

Place - Chandigarh

Dated - 22-12-2020

UDIN - 21087312 AAAAAA7707



**CHANDIGARH SMART CITY LIMITED**  
BALANCE SHEET AS AT 31.03.2020



Particulars	Notes	AS AT 31.03.2020 (RS.)	AS AT 31.03.2019 (RS.)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share Capital	3	10,00,000.00	10,00,000.00
(b) Reserves & Surplus	4	10,16,47,704.53	13,38,951.87
<b>Non-Current Liabilities</b>			
(a) Long Term Borrowings	5	-	-
(b) Deferred Tax Liability (Net)		23,45,722.00	-
(c) Long Term Liabilities	6	-	-
<b>Current Liabilities</b>			
(a) Short-Term Borrowings	7	-	-
(b) Trade Payables		-	-
(c) Other Current Liabilities	8	4,52,03,63,741.62	3,27,14,75,294.80
(d) Short-Term Provisions	9	-	26,780.00
		<b>4,62,53,57,168.15</b>	<b>3,27,38,41,026.67</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
<b>(a) Fixed Assets</b>			
(i) Tangible Assets	10a	9,25,23,862.50	6,80,60,351.35
(ii) Intangible Assets	10b	39,041.46	62,113.91
(iii) Capital WIP	10c	48,66,958.00	-
		<b>9,74,29,861.96</b>	<b>6,81,22,465.26</b>
(b) Deferred Tax Assets (Net)		-	-
(c) Capital Advances	11	-	-
(d) Long Term Loans & Advances	12	-	2,27,89,455.00
(e) Other Non Current Assets	13	-	-
<b>Current Assets</b>			
(a) Inventories		-	-
(b) Trade Receivables	14	-	-
(c) Cash & Cash Equivalents	15	4,34,53,62,230.78	3,05,33,59,610.17
(d) Short Term Loans & Advances	16	17,35,08,075.41	11,42,65,268.24
(e) Other Current Assets	17	90,57,000.00	1,53,04,228.00
(f) Current Investments	18	-	-
<b>TOTAL</b>		<b>4,62,53,57,168.15</b>	<b>3,27,38,41,026.67</b>
Significant Accounting Policies and Notes to Accounts	1 - 2	-	-

Significant Accounting Policies  
Notes to Financial Statement

As per our report of even date annexed

For A.K. Chadda & Co.  
Chartered Accountants  
FRN: 008683N

Anil Chadda  
FCA, Partner  
M No. 087312

For and on behalf of Board of Directors  
of Chandigarh Smart City Limited

Kamal Kishor Yadav, IAS  
Director  
DIN: 08196890

Manoj Kumar Parida, IAS  
Chairman  
DIN: 01385331

PLACE : CHANDIGARH  
DATE: 22 December, 2020

Nalin Malik  
Chief Finance Officer

Shaveta Sharma  
Company Secretary

UDIN- 21087312AAAAA7707

**CHANDIGARH SMART CITY LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2020**



Particulars	Notes	2019 -2020 (Rs.)	2018 -2019 (Rs.)
<b>Continuing Operations</b>			
<b>Income</b>			
Revenue from Operations	19	12,33,756.05	1,03,000.00
Other Income	20	39,90,856.65	1,19,376.80
Revenue Grants		7,26,21,446.86	7,25,30,053.46
<b>Total Revenue</b>		<b>7,78,46,059.56</b>	<b>7,27,52,430.26</b>
<b>Expenses:</b>			
Purchases	21	-	-
Changes in inventories of finished goods work-in-progress and Stock-in-Trade		-	-
Employee Benefits Expense	22	1,63,17,423.32	51,82,145.70
Finance Costs	23	-	-
Depreciation and Amortization Expense	10	19,98,707.31	-
Other Expenses	24	7,51,40,342.26	6,74,67,284.56
<b>Total Expenses</b>		<b>9,34,56,472.89</b>	<b>7,26,49,430.26</b>
<b>Profit before prior period, exceptional and extraordinary items and tax</b>		-1,56,10,413.33	1,03,000.00
Prior Period Items (Depreciation)		3,37,975.34	-
<b>Profit before exceptional and extraordinary items and tax</b>		-1,59,48,388.68	1,03,000.00
Exceptional items		-	-
<b>Profit before extraordinary items and tax</b>		-1,59,48,388.68	1,03,000.00
Extraordinary Items		-	-
<b>Profit Before Tax</b>		-1,59,48,388.68	1,03,000.00
<b>Tax Expense:</b>			
(1) Current Tax		-	26,780.00
(2) Earlier Year Tax		-	-
(2) Deferred Tax		23,45,722.00	-
<b>Profit (Loss) for the period from continuing operations</b>		-1,82,94,110.68	76,220.00
Profit/(loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
<b>Profit/(loss) from Discontinuing operations (after tax)</b>		-	-
<b>Profit (Loss) for the period</b>		<b>-1,82,94,110.68</b>	<b>76,220.00</b>
Earnings per Equity Share:			
Basic and Diluted		-182.94	0.76

Significant Accounting Policies 1 - 2  
Notes to Financial Statement 1 - 2

As per our report of even date annexed

For A.K. Chadda & Co.  
Chartered Accountants  
FRN: 008683N

Anil Chadda  
FCA, Partner  
M No. 087312

For and on behalf of Board of Directors  
of Chandigarh Smart City Limited

Kamal Kishor Yadav, IAS  
Director  
DIN: 08196890

Manoj Kumar Parida, IAS  
Chairman  
DIN: 01385331

PLACE : CHANDIGARH

DATE: 22 December, 2020

UDIN - 21087312AAAAA7707

Nalini Malik  
Chief Finance Officer

Shaveta Sharma  
Company Secretary

**CHANDIGARH SMART CITY LIMITED**  
CASH FLOW STATEMENT AS AT 31.03.2020



Particulars	AS AT 31.03.2020 (RS.)	AS AT 31.03.2019 (RS.)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss) Before Tax	(1,59,48,388.68)	1,03,000.00
<b>Adjustment For:-</b>		
Depreciation and Amortization Expenses	23,36,682.66	-
(Profit)/Loss on Sale of Fixed Assets		
<b>Operating Profit Before Working Capital Changes</b>	<b>(1,36,11,706.02)</b>	<b>1,03,000.00</b>
<b>Changes in Working Capital</b>		
Decrease/(Increase) in Short Term Loans & Advances	(5,92,42,807.17)	(4,43,615.74)
Decrease/(Increase) in Other Assets	62,47,228.00	(1,53,04,228.00)
Decrease/(Increase) in Long Term Loans & Advances	2,27,89,455.00	79,86,331.00
Decrease/(Increase) in Other Non Current Assets	-	-
(Decrease)/Increase in Grant in Aid received	1,10,00,00,000.00	-
(Decrease)/Increase in Grant in Aid due to Interest earned over Expenditure incurred	21,66,75,008.42	13,63,76,181.54
(Decrease)/Increase in other Current Liabilities	5,04,51,546.40	41,24,956.60
<b>Cash Generated From Operations</b>	<b>1,32,33,08,724.63</b>	<b>13,28,42,625.40</b>
Direct Taxes Paid	-	6,06,77,762.50
<b>Net Cash Generated From Operating Activities (A)</b>	<b>1,32,33,08,724.63</b>	<b>7,21,64,862.90</b>
<b>Cash Flow From Investing Activities</b>		
Purchase of Fixed assets	3,13,06,104.89	4,84,60,440.60
Sale of Fixed Assets	-	-
<b>Net Cash Flow From Investing Activities (B)</b>	<b>3,13,06,104.89</b>	<b>4,84,60,440.60</b>
<b>Cash Flow From Financing Activities</b>		
Increase in Share Capital	-	-
<b>Net Cash Flow From Financing Activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>1,29,20,02,620.61</b>	<b>2,37,04,423.17</b>
<b>Cash and Cash Equivalents at beginning of year</b>	<b>3,05,33,59,610.17</b>	<b>3,02,96,55,187.00</b>
<b>Cash and Cash Equivalents at the end of year</b>	<b>4,34,53,62,230.78</b>	<b>3,05,33,59,610.17</b>

As per our report of even date annexed

For A.K. Chadda & Co.  
Chartered Accountants  
FRN: 008683N

Anil Chadda  
FCA, Partner  
M No. 087312



For and on behalf of Board of Directors  
of Chandigarh Smart City Limited

Kamal Kishor Yadav, IAS  
Director  
DIN: 08196890

Nalini Malik  
Chief Finance Officer

Manoj Kumar Parida, IAS  
Chairman  
DIN: 01385331

Shaveta Sharma  
Company Secretary

PLACE : CHANDIGARH  
DATE: 22 December, 2020

UDIN - 21087312AAAAA7707



**Note 1. Corporate Information**

Chandigarh Smart City Ltd is a public company incorporated under the provisions of the Companies Act, 2013 on 26th July'16. The company is a Special Purpose Vehicle (SPV) incorporated to fulfill "The Smart Cities Mission" of Government of India. In the approach to the Smart Cities Mission, the objective is to promote cities that provide core infrastructure and give a decent quality of life to its citizens, a clean and sustainable environment and application of 'Smart' Solutions.

**Note 2. Summary of Significant Accounting Policies**

**A Basis of Preparation of Financial Statements**

The Financial Statements are prepared on historical cost convention in accordance with the (GAAP) Generally Accepted Accounting Principles in India and the provisions of the Companies Act, 2013.

**B Use of Estimates**

The preparation of Financial Statements requires estimates and assumptions to be made that affects the reported amount of assets and liabilities as on date of Financial Statements and the reported amount of revenues and expenses during the reported period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

**C Fixed Assets and Depreciation**

The Fixed Assets including Intangible Assets are stated at their cost of acquisition or construction less Accumulated Depreciation, amortization and impairment loss, if any. Depreciation is charged on Straight Line Method at the rates and in manner prescribed in Schedule II to the Companies Act, 2013. Assets acquired out of Grant received have been shown at Full Value and depreciation is being charged on it as per the prescribed rates. However, the utilised portion of capital grant for purchase of fixed assets have been credited to Capital Reserve, in line with AS-12 paragraph 10.1 issued by ICAI.

**D Impairment of Assets**

The carrying amount assets are reviewed at each Balance Sheet date to see if there is any indication of impairment based on internal or external factors. An asset is treated as impaired when carrying cost of the assets exceeds its recoverable value. The impairment loss is charged to Profit and Loss Account in the year in which asset is identified as impaired. The impairment loss recognized in prior period is reversed if there has been change in estimate of recoverable amount.

**E Foreign Currency Transactions**

- (i) Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing on the date of the transaction.
- (ii) Monetary items denominated in foreign currencies at the year end are restated at the year end rates.
- (iii) Any income or expense of exchange difference either on settlement or on translation is recognized in the Profit & Loss Account.

**F Investment**

Current Investments are carried at lower of cost or quoted/ fair value, computed script wise. Long Term Investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

**G Inventories**

Inventories are valued at the lower of cost (on FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

**H Revenue Recognition**

**Sale of Goods:** Sales are recognised, net of returns and trade discounts, on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers.

**Income from Services:** Income from services is recognised based on the terms of agreement as and when services are rendered and are net of GST where ever applicable.

**I Government Grants**

The company receives grant from the Government of India and Chandigarh UT Administration which is required to be utilized for specific purpose of "The Smart Cities Mission" of Government of India for which it is incorporated. Company has invested the funds in Fixed Deposits with Scheduled banks. Interest on Fixed Deposits has been accounted for as per the applicable accounting standards referred to in Section 133 and other relevant provisions of the Companies Act, 2013.

As per Annexure 5 to Structure and Functions of SPV, Point No. 2 Raising and utilization of funds by the company states as follows:

The funds given by the Central Government to the SPV will be in the shape of tied grants and kept in a separate Grant Fund. These funds will be utilized only for the purposes given in the Mission Statement and Guidelines and subject to the conditions laid down by the Central Government. The Urban Local Bodies (ULBs) may, through the State/ UT Government, request Ministry of Housing and Urban Affairs (MoHUA) to permit utilization of Gol grants as ULB's equity contribution to the SPV, subject to the following conditions:

- i. The State/ UT Government has made adequate contribution to the SPV out of their own funds.
- ii. The approval will be limited to the Gol grants that have already been released. Since future installments of Smart City funds subject to performance and are not guaranteed, the ULB will not be permitted to earmark future installments to meet equity contribution.
- iii. The utilization of Gol grants as equity contributions will not alter the relative shareholding of the State Government and the ULB, which will remain equal as per Mission guidelines.
- iv. It is clarified that the Government of India contribution to Smart Cities is strictly in the form of grant and the ULB is exercising its own discretion in utilizing these funds as its equity contribution to the SPV.

In line with above guidelines, the company has created Grant Fund for grants received from Government of India and UT Government. Interest earned on the Investment and/or Bank Deposit made from the Capital grant amount is credited to Capital Grant Fund account being Tied up and Specific grant as per Terms and Conditions of grant and utilized for Smart City mission. Further, for utilisation of funds out of the Capital grant for Project expenses as well as Fixed Assets, the matching amount has been credited towards the creation of Capital Reserve in line with the method prescribed under Accounting Standard 12 for grants received as promoter's contribution.

**J Share Issue Expenses**

Share Issue Expenses are written off over a period of Five years from the year in which the Profit & Loss Account is prepared.

**K Provision for Current and Deferred Tax**

Provision for current tax is made after taking into consideration benefits admissible under the provisions of Income Tax Act, 1961. Deferred Tax resulting from the "Timing Difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. Deferred Tax Asset is recognized and carried forward only to the extent that there is virtual certainty that the asset will be realized in future.

**L Provision, Contingent Liabilities and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes to Financial Statements. Contingent Assets are neither recognized nor disclosed in the financial statements.



M Additional Information as required under Schedule III is as under:

- (i) Previous year figures have been regrouped wherever necessary to make it more comparable with current year.
- (ii) Income Tax provision as applicable under Income Tax Act, 1961 has been made.
- (iii) Debit and credit balances are subject to confirmation.
- (iv) Deferred Tax adjustment has been made as per Accounting Standard.
- (v) In the opinion of the Board of Directors, the Current Assets, Loans and Advances and Current Liabilities are having the value at which they are stated in the Balance Sheet if realized in the ordinary course of business and are subject to confirmation.
- (vi) There is no Micro, Small and Medium Enterprises Act, 2006 to whom the Company owes a sum exceeding Rs. 1.00 Lac for more than 30 days as on the Balance-Sheet date to extent such enterprises have been identified based on the information available with the Company.
- (vii) The Value of contracts remaining to be executed on Capital Account and not provided for (Net of Advances) amounted to Rs.446.48 crores (Excluding GST) as on 31.03.2020. (Previous year: Nil)
- (viii) The company has undertaken various projects under Smart City Mission. The expenditure incurred on these projects have been considered as utilisation of Capital Grant. Further, Revenue grant received has been utilized for meeting Administrative and Establishment Expenses.
- (ix) The Company has received grant of Rs 100 crore from Chandigarh Administration, UT Chandigarh vide Endst No: 8532 dated 28.05.2019 towards UT/ State contribution for Smart City Project. As per competent authority approval dated 05.08.2020, 5% of the grant received is to be allocated towards A&OE Funds and necessary adjustment made in accounts for the year 2019-20. Interest earned thereon has been treated as income by crediting to Profit & Loss Account.
- (x) As per the conditions attached to sanction of grant vide letter no. CMC-901 dated 22.05.2017 and CMC-3734 dated 30.05.2019 for Rs 100 crores each from Chandigarh Administration, point no. 8 states that any portion of grant that remain unutilised during the relevant Financial Year shall be surrendered to the Administration. However, the grant to the extent of Rs. 193.93 crores is unutilised as on 31.03.2020 and will be used in subsequent years as the projects are in progress.
- (xi) Particulars of related parties covered under Accounting Standard 18 issued by ICAI:

Transaction	2019 -2020 (Rs.)	2018 -2019 (Rs.)
<b>Related to Directors:-</b>		
NIL	-	-
<b>Related to Relatives, Firms and Companies in which Directors or their relatives are interested:-</b>		
NIL	-	-
	-	-

(xii) Expenditure on Foreign Currency:

Currency	As at 31 March 2020		As at 31 March 2019	
	Amount in (INR)	Amount Foreign Currency	Amount in (INR)	Amount Foreign Currency
EUR	1,35,882.00	1,710.00	-	-

(xiii) Particulars of Key Managerial Persons (KMP) covered under Accounting Standard 18 issued by ICAI:

Name/ Designation of KMP	Nature of transaction	2019 -2020 (Rs.)
CEO   Kamal Kishor Yadav, IAS	Travelling Exp	77,794.00
CFO   CA Nalini Malik	Salary, Travelling Exp, Mobile	20,07,547.00
CS   CS Shaveta Sharma	Salary, Travelling Exp, Mobile	10,28,475.00

- (xiv) Contingent Liability is NIL.
- (xv) According to the Smart City Mission Guidelines, the Government of India through MoHUA and the State Government will have 50:50 contribution vis a vis 1/2 ownership in the Company in compliance with the provisions of GFR 2017.
- (xvi) Interest accrued to the extent of Rs. 28.92 crores earned during the year on the Grants-In-Aid released to the Company by the Central/ State government have not been remitted to the Consolidated Fund of India in accordance with the rule 230(B) of GFR, 2017, as these will be utilized in subsequent years against projects in progress.
- (xvii) During the year, the Company has procured 35 nos. of small Garbage Hopper Tipper of 1.8 cum capacity each and handed over to the Medical Officer Health, Municipal Corporation, Chandigarh for collection of waste vide Memo No. CSCL/SPL No. 1 dated 24.03.2020.
- (xviii) Office Building has been constructed on the land owned by Municipal Corporation, Chandigarh.
- (xix) The Grant Utilisation Certificates (UCs) have been prepared on actual basis and submitted with authorities. Whereas, Financial Statements are prepared as per Accrual System of Accounting.
- (xx) Project expenses of Rs 1.88 crores utilised from capital grants have been debited to Profit and Loss account fully in the year in which it is incurred.
- (xxi) Revenue Expenses including Administrative Expenses utilized from revenue grant are debited to Revenue Grant received.
- (xxii) Capital Reserve includes capital grant utilised for purchase of fixed assets totalling Rs 684,60,440.60/- in earlier years, transferred during the year.
- (xxiii) There is no other information which is required to be disclosed in accordance with the revised Schedule III as notified vide gazette notification no. S.O. 902 (E) dated 26th March, 2014 by the Ministry of Company affairs, Government of India.

As per our report of even date annexed

For A.K. Chadda & Co.  
Chartered Accountants  
FRN: 008683N

Anil Chadda  
FCA, Partner  
M No. 087312

For and on behalf of Board of Directors  
of Chandigarh Smart City Limited

Kamal Kishor Yadav, IAS  
Director  
DIN: 08196890

Nalini Malik  
Chief Finance Officer

Manoj Kumar Parida, IAS  
Chairman  
DIN: 01385331

Shaveta Sharma  
Company Secretary

PLACE : CHANDIGARH  
DATE: 22 December, 2020

UDIN - 24087312AAAAA7707

**Note 3 Share Capital**

Share Capital	As at 31st March, 2020		As at 31st March, 2019	
	Number	Amount (Rs.)	Number	Amount (Rs.)
<b>Authorised</b> Equity Shares of Rs.10 each	200,000,000.00	2,000,000,000.00	200,000,000.00	2,000,000,000.00
<b>Issued Subscribed &amp; Paid up</b> Equity Shares of Rs.10 each fully paid	100,000.00	1,000,000.00	100,000.00	1,000,000.00
<b>Total</b>	100,000.00	1,000,000.00	100,000.00	1,000,000.00

**3(a) Reconciliation of number of shares outstanding at the beginning and at the end of the year**

Particulars	As at 31st March, 2020		As at 31st March, 2019	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Shares outstanding at the beginning of the year	100,000.00	1,000,000.00	100,000.00	1,000,000.00
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	100,000.00	1,000,000.00	100,000.00	1,000,000.00

**3 (b) Details of Shareholding**

Holding Company: NIL

**3 (c) Shareholding more than 5 %  
(In Ex Officio Capacity)**

Name of Shareholder	As at 31st March, 2020		As at 31st March, 2019	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Arun Kumar Gupta, IAS	49,997	50.00	49,997	50.00
Kamal Kishor Yadav, IAS	49,998	50.00	49,998	50.00

**3 (d) Terms and Rights attached to Equity Shares**

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share





**Note 4 Reserves & Surplus**

Reserves & Surplus	As at 31st March, 2020	As at 31st March, 2019
	Amount (Rs.)	Amount (Rs.)
<b>(a) Capital Reserve</b>		
Opening Balance	-	-
Add: Addition During the year (Note 8) (Created From Utilisation of Capital Grant in Aid)	11,86,02,863.34	-
Less: Deduction during the year	-	-
<b>Closing Balance (a)</b>	<b>11,86,02,863.34</b>	-
<b>(b) Surplus</b>		
Opening Balance	13,38,951.87	12,62,731.87
Add Income Tax Provision Written back (+) Net Profit/(Net Loss) For the current year	-1,82,94,110.68	76,220.00
<b>Closing Balance (b)</b>	<b>-1,69,55,158.81</b>	<b>13,38,951.87</b>
<b>Total (a)+(b)</b>	<b>10,16,47,704.53</b>	<b>13,38,951.87</b>

**Note 5 Long Term Borrowings**

Long Term Borrowings	As at 31st March, 2020	As at 31st March, 2019
	Amount (Rs.)	Amount (Rs.)
<b>Secured:</b>	-	-
<b>Unsecured:</b>	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 6 Long Term Liabilities**

Long Term Liabilities	As at 31st March, 2020	As at 31st March, 2019
	Amount (Rs.)	Amount (Rs.)
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 7 Short Term Borrowings**

Short Term Borrowings	As at 31st March, 2020	As at 31st March, 2019
	Amount (Rs.)	Amount (Rs.)
<b>Secured:</b>	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

**Note 8 Other Current Liabilities**

Other Current Liabilities	As at 31st March, 2020	As at 31st March, 2019
	Amount (Rs.)	Amount (Rs.)
<b>a) Government Grants</b>		
<b>i) Capital Grants</b>		
Opening Balance	3,23,97,92,671.66	3,03,12,24,412.00
Received during the year		
- From Chd Admin - Smart City Project (SCP)	95,00,00,000.00	-
- From Chd MC - Swachh Bharat Mission (SBM)	10,00,00,000.00	-
Interest Earned on Capital Grant	28,92,96,455.28	20,89,06,235.00
<b>Net Received</b>	<b>4,57,90,89,126.94</b>	<b>3,24,01,30,647.00</b>
<b>Less Capital Grant Utilization</b>		
Depreciation Charged on Assets	-	3,37,975.34
Utilised for Project Expenses (Note 24)	1,88,36,318.72	-
Utilised for Fixed Assets	3,13,06,104.02	-
Utilised for Fixed Assets (Previous yr)	6,84,60,440.60	-
<b>Total Utilization transferred to Capital Reserve</b>	<b>11,86,02,863.34</b>	<b>3,37,975.34</b>
Add: Depreciation Charged on Assets (Previous yr)	3,37,975.34	-
<b>Net Capital Grant</b>	<b>4,46,08,24,238.94</b>	<b>3,23,97,92,671.66</b>

Other Current Liabilities	As at 31st March, 2020	As at 31st March, 2019
	Amount (Rs.)	Amount (Rs.)
<b>i) Revenue Grants</b>		
Opening Balance	2,74,69,946.54	10,00,00,000.00
Received during the year	5,00,00,000.00	-
<b>Net Received</b>	<b>7,74,69,946.54</b>	<b>10,00,00,000.00</b>
<b>Less Revenue Grant Utilization</b>		
Utilized for A&OE (Note 22 & 24)	7,26,21,446.86	7,25,30,053.46
<b>Net Revenue Grant</b>	<b>48,48,499.68</b>	<b>2,74,69,946.54</b>
<b>Total Grants Payable</b>	<b>4,46,56,72,738.62</b>	<b>3,26,72,62,618.20</b>
<b>b) Current Maturities of Long Term Debt</b>	-	-
<b>c) Trade Payables</b>	3,03,48,445.00	30,17,756.60
	<b>3,03,48,445.00</b>	<b>30,17,756.60</b>
<b>d) Advances from Customers</b>	-	-
<b>e) Other Payables</b>		
i. Earnest Money Deposit	2,01,68,725.00	-
ii. Expenses Payable	4,11,964.00	8,14,571.00
iii. Audit Fees Payable	37,800.00	42,000.00
iv. Salary Payable	4,66,475.00	26,072.00
v. Leave Salary and Pension Cont. Payable	2,87,788.00	-
vi. Security Deductions and Hold Payable	9,18,017.00	81,544.00
vii. TDS on GST	6,10,879.00	40,877.00
viii. TDS Payable-Contractors	4,25,121.00	38,106.00
ix. TDS Payable-Professional	7,99,819.00	11,150.00
x. TDS Payable-Salaries	1,05,000.00	1,40,600.00
xi. Labour Cess	15,155.00	-
xii. Electricity Charges Payable	70,046.00	-
xiii. Water Charges Payable	25,769.00	-
	<b>2,43,42,558.00</b>	<b>11,94,920.00</b>
<b>Total</b>	<b>4,52,03,63,741.62</b>	<b>3,27,14,75,294.80</b>

**Note 9 Short Term Provisions**

Short Term Provisions	As at 31st March, 2020	As at 31st March, 2019
	Amount (Rs.)	Amount (Rs.)
Provision for Income Tax	-	26,780.00
<b>Total</b>	<b>-</b>	<b>26,780.00</b>

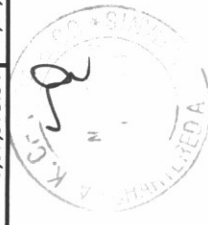






Note 10 Fixed Assets

Fixed Assets	Rate of Dep	Gross Block		Accumulated Depreciation			Net Block	
		Balance as at 1 April, 2019	Additions/ (Disposals)/ Adjustment	Balance as at 31 March, 2020	Balance as at 1 April, 2019	Depreciation charged/ Asset written off for the year	Net Depreciation charged/ Asset written off for the year	Balance as at 31 March, 2020
		Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
<b>a) Tangible Assets</b>								
Building	-	6,75,93,482.00	-	6,75,93,482.00	2,78,553.05	10,88,500.77	13,67,053.82	6,73,14,928.95
Golf Cart Shed	-	-	4,16,124.00	4,16,124.00	-	7,256.52	7,256.52	4,08,867.48
Furniture & Fixture	-	-	1,89,460.00	1,89,460.00	-	7,544.66	7,544.66	1,81,915.34
Office Equipment	-	10,255.00	1,66,955.00	1,77,210.00	385.34	21,071.51	21,456.85	1,55,753.15
Vehicle	-	-	2,52,67,601.09	2,52,67,601.09	-	4,05,583.77	4,05,583.77	2,48,62,017.32
Computer	-	7,92,983.60	3,85,785.26	11,78,768.86	57,430.86	4,55,085.77	5,11,597.91	6,67,170.95
Electrical Equipment	-	-	22,940.67	22,940.67	-	1,230.59	1,230.59	21,710.08
<b>Total</b>		<b>6,83,96,720.60</b>	<b>2,64,48,866.02</b>	<b>9,48,45,586.62</b>	<b>3,36,369.25</b>	<b>19,86,273.58</b>	<b>23,21,724.12</b>	<b>9,25,23,862.50</b>
<b>b) Intangible Assets</b>								
Software	-	63,720.00	-9,720.00	54,000.00	1,606.09	13,597.45	14,958.54	39,041.46
<b>Total</b>		<b>63,720.00</b>	<b>-9,720.00</b>	<b>54,000.00</b>	<b>1,606.09</b>	<b>13,597.45</b>	<b>14,958.54</b>	<b>62,113.91</b>
<b>c) Capital WIP</b>								
	-	-	48,66,958.00	48,66,958.00	-	-	-	48,66,958.00
<b>Total</b>		<b>-</b>	<b>48,66,958.00</b>	<b>48,66,958.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total (a+b+c)</b>		<b>6,84,60,440.60</b>	<b>3,13,06,104.02</b>	<b>9,97,66,544.62</b>	<b>3,37,975.34</b>	<b>19,99,871.03</b>	<b>23,36,682.66</b>	<b>6,81,22,465.26</b>
<b>Previous Year</b>		<b>-</b>	<b>6,84,60,440.60</b>	<b>6,84,60,440.60</b>	<b>-</b>	<b>3,37,975.34</b>	<b>3,37,975.34</b>	<b>6,81,22,465.26</b>



**Note 11 Capital Advance**

Capital Work in Progress	As at 31st March, 2020	As at 31st March, 2019
	Amount (Rs)	Amount (Rs)
NIL	-	-
<b>Total</b>	-	-

**Note 12 Long Term Loans & Advances**

Long Term Loans and Advances	As at 31st March, 2020	As at 31st March, 2019
	Amount (Rs)	Amount (Rs)
EGIS International SA-Mobilization Advance	-	2,27,89,455.00
<b>Total</b>	-	<b>2,27,89,455.00</b>

**Note 13 Other Non-Current Assets**

Other Non-Current Assets	As at 31st March, 2020	As at 31st March, 2019
	Amount (Rs.)	Amount (Rs.)
NIL	-	-
<b>Total</b>	-	-

**Note 14 Trade Receivables**

Trade Receivables	As at 31st March, 2020	As at 31st March, 2019
	Amount (Rs.)	Amount (Rs.)
a) Trade Receivables outstanding for a period exceeding 6 months from the date they are due for payment	-	-
b) Other Trade Receivables (Unsecured but considered good)	-	-
<b>Total</b>	-	-

**Note 15 Cash & Cash Equivalents**

Cash and Cash Equivalents	As at 31st March, 2020	As at 31st March, 2019
	Amount (Rs.)	Amount (Rs.)
<b>a) Balance with Scheduled Banks</b>		
Oriental Bank of Commerce	3,393.00	7,66,073.00
HDFC Bank	8,83,33,974.58	3,52,12,655.40
Indusind Bank	49,61,02,008.80	671.00
Yes Bank Ltd.	90,488.00	-
Axis Bank	10,01,96,639.00	-
Punjab National Bank	1,53,835.00	-
Bank Of India	33,21,00,000.00	-
<b>Total (a)</b>	<b>1,01,69,80,338.38</b>	<b>3,59,79,399.40</b>
<b>b) In Fixed Deposit with Banks</b>		
Canara Bank	-	59,34,03,458.07
Indian Overseas Bank	-	46,76,64,696.00
Oriental Bank of Commerce	-	81,47,39,781.00
RBL Bank	49,29,49,224.70	31,00,00,001.00
Yes Bank Ltd	-	83,15,72,274.70
Bank Of India	41,88,19,187.00	-
IDBI Bank	1,11,09,77,489.70	-
IDFC Bank	66,44,28,686.00	-
Punjab National Bank (Auto Sweep)	2,01,00,000.00	-
Punjab National Bank	62,11,07,305.00	-
<b>Total (b)</b>	<b>3,32,83,81,892.40</b>	<b>3,01,73,80,210.77</b>
<b>c) Cash in hand</b>	-	-
<b>Total (c)</b>	-	-
<b>Total</b>	<b>4,34,53,62,230.78</b>	<b>3,05,33,59,610.17</b>



**Note 16 Short-Term Loans & Advances**

Short-Term Loans and Advances	As at 31st March, 2020	As at 31st March, 2019
	Amount (Rs.)	Amount (Rs.)
<b>a) Advances recoverable in cash or in kind or for value to be received</b>		
IT Recoverable (AY 2018-19)	5,31,43,890.00	5,31,43,890.00
IT Recoverable (AY 2019-20)	6,06,50,982.50	6,06,77,762.50
TDS (FY 2019-20)	2,27,20,447.60	-
Other Advances	3,22,934.00	95,373.00
EGIS International SA	3,38,273.00	-
EGIS International SA-Mobilization Advance	2,40,33,808.00	-
Pre- Paid Expense	3,75,935.46	3,04,069.00
Staff Advance (Refer Annex)	1,66,017.00	15,000.00
GST (Input)	1,17,55,787.85	29,173.74
<b>Total</b>	<b>17,35,08,075.41</b>	<b>11,42,65,268.24</b>

**Note 17 Other Current Assets**

Other Current Assets	As at 31st March, 2020	As at 31st March, 2019
	Amount (Rs.)	Amount (Rs.)
Unamortized Expenses_ Fee on increase in Authorised Capital	90,57,000.00	1,20,76,000.00
Interest Accrued on FDR	-	32,28,228.00
<b>Total</b>	<b>90,57,000.00</b>	<b>1,53,04,228.00</b>

**Note 18 Current Investment**

Investments	As at 31st March, 2020	As at 31st March, 2019
	Amount (Rs.)	Amount (Rs.)
NIL	-	-
<b>Total</b>	<b>-</b>	<b>-</b>



Note 19 Revenue from Operations



Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	Amount (Rs.)	Amount (Rs.)
Tender Fees	12,33,084.05	1,00,000.00
Misc Receipt	672.00	3,000.00
<b>Total</b>	<b>12,33,756.05</b>	<b>1,03,000.00</b>

Note 20 Other Income

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	Amount (Rs.)	Amount (Rs.)
<b>Interest Income</b>		
Fixed Deposit	27,61,77,670.93	20,69,20,787.17
Current A/c	9,11,538.00	-
Saving Bank Account	1,61,98,103.00	21,04,824.63
Interest on Refund of Income Tax	-	-
	29,32,87,311.93	20,90,25,611.80
Less Interest on Capital Grant Transferred to Capital Grants	28,92,96,455.28	20,89,06,235.00
<b>Total</b>	<b>39,90,856.65</b>	<b>1,19,376.80</b>

Note 21 Purchases

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
	Amount (Rs.)	Amount (Rs.)
NIL	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Note 22 Employee Related Expenses

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
Director Salary A/C	-	-
Salary and Wages	88,35,021.00	25,56,890.00
Salary (Outsourced Staff)	74,25,655.32	26,00,698.00
Staff Welfare Exp	56,747.00	24,557.70
<b>Total</b>	<b>1,63,17,423.32</b>	<b>51,82,145.70</b>

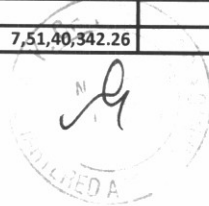
Note 23 Financial Expenses

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
NIL	-	-
<b>Total</b>	<b>-</b>	<b>-</b>

Note 24 Other Expenses

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>(I) (Expenses related to Revenue Grants)</b>		
<b>a) Project Consultant Related Expenses</b>		
EGIS Consultants_ Reimbursement of Expenses	79,65,931.00	84,27,848.00
EGIS Consultants_ Consultancy Charges Paid	1,49,49,229.00	5,12,65,398.00
EGIS Consultants_ Provisional Sums	1,61,74,774.00	-
EGIS Consultants_ Contingencies	37,52,408.00	-
<b>Total (a)</b>	<b>4,28,42,342.00</b>	<b>5,96,93,246.00</b>
<b>b) Project_Golf Cart</b>		
Manpower Expenses_MTS	5,70,792.00	-
Golf Cart Expenses	534.00	-
<b>Total (b)</b>	<b>5,71,326.00</b>	<b>-</b>
<b>c) Project_Involve</b>		
E Governance	3,80,680.00	-
Jal Shakti Abhiyan	1,05,000.00	-
PBS	1,67,307.00	-
Print Media Expenses	69,055.00	-
Smart City Fellows	8,800.00	-
<b>Total (c)</b>	<b>7,30,842.00</b>	<b>-</b>

Particulars	For the year ended 31st March, 2020	For the year ended 31st March, 2019
<b>d) Administrative Expenses</b>		
Advertisement Expenses & Publicity Expenses	1,32,891.88	11,58,136.36
<b>Auditor's Remuneration</b>		
Audit Fees	42,000.00	41,600.00
Bank Charges	118.00	34.00
Books & Periodicals	3,000.00	9,308.00
CII Chandgarh Fair Expenses	6,62,486.00	-
Communication Charges	4,01,420.00	2,23,348.00
Electricity Charges	9,38,384.00	19,84,682.00
EDP Software Expenses	32,827.77	-
Hospitality Expenses	68,011.00	1,39,294.00
House Keeping Charges	42,118.67	22,502.00
Insurance Expenses	79,321.23	-
Interest/ Late Filing Fee	2,30,000.00	15,928.00
Legal & Professional Charges	4,94,630.00	3,80,550.00
License & Filing fees	35,100.00	33,800.00
Meeting & Conference Expsn	1,07,067.20	1,83,942.00
Office Expenses	2,69,488.20	48,694.80
Prior Period Exp	222.00	-
Miscellaneous Expense W/off	30,19,000.00	30,19,000.00
Printing & Stationary	3,07,684.27	1,71,279.40
Registration Fees	25,000.00	-
Repair & Maintenance- Others	1,08,765.27	-
Repair & Maintenance- Genset	34,348.20	22,483.00
Rose Festival Expenses	2,75,100.00	-
Round Off	-4.34	1.00
Training & Seminar Expense	80,000.00	-
Training (Study Tour Etc.)	-	35,400.00
Tour & Travelling	11,55,616.00	2,70,405.00
Telephone & DTH Expenses	29,071.19	7,123.00
Travelling Foreign	16,83,902.00	-
Urban Festival Expenses (ACT)	11,29,560.00	-
Vehicle Running & Maintenance	7,56,027.00	-
Water Charges	16,358.00	6,528.00
<b>Total (d)</b>	<b>1,21,59,513.54</b>	<b>77,74,038.56</b>
<b>Total [I] = [a+b+c+d]</b>	<b>5,63,04,023.54</b>	<b>6,74,67,284.56</b>
<b>[II] (Expenses related to Capital Grants)</b>		
<b>a) Project_Underground Utility Mapping</b>		
Under Ground Utility Mapping Exps_SUE	50,70,483.60	-
<b>Total (a)</b>	<b>50,70,483.60</b>	-
<b>b) Project_Smart School</b>		
Dev of infra Smart School ABD	15,15,504.00	-
School ABD O&M Expenses	56,00,397.00	-
<b>Total (b)</b>	<b>71,15,901.00</b>	-
<b>c) Advertisement &amp; Publicity for Projects</b>	66,49,934.12	-
<b>Total (c)</b>	<b>66,49,934.12</b>	-
<b>Total [II] = [a+b+c]</b>	<b>1,88,36,318.72</b>	-
<b>Total Other Expenses [I + II]</b>	<b>7,51,40,342.26</b>	<b>6,74,67,284.56</b>



CHANDIGARH SMART CITY LIMITED



Annex

PARTICULARS	AS ON 31.03.2020	AS ON 31.03.2019
<b>S. CREDITORS</b>		
A.Arora & CO.	50,400.00	-
Alfa Electronics	-	2,28,009.60
Apex Restaurants Pvt. Ltd.	-	53,360.00
BHARAT SANCHAR NIGAM LTD	73,508.00	-
B.M.Varma & Co.	93,600.00	-
CONTINENTAL ENGINES PVT LTD	1,95,60,031.00	-
E PARAMPARA TECHNOLOGIES	3,71,000.00	-
Grid Advertising	13,75,971.00	5,47,210.00
ITH TOURISM HUB PVT LTD	25,894.00	-
Jai Stationery Store	8,211.00	5,565.00
Mehar Tours & Travels	5,777.00	-
Municipal Corporation Chandigarh	13,35,854.00	13,35,854.00
Munish Enterprises	870.00	-
NAVNEET & COMPANY	-	32,400.00
Price Water House Coopers Pvt Ltd	51,58,975.00	-
SAI GRAPHICS	10.00	-
SANSKRITI ENTERPRISES	3,16,365.00	-
SECURE GUARD SECURITY & MANPOWER SERVICES	19,71,979.00	7,15,859.00
Sidhartha Enterprises	-	99,499.00
<b>Total (Rs)</b>	<b>3,03,48,445.00</b>	<b>30,17,756.60</b>

<b>Advances from Customers</b>		
NIL	-	-
<b>Total (Rs)</b>	<b>-</b>	<b>-</b>

<b>Security Deduction and Hold Payable</b>		
Agmatel_Security Deducted	2,80,012.00	-
Secure Guard_Hold Amount	53,099.00	-
Secure Guard_Security Deducted	4,93,976.00	-
US Associates_Security Deducted	75,775.00	-
US Associates_Hold Amount	15,155.00	-
<b>Total (Rs)</b>	<b>9,18,017.00</b>	<b>-</b>

<b>Earnest Money Deposit</b>		
3-MRF Cum Transfer Station - Civil	1,11,40,000.00	-
Animal Carcasses	3,60,000.00	-
Basic Infra Smart School	80,225.00	-
Public Bike Sharing	15,00,000.00	-
Public Toilet In ABD Area	10,86,000.00	-
SCADA System	10,00,000.00	-
Transfer Equipment Station - Mechanical	50,02,500.00	-
<b>Total (Rs)</b>	<b>2,01,68,725.00</b>	<b>-</b>



CHANDIGARH SMART CITY LIMITED



Annex

PARTICULARS	AS ON 31.03.2020	AS ON 31.03.2019
<b>SUNDRY DEBTORS</b>		(SCHEDULE-VII)
<b>Outstanding for period exceeding six months -</b>		
NIL	-	-
<b>Total (Rs)</b>	-	-
<b>Other Debtors -</b>		
NIL	-	-
<b>Total (Rs)</b>	-	-
<b>LOANS AND ADVANCES</b>		
<b>Staff Advance -</b>		
Sahil Kumar	14,417.00	15,000.00
Mobile Hand Set cost recoverable	1,51,600.00	-
<b>Total (Rs)</b>	<b>1,66,017.00</b>	<b>15,000.00</b>
<b>Other Advances -</b>		
<b>Security Deposit- Electricity</b>	3,22,147.00	95,000.00
Binani Agencies	24.00	-
Hotel Mountview	713.00	373.00
Pest Control Services	50.00	-
<b>Total (Rs)</b>	<b>3,22,934.00</b>	<b>95,373.00</b>
<b>Duties &amp; Taxes -</b>		
CGST @2.5%	1,69,945.05	14,169.92
CGST @6%	16,005.48	272.80
CGST @9%	41,65,818.40	-
CGST @14%	49.00	-
IGST @5%	43,475.00	-
IGST @12%	81,325.23	-
IGST @18%	18,34,275.04	288.30
UTGST @2.5%	1,69,945.05	14,169.92
UTGST @6%	16,005.68	272.80
UTGST @9%	42,74,520.43	-
UTGST @14%	49.00	-
CGST Recoverable	16,091.51	-
IGST Recoverable	78,380.80	-
UGST Recoverable	16,091.51	-
CGST ITC Recoverable 2019-20	4,02,672.49	-
IGST ITC Recoverable 2019-20	68,465.69	-
UGST ITC Recoverable 2019-20	4,02,672.49	-
<b>Total (Rs)</b>	<b>1,17,55,787.85</b>	<b>29,173.74</b>

CONTROLLER A

**CHANDIGARH SMART CITY LIMITED**  
**CIN NO. U74999CH2016G01041151**  
**REGISTERED OFFICE: BUILDING NO. 1, 2<sup>ND</sup> & 3<sup>RD</sup> FLOOR, (ADJOINING SCO 17-18-19)**  
**OVER NEW BRIDGE, SECTOR 17-A, CHANDIGARH 160017**  
**E-MAIL: [smartcity.chd@nic.in](mailto:smartcity.chd@nic.in)**

**DIRECTORS' REPORT TO THE SHAREHOLDERS**

Your Directors have pleasure in presenting its 4<sup>th</sup> Annual Report together with audited financial statements of the company for financial year ended 31<sup>st</sup> March, 2020.

**FINANCIAL RESULTS**

The financial highlights for the year under review are as under:

(in Lacs)

Particulars	Year ended	Year ended
	31 <sup>st</sup> March, 2020	31 <sup>st</sup> March, 2019
Total Income	778.46	727.52
Total expenses	934.56	726.49
Profit before Financial Charges & Depreciation	(176.08)	1.03
Financial Charges	-	-
Depreciation	19.98	-
Profit before tax	159.48	1.03
Provision for tax (Incl. Deferred Tax)	23.46	0.27
Profit after Tax (Loss)	(182.94)	0.76
Balance carried to Balance sheet	(182.94)	0.76

**REVIEW OF BUSINESS ACTIVITIES AND PROJECTS**

During the financial year, the company has considered to execute the following projects / programmes under the Smart City Mission: **Subsequently, the SCP has been revised by dropping some projects and adding new ones which are as follows:**

Sr. No.	PROJECT NAME	DPR Cost / Estimated Project Cost IN CR
<b>POTABLE WATER</b>		
1.	Work for 24x7 Water Supply Pilot Project under Smart City Mission in Manimajra Chandigarh consists of Retrofitting of Existing Network, laying of New Network Including Civil, Electro Mechanical, Instrumentation, Smart Water Metering, SCADA on EPC Mode	139.12
<b>WASTE WATER</b>		
2.	Selection of System Integrator for Design, Develop, Implement and Maintain the SCADA System Along with Various Analyzing Equipments for Recycled Water Distribution Network for Pan City Chandigarh under Chandigarh Smart City Project.	4.9
<b>SOLID WASTE MANAGEMENT</b>		
3.	Legacy Waste Mining at DadduMajra Dump Site	40
4.	Provision of SCADA for Solid Waste Management for Route Management, Efficiency of Collection, Mobile Application, Daily Management of Solid Waste Including Dry / Wet	5.98



**CHANDIGARH SMART CITY LIMITED**

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	as per Swachh Bharat Standards and O&M for 5 Years	
5.	Incinerator for Animal Carcass	4.99
6.	Rehabilitation and upgradation of 5 (STPs) on DBO(One year plus 15 years O&M basis) Package- I (Diggian)	499.39
7.	Rehabilitation and upgradation of 5 (STPs) on DBO(One year plus 15 years O&M basis) Package- II (Raipur Khurd& Raipur Kalan	159.90
8.	Rehabilitation and upgradation of 5 (STPs) on DBO(One year plus 15 years O&M basis) Package- III (3BRD &Dhanas)	125.12
9.	Engagement of Agency for Design, Build, Operate, Finance & Transfer Public Bike Sharing System in Chandigarh on PPP Mode	20
10.	Procurement of Battery Operated Cart (10 nos) for Movement of Elderly and Disabled in Sec 17 ( e rickshaw)	1.2
11.	Implementation of ICCC	240
12.	Smart Class Room (total 150 Classrooms per school in 5 schools)	4.02
<b>PARKS AND OPEN SPACES</b>		
13.	Sensory Park for Disabled	1.77
14.	Development of Minor Sport Facility within Parks	4
<b>SOCIAL INFRASTRUCTURE</b>		
15.	Development of Basic Infrastructure for Smart Schools	4.77
16.	Mobile Van for Hearing Screening for Elderly Citizens (Health ATMs)	0.47
17.	Water ATMs at 20 Locations	0.5
<b>TRANSPORTATION</b>		
18.	Journey Planner	0.5
<b>PORTABLE WATER</b>		
19.	24 X 7 Water Supply- Chandigarh	440
20.	Construction and Management of Sanitary Landfill Site	30
21.	selection of system Integrator for implementation of E Governance Services for Chandigarh Smart City	15
22.	Underground Utility Mapping Using Ground Penetrating Radar & Other Non-Penetrating Techniques	9
23.	Construction of Material Recovery Facility and Garbage Transfer Stations (3 Nos)- Civil Works	17.94
24.	Refurbishment of Public toilets - Package I (Sector 17)	1.45
25.	Refurbishment of Public Toilets - Package II (Sector 22)	1.96
26.	Refurbishment of Public Toilets - Package III ( Sector 35 & 43)	1.01

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27.	Minor Sport Infrastructure in Schools	1.76
28.	Development of Basic Infrastructure in Smart Schools - Procurement of Lab Equipment and Classroom Furniture	4
29.	Construction of Material Transfer stations and Garbage recovery facility - Mechanical works	23.34
30.	Operation and Maintenance of Battery Operated Cart (10 no.s) for Movement of Elderly and Disabled in Sec 17	0.78
31.	Monitoring of Individual Street Lights	3.01
32.	Re-use of Space Below Bridge along with Street Art	1.66

#### SHARE CAPITAL

During the financial year 2019-20, the authorized share capital of the company was Rs. 200,00,00,000 (Rupees Two Hundred Crores only) divided into 20,00,00,000 (Twenty crore ) equity shares of Rs 10/- (Rupees Ten Only) each.

There were no changes in the issued, subscribed and paid-up share capital of the company during the financial year 2019-20, which at the end of the year amounted to Rs. 10,00,000/- comprising of 1,00,000 equity shares of Rs. 10/- each. As per the Smart City Mission Statement and Guidelines, the share capital of the company is held by the Chandigarh Administration and the Municipal Corporation, Chandigarh (on behalf of the Central Government) in equal proportion of 50% each.

The Company has neither made any bonus issue, buy back of shares or issue of shares with differential voting rights, Employee Stock Option Scheme or sweat equity during the year under review.

#### EXTRACT OF THE ANNUAL RETURN

Extract of the annual return as provided under sub-section (3) of section 92 in form MGT-9 is enclosed as per **Annexure-1**.

#### NUMBER OF MEETINGS AND ATTENDANCE THEREOF OF THE BOARD

During the year under review, Five (05) meetings of the Board of Directors of the Company were held on 3<sup>rd</sup> July, 2019, 18<sup>th</sup> September, 2019, 5<sup>th</sup> December, 2019, 27<sup>th</sup> January, 2020 and 7<sup>th</sup> February, 2020.

Further the details of the attendance of the Directors in the aforesaid Board Meetings are provided hereunder:

Sr. No.	Date of Board Meeting	Details of Attendance of Directors	
		Number of Directors entitled to attend the meeting	Number of Directors attending the meeting
1	03.07.2019	09	07
2	18.09.2019	09	08
3	05.12.2019	08	08
4	27.01.2020	08	07
5	07.02.2020	08	08

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**DIRECTORS' RESPONSIBILITY STATEMENT**

As per the provisions of clause (c) of sub-section (3) of Section 134 of Companies Act, 2013, the Directors hereby declare that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and
- (e) the company being an unlisted company, the provisions of disclosure under Clause (e) is not applicable to the company.
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**FRAUDS REPORTED BY THE STATUTORY AUDITOR**

During the financial year under review, the statutory auditors have not reported any frauds under sub section (12) of Section 143 of the Companies Act, 2013 other than those which were reportable to the Central Government.

**DECLARATION OF INDEPENDENCE GIVEN BY INDEPENDENT DIRECTORS**

The provisions of Section 149 of the Companies Act, 2013, regarding appointment of Independent Directors and taking the declaration of Independence thereof are not applicable to the company.

**COMPANY'S POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION INCLUDING CRITERIA FOR DETERMINING QUALIFICATIONS, POSITIVE ATTRIBUTES, INDEPENDENCE OF A DIRECTOR AND OTHER MATTERS PROVIDED UNDER SUB-SECTION (3) OF SECTION 178**

The provisions of Section 178 of the Companies Act, 2013, regarding the composition of the Nomination and Remuneration Committee and laying down a policy thereof are not applicable to the company during the financial year ended on March 31, 2020.

**AUDITORS' REPORT**

The Statutory Auditors' Report does not contain any qualification. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

The provisions of Section 204 of Companies Act, 2013 relating to the Secretarial Audit are not applicable to the company.

**CHANDIGARH SMART CITY LIMITED**  
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**PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186**

During the financial year 2019-2020, the company has not given any loan, provided any guarantee or security to any other party, covered under the provisions of Section 186 of the Companies Act, 2013.

Further, the company has not made any investments during the financial year 2019-20 covered under the provisions of Section 186 of the Companies Act, 2013.

**PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB-SECTION (1) OF SECTION 188**

The company has not entered into any related party transactions covered under the ambit of Section 188 of the Companies Act, 2013.

**CORPORATE INSOLVENCY RESOLUTION PROCESS INITIATED UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (IBC)**

There are no proceedings pending against the company in any bench of Hon'ble National Company Law Tribunal under the provisions of Insolvency and Bankruptcy Code, 2016.

**COMPLIANCE WITH THE SECRETARIAL STANDARDS**

The company has duly complied with the applicable Secretarial Standards during the financial year 2019-20.

**SUMS DUE TO MICRO, SMALL & MEDIUM ENTERPRISES**

As on March 31, 2020, the company had no outstanding dues of any Micro, Small or Medium Enterprises towards principal or interest payable.

**RESERVES**

During the financial year ending 31<sup>st</sup> March 2020, no amount was transferred to General reserve.

**DIVIDEND**

The Board of Directors of the company has not declared or paid any dividend for the financial year 2019-20.

**MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT**

There were no material changes and commitments affecting the financial position of the company that has occurred during the period between the end of the financial year 2019-20 and the date of this report.

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

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows:

a) Conservation of energy:

(i)	the steps taken or impact on conservation of energy	The company is taking the necessary steps towards conservation of energy by implementing projects to conserve the energy.
(ii)	the steps taken by the company for utilizing alternate sources of energy	The CREST ( Chandigarh Renewal Energy Science & Technology has been installed solar plants under smart city mission under convergence

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(iii)	the capital investment on energy conservation equipment's	No specific expenditure incurred on this project as the project is being implemented under convergence, though further efforts are made on this direction.
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**(b) Technology absorption**

(i)	the efforts made towards technology absorption	Efforts are made towards Technology absorption by planning to execute different projects on traffic control, e-challaning, integrated command & control centre etc.
(ii)	the benefits derived like product improvement, cost reduction, product development or import substitution	NA
(iii)	in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	N.A
	(a) the details of technology imported	
	(b) the year of import;	
	(c) whether the technology been fully absorbed	
	(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof	
(iv)	the expenditure incurred on Research and Development	No specific expenditure incurred. Although, Research & Development being an ongoing process is being carried out dedicatedly.

**C. FOREIGN EXCHANGE EARNING AND OUTGO**

The company has incurred expenditure on foreign currency amounting to Rs. 1,35,882 in Indian Rupees and 1,710 (Euro) during the year.

**STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF A RISK MANAGEMENT POLICY FOR THE COMPANY INCLUDING IDENTIFICATION THEREIN OF ELEMENTS OF RISK, IF ANY, WHICH IN THE OPINION OF THE BOARD MAY THREATEN THE EXISTENCE OF THE COMPANY**

The company is established on the principals and guidelines framed by the Ministry of Urban Development, Government of India under its Smart City Mission. Chandigarh Smart City Limited is a company incorporated as a Special Purpose Vehicle (SPV) for the execution and implementation of the project in the city of Chandigarh.

The Board of Directors is of an opinion that there are no elements of risks threatening the existence of the company in near future. The management is however, proactive towards the identification and mitigation of any kind of risks that may be faced by the company.

**DETAILS ABOUT THE POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON CORPORATE SOCIAL RESPONSIBILITY INITIATIVES TAKEN DURING THE YEAR**

The provisions of Section 135 of the Companies Act, 2013 regarding Corporate Social Responsibility are not applicable to the company during the year.

**CHANDIGARH SMART CITY LIMITED**  
CIN NO. U74999CH2016G01041151  
REGISTERED OFFICE: BUILDING NO. 1, 2<sup>ND</sup> & 3<sup>RD</sup> FLOOR, (ADJOINING SCO 17-18-19)  
OVER NEW BRIDGE, SECTOR 17-A, CHANDIGARH 160017  
E-MAIL: smartcity.chd@nic.in

**FORMAL ANNUAL EVALUATION**

The provisions regarding Formal Annual Evaluation are not applicable to the company.

**DETAILS OF PERFORMANCE OF SUBSIDIARY, ASSOCIATE OR JOINT VENTURE COMPANIES**

The company does not have any Subsidiary, Associate or a joint venture company. Hence, the provisions regarding the disclosure of performance are not applicable to the company.

**ADDITIONAL DISCLOSURES UNDER RULE 8(5) OF COMPANIES (ACCOUNTS) RULES, 2014**

**CHANGES IN THE NATURE OF BUSINESS ACTIVITIES**

N.A.

There were no changes in the nature of business activities during the financial year.

**DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR**

SR. NO.	NAME OF THE DIRECTOR	NATURE OF CHANGE	DATE OF CHANGE
1.	Sh. Shailender Singh, Chief Engineer, Municipal Corporation, Chandigarh	Appointment as an ex-officio Director	05.11.2019
2.	Sh. Manoj Kumar Bansal, Chief Engineer, Municipal Corporation, Chandigarh	Cessation due to transfer	29.10.2019
3.	Sh. Sumit Ghakar, Under Secretary (HRIDAY)	Cessation due to nomination withdrawn by the authority	29.08.2019

**NAME OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE THE ASSOCIATE, SUBSIDIARY OR JOINT VENTURE OF THE COMPANY**

Nil

**DEPOSITS**

During the financial year the company has neither accepted nor renewed any public deposits falling within the purview of section 73 of Companies Act, 2013 and Companies (Acceptance of Deposits) Rules 2014.

Further, the company has not made any non-compliance in terms of the provisions of Chapter V of the Companies Act, 2013.

**DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE**

No such order has been passed by any statutory or regulatory authority during the financial year.

**DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS**

The Company has conducted its affairs within the framework of well-defined business plans which have provided appropriate guidance and direction to its employees. The operations of the company are being carried and managed in the best possible manner so as to ensure safety and prevention of all the assets and the properties of the company.

#### **PARTICULARS OF EMPLOYEES**

None of the employee was in receipt of the remuneration over and above the limits prescribed pursuant to Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

#### **AUDITORS**

M/s. A. K. Chadda & Co., Chartered Accountants (Firm Reg No.: 008683N) ,Chandigarh, was appointed as the Statutory Auditors of the company for the financial year 2019-2020 by the office of Comptroller & Auditor General of India.

#### **COMMENTS OF COMPTROLLER AND GENERAL OF INDIA**

The members are further informed that Comptroller and Auditor General of India has conducted supplementary Audit of the financial statements of the company and has given their comments under section-143 (6) (b) of the Companies Act, 2013 on the Financial statements for the year ended 31st March, 2020 vide their letter dated 17.06.2021. The Comments and reply of the management on the same is placed as annexure-2 to his Board's Report.

#### **COST AUDITOR**

The provisions of Section 148 of the Companies Act, 2013, regarding the cost audit are not applicable to the Company.

#### **TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND**

The company was not required to transfer any amount to the Investor Education and Protection Fund during the financial year under review.

#### **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**

The provisions of Section 177 of the Companies Act, 2013 regarding the establishment of the Vigil Mechanism are not applicable to the company.

#### **BOARD COMMITTEES**

As per the provisions of Companies Act, 2013, the company is not statutorily required to constitute any committee of the Board of Directors.

#### **HUMAN RESOURCES**

In view of the projects and programmes being undertaken by the company, qualified and trained Human Resource is one of the most precious assets of the company.

The Company is in its initial stage of establishment and is continuously making efforts towards engagement of trained and efficient workforce in the company for effective implementation and execution of the project under the Smart City Mission.

#### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**

The company has adopted the necessary practices in lines with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Further Company has constituted an Internal Complaint Committee as per the provisions of prevention of Sexual Harassment of Women at the Workplace Act. No complaints have been reported in the matter during the financial year.

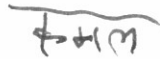
**CHANDIGARH SMART CITY LIMITED**  
**CIN NO. U74999CH2016G01041151**  
**REGISTERED OFFICE: BUILDING NO. 1, 2<sup>ND</sup> & 3<sup>RD</sup> FLOOR, (ADJOINING SCO 17-18-19)**  
**OVER NEW BRIDGE, SECTOR 17-A, CHANDIGARH 160017**  
**E-MAIL: smartcity.chd@nic.in**

**ACKNOWLEDGEMENT**

Your Directors convey their sincere thanks to the Ministry of Urban Development, Chandigarh Administration, the Bankers and all the other concerned agencies and stakeholders of the company for their continued support and co-operation extended to the Company from time to time.


Your Directors further express their deep appreciation for the contribution made by employees at all levels towards the growth of the Company.

Place: Chandigarh  
Dated: 18.08.2021



**DIRECTOR**

Kamal Kishore Yadav, IAS  
Chief Executive Officer  
DIN: 02196890



BY ORDER OF THE BOARD  
**CHANDIGARH SMART CITY LIMITED**  
DHARAM PAL, IAS  
CHAIRMAN  
DIN: 02354549  
**DIRECTOR**



**CHANDIGARH SMART CITY LIMITED**  
**CIN NO. U74999CH2016G01041151**  
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**Annexure 1**

**FORM NO. MGT 9**  
**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2020

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

**I. REGISTRATION & OTHER DETAILS:**

1.	CIN	U74900CH2016GO1041151
2.	Registration Date	26.07.2016
3.	Name of the Company	CHANDIGARH SMART CITY LIMITED
4.	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES UNION GOVERNMENT COMPANY
5.	Address of the Registered office & contact details	REGISTERED OFFICE: BUILDING NO. 1,2 <sup>ND</sup> & 3 <sup>RD</sup> FLOOR, (ADJOINING SCO 17-18-19) OVER NEW BRIDGE, SECTOR 17-A CHANDIGARH.
6.	Whether listed company	UNLISTED
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	--
8.	Email Id of the Company	<a href="mailto:smartcity.chd@nic.in">smartcity.chd@nic.in</a>
9.	Website	<a href="http://www.chandigarhsmartcity.in">www.chandigarhsmartcity.in</a>

**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	Execution of projects and programmes under the Smart City Mission of Ministry of Urban Development, Government of India	842	100%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: Nil**

S.No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section

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

**A. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 1-April -2019]	No. of Shares held at the end of the year [As on 31-March-2020]	% Change during the year

**CHANDIGARH SMART CITY LIMITED**

CIN NO. U74999CH2016G01041151

REGISTERED OFFICE: BUILDING NO. 1, 2<sup>ND</sup> & 3<sup>RD</sup> FLOOR, (ADJOINING SCO 17-18-19)

OVER NEW BRIDGE, SECTOR 17-A, CHANDIGARH 160017

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	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter s</b>									
<b>(1) Indian</b>									
a) Individual/ HUF									
b) Central Govt/ ULB		50,000	50,000	50%		50,000	50,000	50%	Nil
c) State Govt(s)		50,000	50,000	50%		50,000	50,000	50%	Nil
d) Bodies Corp.									
e) Banks / FI									
f) Any other									
<b>Total shareholding of Promoter (A)</b>		1,00,000	1,00,000	100%		1,00,000	1,00,000	100%	Nil
<b>B. Public Shareholding</b>									
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-total (B)(1):-</b>									
<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									

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i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)									
Non Resident Indians									
Overseas Corporate Bodies									
Foreign Nationals									
Clearing Members									
Trusts									
Foreign Bodies - D R									
<b>Sub-total (B)(2):-</b>									
Total Public Shareholding (B)=(B)(1)+(B)(2)									
<b>C. Shares held by Custodian for GDRs&amp;ADRs</b>									
<b>Grand Total (A+B+C)</b>		<b>1,00,000</b>	<b>1,00,000</b>	<b>100%</b>		<b>1,00,000</b>	<b>1,00,000</b>	<b>100%</b>	<b>Nil</b>

**B) Shareholding of Promoter-**

	Shareholder's Name	Shareholding at the beginning of the year(1 <sup>st</sup> April 2019)			Shareholding at the end of the year (31 <sup>st</sup> March 2020)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1.	Sh. Arun Kumar Gupta, IAS*	49,997	49.997	--	49997	49.997		49.997
2.	Sh. Ajoy Kumar Sinha, IAS*	1	0.001	--	1	0.001	--	0.001
3.	Sh. B.L Sharma, IAS*	1	0.001	--	--	--	--	(0.001)

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4.	Sh. Sanjay Kumar Jha, IAS	--	--	--	1	0.001	--	0.001
5.	Sh. Mukesh Anand*	1	0.001	--	1	0.001	--	0.001
6.	Sh. Kamal Kishore Yadav, IAS**	49,998	49.998	--	49998	49.998	--	49.998
7.	Sh. Manoj Kumar Bansal**	1	0.001	--	1	--	--	(0.001)
8.	Sh. Saurabh Mishra**	1	0.001	--	--	--	--	(0.001)
9.	Sh. Anil Garg**	--	--	--	1	0.001	--	0.001
10.	Sh. Shailender Singh**	--	--	--	1	0.001	--	0.001

\* Equity shares held on behalf of Chandigarh Administration in ex-officio capacities.

\*\* Equity shares held on behalf of Municipal Corporation, Chandigarh in ex-officio capacities.

**Change in Promoters' Shareholding (please specify, if there is no change):**

Sr. No	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Sh. Anil Garg, PCS Additional Commissioner, M.C, Chandigarh				
	At the beginning of the year	0	0		
	Date wise Increase / Decrease in Promoters Shareholding during the year				
	Transfer of shares dated 03.07.2019 to the successor of the office	1	0.001	1	0.001
	At the end of the year	1	0.001	1	0.001
2.	Sh. Shailender Singh Chief Engineer M.C, Chandigarh				
	At the beginning of the year	0	0		
	Date wise Increase / Decrease in Promoters Shareholding during the year				
	Transfer of shares dated 04.11.2019 being successor to the office	1	0.001	1	0.001
	At the end of the year	1	0.001	1	0.001
3.	Sh. Sanjay Kumar Jha, IAS Secretary (Personnel), U.T Chandigarh				
	At the beginning of the year	0	0		
	Date wise Increase / Decrease in Promoters Shareholding during the year				
	Transfer of shares dated 30.11.2019 being successor to	1	0.001	1	0.001

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the office				
At the end of the year	1	0.001	1	0.001

**D) Shareholding Pattern of top ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs): Nil**

SN	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>NIL</b>				

**E) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>Mr.Arun Kumar Gupta, IAS (in ex-officio capacity)</b>				
	At the beginning of the year	49997	49.997	49997	49.997
	No change during the year	--	--	--	--
	At the end of the year	49997	49.997	49997	49.997
<b>2.</b>	<b>Sh. Ajoy Kumar Sinha, IAS(in ex-officio capacity)</b>				
	At the beginning of the year	1	0.001	1	0.001
	No change during the year	--	--	--	--
	At the end of the year	1	0.001	1	0.001
<b>3.</b>	<b>Mr. Kamal Kishore Yadav, IAS(in ex-officio capacity)</b>				
	At the beginning of the year	49998	49.998	49998	49.998
	No change during the year	--	--	--	--
	At the end of the year	49998	49.998	49998	49.998
<b>4.</b>	<b>Sh. Mukesh Anand(in ex-officio capacity)</b>				
	At the beginning of the year	1	0.001	1	0.001
	No change during the year				
	At the end of the year	1	0.001	1	0.001
<b>5.</b>	<b>Sh. Shailender Singh (in ex-officio capacity)</b>				

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	At the beginning of the year	0	0		
	Transfer of shares being successor to the office	1	0.001	1	0.001
	At the end of the year	1	0.001	1	0.001

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

**NIL**

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	-	-	-	-
* Reduction	-	--	-	-
<b>Net Change</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

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

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	--	--
2	Stock Option	-	--

**CHANDIGARH SMART CITY LIMITED**

CIN NO. U74999CH2016G01041151

REGISTERED OFFICE: BUILDING NO. 1, 2<sup>ND</sup> & 3<sup>RD</sup> FLOOR, (ADJOINING SCO 17-18-19)  
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3	Sweat Equity	--	--	
4	Commission -as % of profit - others, specify: Contribution to PPF			
5	Others, please specify			
	Total (A)			

**B. Remuneration to other Directors:NA**

SN.	Particulars of Remuneration	Name of Directors			Total Amount
1	Independent Directors				
	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 (B)=(1+2)				
	Total Managerial Remuneration				
	Overall Ceiling as per the Act				

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD:**

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS (Shaveta Sharma)	CFO (Nalini Malik)	Total
1	Gross salary	---			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		9,69,375	19,11,919	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				

**CHANDIGARH SMART CITY LIMITED**

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	others, specify...				
5	Others, please specify	77,794	59,100	95,628	31,13,816
	Total	---	10,28,475	20,07,547	

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

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

Place: Chandigarh  
Dated: 18.08.2021



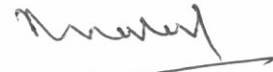
**DIRECTOR**

KAMAL KISHORE YADAV, IAS

CHIEF EXECUTIVE OFFICER

DIN: 08196890

BY ORDER OF THE BOARD  
CHANDIGARH SMART CITY LIMITED



**DIRECTOR**

DHARAM PAL, IAS

CHAIRMAN

DIN: 02354549



**CHANDIGARH SMART CITY LIMITED**  
**CIN NO. U74999CH2016G01041151**  
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**Annexure-2**


	<b>Comments from CAG</b>	<b>Management response</b>
<b>A. Comments on Financial Position Balance Sheet Current Assets Cash &amp; Cash Equivalents (Note-15): Rs. 43,453.62 lakh</b>	Cash and Cash equivalents includes fixed deposits amounting to Rs. 33,283.82 lakh having maturity of 12 months. This is in violation of Accounting Standard-3 which states that investment normally qualifies as a cash equivalent only when it has a short maturity of three months or less from the date of acquisition. This has resulted in overstatement of "Cash and Cash Equivalents" and understatement of "Other Bank Balances" by Rs. 33,283.82 lakh.	Necessary regroupings in the financials as pointed out shall be done in the next Balance Sheet/s for the Financial year 2020-21.
<b>B. Comments on Profitability Statement of Profit and Loss Expenses Other Expenses (Note-24): Rs. 751.40 lakh</b>	<p>(i) The above does not include Rs. 204.32 lakh as amount payable to project Management Consultant for consultancy charges (Rs. 193.65 lakh) and reimbursement of administrative charges (Rs. 10.67 lakh) for the year 2019-20. In pursuance with Accounting Standard-4 and Accounting Standard-29, Company should have made provision for the unpaid expenses of 2019-20. Thus "Other Expenses" and "Other Current Liabilities" are understated by Rs. 204.32 lakh.</p> <p>(ii) The above includes Rs. 121.86 lakh being the amount incurred on underground utility mapping (Rs. 50.70 lakh) and development of basic infrastructure in Smart Schools (Rs. 71.16 lakh) from Government grants received under Smart Cities Mission. The company has yet not framed any Memorandum of Understanding with GOI/Union Territory/Municipal Corporation of Chandigarh regarding ownership/control of assets acquired/created during execution of projects under Smart cities Mission. As expenses incurred were of capital nature, they should have been recognised and accounted under Capital Work in Progress instead of charging to profit and loss statement. This has resulted in understatement of "Capital Work in Progress" by Rs. 121.86 lakh and overstatement of "Other Expenses" and "Loss for the year" by Rs. 121.86 lakh.</p>	Necessary regroupings in the financials as pointed out shall be done in the next Balance Sheet/s for the Financial year 2020-21.
<b>C. Cash Flow Statement</b>	i. The cash flow from operating activities includes Rs. 2,206.66 lakh which represents interest income on bank accounts/increase in grant-in-aid due to interest earned. In pursuance of provisions of Accounting Standard 3, the same should have been included under cash flow from investing activities. The "Cash Flow from Operating	Necessary regroupings in the financials as pointed out shall be done in the next Balance Sheet/s for the Financial year 2020-21.


**CHANDIGARH SMART CITY LIMITED**  
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OVER NEW BRIDGE, SECTOR 17-A, CHANDIGARH 160017  
E-MAIL: [smartcity.chd@nic.in](mailto:smartcity.chd@nic.in)

		<p>Activities" is overstated and "Cash Flow from Investing Activities is overstated and "Cash Flow from Investing Activities" is understated by Rs. 2,206.66 lakh.</p> <p>ii. The cash flow from operating activities includes Rs. 11,000 lakh for increasing in grant-in-aid received. The grants have been treated as ties grant. Utilised part of grants has been considered as promoter's contribution and accounted accordingly as per provisions of Accounting Standard-12. In view of accounting treatment given to grants, Company should have not included the increase in grant-in-aid received under cash from operating activities. Thus 'Cash flow from Operating Activities' is overstated and 'Cash Flow from financing Activities' is understated by Rs. 11,000 lakh.</p>	
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Place: Chandigarh  
Dated: 18.08.2021

BY ORDER OF THE BOARD  
CHANDIGARH SMART CITY LIMITED

  
DIRECTOR  
KAMAL KISHORE YADAV, IAS  
CHIEF EXECUTIVE OFFICER  
DIN: 08196890

  
DIRECTOR  
DHARAM PAL, IAS  
CHAIRMAN  
DIN: 02354549