



पुणे PUNE
स्मार्ट सिटी SMART CITY
डेव्हलपमेंट DEVELOPMENT
कॉर्पोरेशन लिमिटेड CORPORATION LTD.

2nd ANNUAL REPORT

**PUNE SMART CITY DEVELOPMENT CORPORATION
LIMITED**

FINANCIAL YEAR 2017-2018

2ND Annual General Meeting

29th September, 2018



SHORTER NOTICE

Notice is hereby given that the Second Annual General Meeting of the Members of Pune Smart City Development Corporation Limited will be held at a shorter notice Saturday, 29th September, 2018 at 11.00 AM at Bajaj Conference Hall, 5th Floor, MCCIA, ICC Trade Tower, Senapati Bapat Road, Pune - 411016 to transact the following business:

ORDINARY BUSINESS:

1. Adoption of audited Accounts:

To receive, consider and adopt:

The audited Financial Statements of the Company for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and Auditors thereon.

- 2. To appoint a Director in place of Dr. Nitin Kareer (DIN: 01624863) who retires by rotation and being eligible offers himself for re-appointment.**
- 3. To appoint a Director in place of Mrs. Mukta Tilak (DIN: 07782230) who retires by rotation and being eligible offers herself for re-appointment.**
- 4. To appoint a Director in place of Mr. Shrinath Bhimale (DIN: 03301962) who retires by rotation and being eligible offers himself for re-appointment.**

SPECIAL BUSINESS:

- 5. Removal of Ratification Clause with respect to appointment of PRASS & Associates LLP, Chartered Accountants under Section 139 (1):**

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

“RESOLVED THAT in suppression to the earlier resolution No.2 passed at the 1st Annual General Meeting dated 30th December, 2017 with respect to appointment of - M/s. PRASS & Associates LLP, (Firm Reg. No. 107816W / W100222), who are appointed under Section 139 (1) of the Companies Act, 2013 for a period of 5 years subject to ratification at every Annual General Meeting, such appointment shall not be required for ratification at every consecutive Annual General Meeting, pursuant to Section 139 (1) as amended according to The Companies (Amendment) Act, 2017 subject to remuneration being fixed by

PUNE SMART CITY DEVELOPMENT CORPORATION LTD

Reg. Off.: PMC Main Building, Shivajinagar, Pune - 411005, T : 020-25252525

204, A Wing, ICC Trade Center, Senapati Bapat Road, Pune - 411016, Maharashtra. | CIN: U93000PN2016SGC158980

पुणे स्मार्ट सिटी डेव्हलपमेंट कॉर्पोरेशन लि. नोंदणीकृत कार्यालय - पुणे महानगरपालिका इमारत, शिवाजीनगर, पुणे - ४११००५

२०४, ए विंग, आयसीसी ट्रेड टॉवर, सेनापती बापट रोड, पुणे - ४११०१६, महाराष्ट्र



the Board of Directors, plus out of pocket expenses as may be incurred by them for the performance of their duties in connection with the audit of the Company.

RESOLVED FURTHER THAT any of the Board Members or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things as may be necessary within the relevant provisions of the Companies Act, 2013, to give effect to the above."

6. Regularization of Mr. Yogesh Mulik (DIN: 07362095):

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

"RESOLVED THAT Mr. Yogesh Mulik (holding DIN: 07362095) who was appointed as an additional director of the Company by the Board of Directors and who ceases to hold office under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice under Section 160 in writing proposing his candidature for the office of director along with necessary deposit, be and is hereby elected and appointed as a director of the Company liable to retirement by rotation.

RESOLVED FURTHER THAT any of the Board members or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things as may be necessary within the relevant provisions of the Companies Act, 2013, to give effect to the above."

7. Regularization of Dr. Deepak Govindrao Mhaisekar (DIN: 07560053):

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

"RESOLVED THAT Dr. Deepak Govindrao Mhaisekar (holding DIN: 07560053) who was appointed as an additional director of the Company by the Board of Directors and who ceases to hold office under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice under Section 160 in writing proposing his candidature for the office of director along with necessary deposit, be and is hereby elected and appointed as a director of the Company liable to retirement by rotation.

RESOLVED FURTHER THAT any of the Board members or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things as may be necessary within the relevant provisions of the Companies Act, 2013, to give effect to the above."

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8. Regularization of Mrs. Nayana Arjun Gunde (DIN: 08083786):

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

“RESOLVED THAT Mrs. Nayana Arjun Gunde (holding DIN: **08083786**) who was appointed as an additional director of the Company by the Board of Directors and who ceases to hold office under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice under Section 160 in writing proposing her candidature for the office of director along with necessary deposit, be and is hereby elected and appointed as a director of the Company liable to retirement by rotation.

RESOLVED FURTHER THAT any of the Board members or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things as may be necessary within the relevant provisions of the Companies Act, 2013, to give effect to the above.”

9. Regularization of Mr. Saurabh Rao (DIN: 08127958):

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

“RESOLVED THAT Mr. Saurabh Rao (holding DIN: **08127958**) who was appointed as an additional director of the Company by the Board of Directors and who ceases to hold office under Section 161 of the Companies Act, 2013 and in respect of whom the Company has received a notice under Section 160 in writing proposing his candidature for the office of director along with necessary deposit, be and is hereby elected and appointed as a director of the Company liable to retirement by rotation.

RESOLVED FURTHER THAT any of the Board members or Company Secretary of the Company be and is hereby severally authorized to do all such acts, deeds and things as may be necessary within the relevant provisions of the Companies Act, 2013, to give effect to the above.”

Registered Office:
PMC Main Building, Shivajinagar,
Pune - 411005

Date: 24th September, 2018
Place: Pune

By Order of the Board
For Pune Smart City Development Corporation Ltd


Rajendra C. Jagtap, Director
DIN: 07870524



Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. A PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. A PERSON CAN ACT AS A PROXY ON BEHALF OF THE MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING V OTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SH/ CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDER.
3. A ROUTE MAP GIVING DIRECTIONS TO REACH THE VENUE OF THE 2ND ANNUAL GENERAL MEETING IS GIVEN AT THE END OF THE NOTICE.
4. THE RELEVANT EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013, IN RESPECT OF SPECIAL BUSINESS IN THE NOTICE IS ANNEXED HERETO.

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EXPLANATORY STATEMENT AS REQUIRED PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013:

Item no. 5

Removal of Ratification Clause with respect to appointment of PRASS & Associates LLP, Chartered Accountants under Section 139 (1):

The Members of the Company had approved appointment of M/s PRASS & Associates LLP, Chartered Accountants under Section 139 (1) of Companies Act, 2013 for financial year 2017-18 to 2021-22. Proviso to section 139 (1) mandates for ratification of appointment of the Auditor at every such Annual General Meeting of the Company for 5 years.

There has now been amended in proviso to Section 139 (1) of the Companies Act, 2013 through issue of The Companies (Amendment) Act, 2017 which has dispensed of with the requirement of ratification of auditors by members at Annual General Meeting.

Accordingly it is necessary for the Company to remove the ratification clause as mentioned in the resolution passed at the first Annual General Meeting as the said clause is now redundant and has become inoperative.

None of the Directors nor Key Managerial Personnel or relatives thereof is in any way, concerned or interested in the Resolution.

Item no. 6

Regularization of Mr. Yogesh Mulik:

The Board at its meeting held on 29th March, 2018, appointed Mr. Yogesh Mulik as additional director with effect from such Board meeting date pursuant to Section 161 of the Companies Act, 2013. Hence, he will hold office up to the date of the ensuing annual General Meeting.

The appointment was pursuant to Clause No. 12 of the Articles of Association of the Company which mandates the position of Standing Committee Chairman, Pune Municipal Corporation to be a Director on the Board of the Company. Accordingly, the Board recommends the resolution No. 6, in relation to appointment of Mr. Yogesh Mulik as Director, for the approval by the shareholders of the Company.

The Company has received the necessary notice in writing as required under Section 160 of the Companies Act, 2013 for proposing the above appointment.

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Except the director being regularized, none of the other Directors nor Key Managerial Personnel or relatives thereof is in any way, concerned or interested in the Resolution.

Item no. 7

Regularization of Dr. Deepak Govindrao Mhaisekar:

The Board at its meeting held on 14th June, 2018, noted appointment of Dr. Deepak Govindrao Mhaisekar which was approved via circular resolution which accorded majority sanction of board members on 9th June, 2018. Dr. Deepak Govindrao Mhaisekar was appointed as additional director with effect from 9th June, 2018 pursuant to Section 161 of the Companies Act, 2013. Hence, he will hold office up to the date of the ensuing annual General Meeting.

The appointment was pursuant to Clause No. 12 of the Articles of Association of the Company which mandates the position of Divisional Commissioner, Pune Division to be a Director on the Board of the Company. Accordingly, the Board recommends the resolution No. 7, in relation to appointment of Dr. Deepak Govindrao Mhaisekar as Director, for the approval by the shareholders of the Company.

The Company has received the necessary notice in writing as required under Section 160 of the Companies Act, 2013 for proposing the above appointment.

Except the director being regularized, none of the other Directors nor Key Managerial Personnel or relatives thereof is in any way, concerned or interested in the Resolution.

Item no. 8

Regularization of Mrs. Nayana Arjun Gunde:

The Board at its meeting held on 29th March, 2018, appointed Mrs. Nayana Arjun Gunde as additional director with effect from such Board meeting date pursuant to Section 161 of the Companies Act, 2013. Hence, he will hold office up to the date of the ensuing annual General Meeting.

The appointment was pursuant to Clause No. 12 of the Articles of Association of the Company which mandates the position of Chairman and Managing Director, Pune Mahanagar Parivahan Mandal Limited to be a Director on the Board of the Company. Accordingly, the Board recommends the resolution No. 8, in relation to appointment of Mrs. Nayana Arjun Gunde as Director, for the approval by the shareholders of the Company.

The Company has received the necessary notice in writing as required under Section 160 of the Companies Act, 2013 for proposing the above appointment.

Except the director being regularized, none of the other Directors nor Key Managerial Personnel or relatives thereof is in any way, concerned or interested in the Resolution.

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Item no. 9

Regularization of Mr. Saurabh Rao:

The Board at its meeting held on 14th June, 2018, noted appointment of Mr. Saurabh Rao which was approved via circular resolution which accorded majority sanction of board members on 9th June, 2018. Mr. Saurabh Rao was appointed as additional director with effect from 9th June, 2018 pursuant to Section 161 of the Companies Act, 2013. Hence, he will hold office up to the date of the ensuing annual General Meeting.

The appointment was pursuant to Clause No. 12 of the Articles of Association of the Company which mandates the position of Municipal Commissioner, Pune to be a Director on the Board of the Company. Accordingly, the Board recommends the resolution No. 9, in relation to appointment of Mr. Saurabh Rao as Director, for the approval by the shareholders of the Company.


The Company has received the necessary notice in writing as required under Section 160 of the Companies Act, 2013 for proposing the above appointment.

Except the director being regularized, none of the other Directors nor Key Managerial Personnel or relatives thereof is in any way, concerned or interested in the Resolution.

Registered Office:
PMC Main Building, Shivajinagar,
Pune – 411005

By Order of the Board
For Pune Smart City Development Corporation Ltd.

Date: 24th September, 2018
Place: Pune


Rajendra Jagtap, Director
DIN:07870524



BOARD'S REPORT

To the Members,
Pune Smart City Development Corporation Limited

We are pleased to present the Second Annual Report of your Company together with the audited financial statements of the Company for the financial year ended March, 2018.

A. OPERATIONAL RESULTS:

The summary of the Financial Performance of the Company for the financial year ended March 31, 2018 is given below:

B. PERFORMANCE HIGHLIGHTS AND STATE OF COMPANY'S AFFAIRS:

The summary of the Financial Performance of the Company for the financial year ended March 31, 2018 is given below:

Particulars	For the Standalone Financial period ended March 31, 2018
Net Sales/Income	Nil
Total Income *	17,42,34,428
Total Expenses	19,60,61,813
Profit before exceptional and extraordinary items and tax*	(2,18,27,385)
Less : Exceptional Items	-
Profit /(Loss) Before Tax*	(2,18,27,385)
Less : Current Tax	-
Less : Deferred Tax	(5,986)
Net Profit/(Loss) After Tax*	(2,18,33,371)
Dividend (including Interim if any and final)	-

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Net Profit After Dividend and Tax	(2,18,33,371)
Capital Work In Progress (Inclusive of Taxes)	43,58,47,972

*(Excluding Capital Interest on Gov Tied Grant of Rs. 9,87,43,351 on Earmarked Project Funds for work in Progress)

STATE OF AFFAIRS:

The Company initiated and executed projects under the Smart City Plan 2016-21 now amended 2016-23. During the second year of operations, the Company has received Rs.17.42 Crore of income from other sources mainly from interest earned on parking of surplus funds as fixed deposits. The Net Loss during this period is Rs. 2,21,23,870 (Rs. Two Crore Twenty One Lakh Twenty Three Thousand Eight Hundred Seventy Only).

C. RESERVES: The Loss for the period under review amounting to Rs. 2,21,34,234 has been transferred to the reserves.

D. DIVIDEND:

The Board of Directors does not recommend any dividend for the period under review.

E. STATUS OF THE PROJECTS:

During the reported period, PSCDCL has commenced implementation and completed several projects across a variety of themes. Details of physical progress of these projects are provided below:

#	Project Name	Estimated Project Cost (Rs cr)	Physical Progress (%)
Commenced Projects			
1	Street Redesign 1.5 KM - pilot (Aundh area)	25	80
2	24X7 Water Supply (Tender I - Reservoir Capacity)	70	40
3	Start Up	15	60
4	Intelligent Road Management - RAMS	4.09	60
5	Solar Energy Supply	10	60
6	Consultancy Service - Sponsored by MoUD	2.71	75
7	Place making and Open spaces - Ground for Indian sports	18	20
8	Low income skill development and healthcare - Maternity Hospital	21.53	20
9	Low income skill development and healthcare -	41	70

	Smart schools		
10	Low income skill development and healthcare - Digital learning school	21	40
11	Road and road widening	75.88	0 (Work order issued)
12	Road and road widening (greenfield)	153.81	0 (Work order issued)
13	Place making and Open spaces - PH2	54.3	0 (Work order issued)
14	Place making and Open spaces	13.26	0 (Work order issued)
15	Smart Health	25	75
16	Governance and citizen engagement	5	40
17	Smart Element	156	78
Completed Projects			
18	Place Making and Open spaces (Pilot)	2.92	100
19	Bus ITMS	53	100
20	Street Lighting	90	100
21	Low income skill development and healthcare	20	100
22	Public Bicycle Sharing	6	100
23	Baner Road works - Part A	30.17	100
24	DP road stretch - Part A	8.17	100
25	DP road stretch - Part B	5.4	100
26	Street Retrofit works in ABB	2.68	100
27	Place making and Open spaces - PMC sites	2.6	100
28	Place making and open spaces - Murkute garden	4.97	100
	GRAND TOTAL	937.49	

Details of projects:

1. Place Making

The idea of place making is to create public spaces that encourage social interaction based on shared interests and passions. PSCDCL reimagined the role of public open spaces in the city to make them more relevant to citizens' lifestyles, needs and interest and to encourage social interaction between citizens. Placemaking is one such key project of urban planning transformation that PSCDCL is undertaking in Aundh, Baner and Balewadi (ABB), the local area

(ABD area) selected in Pune under Smart Cities Mission. Placemaking is an ABB project implemented through SCP funds.

The neighborhoods around the already implemented two sites in ABD area are activated after the development of these sites. The impact is best captured by the growing popularity of the commissioned sites: Around 150-200 residents with similar interests from the neighborhood visit the site every day and interact with each other; the count reaches 300 during weekends and is growing steadily as the concept spreads.

Building up on the success of the pilot sites PSCDCL has initiated design development of seven more sites with seven new themes for placemaking. PMC empaneled Architects were invited for these sites. Out of the seven sites, four sites are tendered out with themes as explained below.

1. Community Farming - The objective is to provide space for experimenting technological innovations for sustainable surroundings like urban community farming, organic farming, etc. The idea is to have a space where fruits and vegetables become the aesthetic elements of the Garden and outdoor open space acts as the platform for various senior citizen clubs and workshops.
2. Bookzania - The theme is designed to encourage reading habits in children in a playful environment and provide a hobby space for elders.
3. Science Park - This theme is designed to inculcate interest for science subject through playful environment. Scientific play instruments are proposed for all age groups with various elements including sun dial and Amphitheatre designed as Milky Way.
4. Kids and Pets Park – This theme is designed as a recreation center for pets and pet owners. Senior citizens along with children can also spend their leisure time in these parks.

The upcoming sites in design development stage include three sites of place making and 3 sites of Smart Community markets. The 3 Placemaking sites have the following themes.

1. Roll ball and Skating play fields. – This development intends to promote and popularize the indigenous game of Roll Ball and to provide skating infrastructure.
2. Bamboo garden: This theme is designed to educate about bamboo as a construction material.
3. Reuse and Recycle: This theme is designed to create awareness about recycling and educate citizens about techniques for reuse of materials.

For the sites of Smart Community markets, a competition was held between Architecture college students for concept design at 3 locations identified in ABD area. The competition received very good response with participation of students from 15 colleges in Pune. The competition concluded with cash prizes to the winners along with an opportunity to be part of the detailed design process and work closely with empaneled Architect who will be responsible

for detailed design. 14 more sites have been identified and will be taken up for design development subsequently.

2. Public Bicycle Sharing Service

Pune historically used bicycles as one of the main modes of transport before the large-scale advent of automobiles. With the traffic and pollution engendered by cars, cycling is again gaining traction as a healthy and low-carbon form of urban transport.

Pune is constantly striving towards its goal of becoming one of the most livable cities in India. An important focus area that emerged through citizen engagement initiatives was the need to resolve Pune's core mobility issues in a future-proof manner. While the city is making longer-term efforts for better mass transit, the Pune Bicycle Plan has been implemented to quickly tackle the goal of better first- and last-mile connectivity and to re-establish Pune as India's cycling city. Public Bicycle Sharing Service is an ABB project scaled to pan city. The service is provided through private sector funds.

The Pune Smart City Development Corporation Ltd (PSCDCL) formally launched the public bicycle sharing program at Pune University and in Aundh (ABD of Pune Smart City) in December 2017. Public Bicycle Sharing Service includes creating a city-wide cycle track network, a public bicycle sharing system, design guidelines for cycle-friendly infrastructure, bicycle parking facilities and strategy for awareness campaigns. These need to be integrated with public transit routes. The Public Bicycle Sharing Service aims to improve the city's share of cyclists from 3 per cent at present to 25 per cent by 2031-boosting health, cutting down traffic and improving mobility.

Successful global trends for public bicycle sharing lean on ensuring completely technology-controlled systems, hyper-local and dock-less infrastructure which offers last-mile connectivity (critical for Indian cities), cashless payments that require zero documentation or manual interventions -saving valuable time, and a high-quality user experience through specially designed bicycles with advanced features.

Phase I of the Pune Bicycle Sharing project included a study of the solutions available in the market and PSCDCL signing an MOU with PEDL and ofo – both nationally reputed companies in this industry.

PBS initiative in Pune is a unique collaboration, with PSCDCL building track infrastructure and private operators providing bicycles and technology. Pune has approximately 4,500+ public bicycles operational, one of the highest in the country within a short span and one-of-the-first to adopt dockless technology.

Responsibilities were assigned to both stakeholders and a date for launch was mutually decided between PSCDCL and the operators. Parking stations and locations were identified and infrastructure created for the deployment of bicycles in SPPU and Aundh areas of ABD.

For the pilot project, the location of the bicycle parking site was an important aspect -it needed to be high visibility, close to major transit routes and have access to social infrastructure. This would enable greater acceptance and use among the public.

In the first phase, 100 high-technology bicycles were made available for rent at a nominal rate - INR 1 for 30 minutes. People would log on to the web portal of the technology provider (PEDL) and make cashless payments from their smartphones, locate the public sharing bicycle at their nearest station, and unlock a bicycle by scanning a QR code. The bicycles are to be ridden on clearly demarcated, separately designed and colored lanes.

Proof of concept: The trial of the scheme in Pune has begun in select areas of the city. Using a project pilot with an established vendor enables learning and helps identify potential bottlenecks in varied conditions before launching a request for proposal (RFP) on a large scale for the entire city.

Optimizing capex: Choosing a technology and process that optimize capex and provide choices for scalability, Pune opted for the globally recognized dock-less system which limited the infrastructure required for locking and parking docks; and enhancing citizen's comfort by making the bicycles available across the area and not just at the docking stations.

Attractive promotional pricing: Encourages citizens to try the service and form an opinion on convenience and quality.

Sustained scaling up: Building on momentum and ensuring the scale is widened beyond the area-based development to cover the whole city.

Initial numbers suggest that this initiative is timely and very welcome as reflected in the positive media coverage. The first month received 25,000+ bookings; Pune-kars biked a combined distance equivalent to a round trip around the earth and burnt calories equivalent to 50,000+ Big Macs. Compared to global benchmark of three trips per-cycle-per-day, Pune's PBS reported eight *trips per-cycle-per-day*.

PSCDCL's Public Bicycle Sharing scheme aims to reclaim the city's history as the "cycling city" of India by rolling out PBS in two phases—launching more than 3,000 bicycles in ABB area and then scaling this across the entire city of Pune. PSCDCL is confident that this will transform the way Pune-kars navigate the city and enhance their quality of life and environment.

Phase One of the Pune Bicycle Sharing project included studying the solutions available in the market and signing of an MoU. After detailed analysis, PSCDCL decided to launch PBS scheme across:

- The enclosed area of Savitribai Pune University
- The open area of AundhBanerBalewadi (ABD of Pune Smart City)

This allowed PSCDCL to understand the response and user behaviour in both open and enclosed environments as well as test the technologies in different environments.

PSCDCL's PBS initiative offered residents an opportunity to participate in the vision of making Pune a greener, healthier city. A 3-month report card of the scheme suggested that this initiative is timely and has been well-received by the citizens. The first week saw 5,500 bookings, and the first month had 25,738 bookings.

Phase II would take the lessons learnt and build upon the success of Phase I.

Subsequently, the PBS scheme was launched in the campuses of College of Agriculture, Pune, Kirkee Cantonment Board, Jangli Maharaja Road, Fergusson Road, Koregaon Park, other parts of Shivajinagar which are the busy retail and education hotspots of the city and in Magarpatta City.

PSCDCL has already allocated INR 10 crore to develop the necessary PBS infrastructure, such as dedicated/shared cycling tracks, parking locations, signage boards, advertisements to create awareness, and citizen engagement programs -all aimed at boosting adoption of this unique scheme. The approach of co-creating the service through pilot, gauging citizen's feedback and then structuring a robust project, helped PSCDCL in taking a strong step towards overcoming its mobility challenge. Pune Smart City SPV has been tagged with Varanasi Smart City as part of the Central Government's SPV to SPV coaching program covering a wide range of initiatives.

The Public Bicycle Sharing initiative aims to ease the pain of people reliant on public transport and facing last mile connectivity as a challenge in Pune.

Around 4,500 bicycles have been deployed in parts of the city by reputed operators, making it the largest PBS scheme in any city in India. More locations will soon be added, with a plan to scale up to 100,000 bicycles. Already, Pune-kars have travelled a collective distance of a return trip to the moon, and burnt off calories equivalent to 7 lakh pizzas. Till date, nearly 4,50,000 rides have been completed.

In the long term, with bicycles readily available across the city, the Pune Bicycle Plan is set to transform the city's traffic landscape, people and environmental health, and improve mobility.

3. Road Asset Management

PSCDCL has taken up the initiative to develop a smart solution for PMC for effective maintenance management of the road network for Pune city. The total road network maintained and managed by PMC in Pune City is approximately 1400 Km. Road Asset Management System (RAMS) is a software tool which addresses the needs of road maintenance management. RAMS is a technical method for managing and controlling maintenance resources in a scientific manner. The RAMS includes the development of guidelines to devise the methodologies for systematic data collection. The data is collected on the structural and functional performance of all categories of road under varying climate, traffic, and environmental conditions. Judicious allocation of maintenance funds is dependent on this data and its analysis.

The RAMS project is divided into three distinct tasks which include:

1. Data Collection for PMC Road network (one time and annual)
2. Development of web based Road Asset Management System software
3. Selection and deployment of a Pavement Management System for maintenance management decision making.

RAMS project is being implemented through the Pune Smart City Development Corporation as a pan-city initiative. The main purpose of the RAMS project being implemented for PMC Roads is:

- To collect a detailed inventory of Road information, duly validated and cleaned.
- To create a centralized repository of this information, centrally controlled and accessible to relevant stakeholders.
- To integrate the solution with Enterprise GIS.
- To create a decision support system for taking various maintenance management decisions for the road network by integration with a standard Asset Management Software.

The approximate total length of the city roads of 1400 Km is considered under the project and data collection is completed using the following methods:

1. Automated GPS vehicle mounted Videography technique
2. Field team with GPS enabled PDA devices and standard data forms.

The RAMS web portal is also made available through this project which will enable the PMC Road engineers to review, add data and generate standard reports for road data in the city. The RAMS project is completed in coordination with the Road Department of Pune Corporation as a

pan-city project covering all roads in Pune city ranging between 4 meters to 61 meters. RAMS is a pan city project implemented through SCP funds.

1. Project initiated in June 2017
2. RAMS Project envisages the following:
 - a. Collection of all Road asset and infrastructure data for a 3-year period
 - b. Develop a Web based tool (RAMS) for use by Road Engineers
 - c. Provide a network based maintenance management report for roads before the annual budget, present various scenarios and budget requirement
 - d. Training of the PMC Engineers for long term operation of the RAMS
3. The first RAMS report has been proposed for budget creation of 2019-20
4. RAMS data is linked to the Enterprise GIS Map of PMC
5. Currently all the data collection activity for Year 1 is completed and Beta Version of Web based software is ready for use by Road Engineers
6. Integration of RAMS with Work Management System has been proposed to be undertaken by October 2018

The data collection for 1st year is completed and under process of validation and integration with the PMC Enterprise GIS system. Currently, the BETA version of the RAMS web portal is provided to PMC Road Dept.

The following activities have been planned for the next two years:

1. Data collection and recommendation report for budget of 2019-20
2. Data collection and recommendation report for budget of 2020-21
3. Integration of RAMS with Work Management System – proposed by October 2018

i) Problem of duplication of works by Road department and Ward Office

ii) Problem of reinstatement works by various agencies and unnecessary expenditure:

- a. SCADA Based Hot Mix Plant / RMC and vehicle monitoring to be enforced by PMC-.
- b. E Billing system to be introduced by PMC
- c. Integration of the RAMS with WMS and introduction of an E Billing system – To be initiated by PMC/PSCDCL.
 - Works Management System (WMS)
 - Integration of RAMS with WMS

4. Smart Elements project

Under the Pune Smart City mission, Pune Municipal Corporation (PMC) along with Pune Smart City Development Corporation Limited (PSCDCL) envisaged to create the city wide 'Network of Smart Elements' to accomplish the following objectives:

1. Make Pune a better place to live in by increasing safety, livability of the people in the city and to effectively provide the delivery of few urban services.
2. Improve the situational awareness for the city administrators and residents.
3. Provide administrators, citizens, tourists and businesses real time and actionable information to aid their day to day decision making.

To achieve the objective of creating a city-wide network of Smart elements, the project was awarded to Larsen & Toubro Ltd. in Jan 2017 to implement the following scope of work:

- 199 Wi-Fi hotspots across strategic locations including parks, hospitals, other public spaces provide limited-time free Wi-fi access to citizens. This facility compliments Government of India's on-going drive towards improving digital literacy and enhances citizen productivity.
- 161 Variable Messaging Displays (VMDs) for broadcasting informative messages, alerts and city updates. It is currently being utilized to display messaging related to traffic, accidents, on-going roadworks, speed limits & emergency messages. It is one of most effective media to reach citizens on-the-move.
- 136 Public Address systems (PAs) at key locations to broadcast general and emergency messages to public. These are currently being utilized for creating social awareness, broadcasting safety messages during any emergency etc.
- 136 Emergency Call Boxes (ECBs) for citizen safety, to seek help in case of emergency situations and accidents. Innovatively, these emergency call-boxes can provide live video-feed of the location which can reduce emergency response time.
- 50 Environmental sensors (ES) to monitor critical parameters of sound, temperature, air quality, noise pollution, etc. This data can be analysed to take appropriate measures in high pollution areas. Live pollution level information is also helping in creating citizen awareness about environment.
- 30 Flood sensors for live monitoring of water levels in Mula-Mutha rivers which can trigger alerts remotely. With a minute-by-minute data collection, this can help Pune build analytics to predict & manage flood scenarios.
- A Smart City Operations centre (SCOC) which collects data from all these smart elements and databases and derives analytical insights aiding city management. The Smart City Operation Centre (SCOC) will act as the centralized monitoring and decision-making hub for managing Smart elements and other systems on real time basis and take appropriate decision on the basis of situations. The Smart City Operations Centre (SCOC) will enable city administration and its stakeholders in instant event tracking, generating reports for effective management,

delivering effective governance by aggregating various data feeds from sensors and effective decision making by providing interfaces & user-friendly dashboards.

Sl. No.	Elements	Scope	Available at SCOC*
1	Wi-Fi	199	194
2	Variable Messaging display	161	139
3	Emergency Call box	136	129
4	Public address system	136	129
5	Environmental sensors	50	50
6	Flood sensors	30	30
	Total	712	671

* Number reflects commissioned elements only as of August 28, 2018

Smart Elements is a pan city project implemented through SCP funds.

Following are some of the areas where this project has created the most impact:

- More than 1 million users have used the Wifi facilities provided by Pune Smart City with an average of 2.65 TB data being downloaded daily. Such utilization of Wi-Fi services suggests a massive citizen engagement and acceptance to the initiative. Some other statistics as of date 18th Jul 2018 are:
 - Unique users: 8,22,796
 - Total users: 15,73,164
 - Total data downloaded: 380 TB
 - Total data uploaded: 33 TB
- Variable Message Displays are being adopted by all Municipal departments in Pune to raise social awareness and to create buzz for citizen events.
- Deployment of environmental sensors that provides real time air quality from 50 locations helps city administration to integrate pollution data with area based message boards and thus increase citizens awareness about air quality and other environmental parameters.
- Integration of external systems like traffic information system, enterprise GIS, PMC Care, surveillance system, SAFAR system, ITMS, e-challan system, etc. is helping citizens and departments in taking informed decisions.

5. Startup Hub - Pune Idea Factory Foundation (Subsidiary Company)

Pune Idea Factory Foundation (PIFF), a fully owned subsidiary of PSCDCL has been set up as a non-profit organization dedicated to boost the start-up ecosystem in Pune and drive the innovation agenda. Its mission is to energize and strengthen the ecosystem by offering stakeholders different opportunities to collaborate and grow. The efforts include creating a strong pool of entrepreneurs supported by mentors, incubators and accelerator while connecting them to investors and other sources of funding. PIFF will also support the ecosystem through different events for startups while bridging the gap between industry and educational institutions, thus fostering the spirit of entrepreneurship in the city. PIFF is a pan city project implemented through SCP funds.

PIFF envisages to build an innovation ecosystem around **three key elements** as enumerated below:

Incubation Centre: This initiative revolves around establishing Incubation Centres (ICs) in Pune which would support and encourage start-ups across all sectors and would provide them with the necessary facilities such as common infrastructure and value-added services including technology development assistance, networking and mentoring, funding access, training and development, business support services amongst others.

Center of excellence (CoE) and Innovation Lab: Under this initiative, PIFF plans to get experts from different institutes (state academic institutes like IIT Bombay and other institutes like IIST, IISc, etc.) and firms (like Microsoft, Google, Amazon, NASSCOM, etc.) to help PIFF with its solution development and deployment. PIFF plans to leverage these firms on their technical expertise, technology support and services and mentorship for incubation centres.

PIFF has already signed up a **three years Statement of Intent (SOI) with Wadhwani Institute of Artificial Intelligence** - the leading not-for-profit applied AI research institute and is in **advanced discussions with a leading not for profit organization** to setup an IoT based cybersecurity CoE.

Innovation ecosystem building initiatives: The last initiative revolves around creating an environment of innovation in the city by bringing together the experts and the budding entrepreneurs through the medium of multiple interactive events. The focus will be on the idea generation and mentorship by conducting **seminars, workshops, conclaves, panel discussions and conferences** across multiple themes. PIFF is conducting its first HACKATHON in association with NITI Aayog where participants will come together to work on prototypes/ideas to solve for some of the key urban governance issues of Pune.

The plan for the upcoming year is as below:

1. More Hackathons around issues like Cyber security
2. Setting up Incubations centers and centre of excellence

6. Smart Street

Rejuvenation of urban streets by making them people friendly and ensuring Universal Accessibility is the primary goal of pilot smart streets project being undertaken under Pune Smart City. Urban Streets are an amalgamation of users and various types of activities which require various types of design interventions. Walking, Cycling, access to Public Transport and Public Spaces are the key focus areas while planning Urban Streets. Under the Area Based development program, Aundh-Baner-Balewadi housing over 5 lakh people is identified as the area of demonstration of Smart Solutions. Out of an identified 45 km potential network of streets to be designed as Complete Streets, an 8km network in Aundh catering to a population of 50,000 forms the Phase 1 Pilot to be implemented in a phased manner. The project site is bordered by a Bus Rapid Transit Corridor under construction and a proposed Metro Rail corridor thus making it an attractive proposition for redevelopment which in future will enhance the accessibility to mass transit. Smart Street is an ABB project implemented through SCP funds.

A tender for the pilot street of 1.5km was floated in June 2016 and the Implementation of the same as the primary demonstration project was initiated in April-May 2017. Construction of 1 km of the stretch is now nearing completion and is operational.

Being the Pilot Demonstrative Project, the street is designed considering ideal conditions & follows all acts & guidelines prepared by the Government of India & other Statutory Bodies, such as Pune Urban Street Design Guidelines, Smart City Guide Lines, National Disability Act, Hawkers & Vendors Act, National Urban Transport Policy etc. The street is designed & executed such that it serves as a place for social interaction having appropriate Street Furniture (seating, dust bins, signage), Recreation Space, facilities such as Urban Lounge (a Modern Toilet), Information Kiosks, Wi Fi Shot Spots, Street Lighting, Public Art and could be compared to a Mall in the open under the shade/canopy of trees.

PSCDCL has also initiated redevelopment of another 5Km of streets in Aundh, 10.2Km in Baner area, and 16.5Km in Balewadi area on similar lines for which tender was floated in March 2018. Around 7.5Km of street with metro alignment in Baner is proposed to be tendered by October 2018.

This is a unique project which showcases development with the support of citizen engagement. The resulting people friendly walkway has attracted at least 30% more pedestrians from what it used to be previously. Beautification of the street with Art/Sculptures, trees and various other street furniture elements have helped rejuvenate the street thus attracting young crowd. The advent of bicycle-sharing initiative in the area, has increased the share of non-motorized trips within and around the project site dramatically. This is expected to increase further as it serves as a mode for last mile connectivity to mass transit. The project has gained recognition from national and global organizations owing to the fact that there have been several site visits from delegates from all over the world.

Around 12 kilometers of arterial/ mobility streets are currently under implementation while 12 kilometers of roads are in planning stages and yet to be executed. A total number of 100 kilometers have been identified by the city to be planned for execution in a phase-wise manner.

UPCOMING PROJECTS

1. E-connectivity project:

The e-connectivity infrastructure project was conceptualized to fulfil the fundamental need of 4G/5G coverage of telecom connectivity, high speed internet connectivity for enterprises, government offices, schools and provide a comprehensive high-speed internet for all the citizens on demand. The project is envisaged to be implemented in phases and shall meet the following objectives:

- Meet the 4G/5G capacity requirements for the next 30 years
- Meet global standards on reliability of 99.999% (5 9s)
- Comprehensive coverage of the AundhBanerBalewadi (ABB) to meet on demand availability
- Minimize cost for capital expenditure and operating expenditure
- Minimize inconvenience to citizens during construction and operations
- Minimize "Time to rollout" through Plug and Play infrastructure
- Optimize monetization of assets and maximize leverage of PPP options for private investment
- Maintain transparency in pricing for all potential users to enhance digital productivity

E-connectivity project will be done in PPP mode, where concessionaire will set up an entire e-connectivity corridor across the city by deploying the street furniture infrastructure like Smart bus stops, Smart toilets, WiFi hotspots, Smart Kiosks, Smart maps and Signages, Smart Poles, Smart dust-bins and other digital infrastructure. Also, concessionaire will have the right to monetize the street furniture thus deployed through advertisements. E-connectivity is a pan city project implemented on PPP basis.

To implement this, it is important to set up a robust backbone of optical fiber infrastructure across the city to connect all above elements with the integrated command & control centre.

Pune's 24x7 water pipeline will help in establishing 4 underground ducts over the next 4- 5 years. Out of the 4 ducts, OFC in 1 duct can be used by PSCDCL for the requirements of Pune Smart City, Pune Municipal Corporation and other government offices.

PSCDCL has created the RFP for ABB area which can be extended to the entire city on same terms based on discussion with PMC.

2. Adaptive Traffic Management System (ATMS)

Adaptive traffic management system (ATMS) is automated traffic system that adapts to the real-time situation of traffic. The system's 'adaptive' feature is based on feedback system that counts the vehicles approaching/ waiting at a junction (demand) and accordingly decides the green cycle time of the traffic signal. The system considers the real-time situation at a junction as well as situation in adjacent junctions spread across the corridor/ area and takes cycle time decisions accordingly. The historical data of traffic patterns is also being used by the system while making such decisions. ATMS is a pan city project implemented through SCP funds.

The system can be controlled centrally using traffic command control centre (TCCC). The controllers deployed at various junction work in adaptive mode (coordinated) as well as in stand-alone mode.

ATMS allows citizen to manually predict the approximate travel time, close to reality and thus it helps for their day-to-day planning. It also helps in reduction of travel time and make the city free from major mobility issues. System has sub components such as variable message signs that will keep citizens updated with latest traffic information and travel time prediction to key destinations. Citizen spending will reduce, as consumption of fuel will be relatively less. The system offers priority to bus lane, which enables citizens to switch-over use from private transport to public transport. Pollution levels will be reduced. There will be reduction in accidents, due to smooth and synchronized junction to junction signaling. Thus, making it a much safer travel within the city.

Pre-work done so far

- Review of the scope and exploring option of joint project with PCMC
- Short listing of junctions within Pune city and preparing priority junction list for phase-1 and phase-2
- Involvement of experts from IIT Mumbai and College of Engineering, Pune for guidance on technical specifications, evaluation methodology and POC

- Aligning external urban traffic experts and understanding similar projects carried out in other cities

Support obtained from stake-holder: PMC and traffic police

- Validation of junction list, inventory at junctions, types of controllers and aspects
- Finalization of technical qualifications and POC criteria
- Finalization of responsibilities and support during implementation phases
- Finalization of traffic command control room requirements
- Junction prioritization
- Survey data for availability of network and power at junctions under other projects

Steps ahead

- Inclusion of all initiatives to solve mobility issue in Pune city
- Validation of final RFP from stake holders
- Aligning with PMC's plan of junction re-design for scope finalization

3. Smart School

PSCDCL is planning to quickly transform 6 PMC schools across 4 campuses in ABB area into Smart schools through the thematic implementation of Smart school initiatives. This will uplift the education standards for around 3500+ students. Development for the schools is planned across the several following themes:

- **Vibrant theme:** in which PSCDCL is planning to quickly transform the look and feel of the school to create a colorful, bright and interactive learning environment. Painting of exterior and interior walls, LED lighting for entire school area, vinyl learning walls and interactive floor painting are the interventions proposed under the theme.
- **Safe theme:** in which PSCDCL is planning to upgrade the school safety components to create a safe, secure and protective environment in the schools. Chain link compound fencing, CCTV surveillance system, firefighting system and security guard cabin are the interventions proposed under the theme.
- **Smart theme:** in which PSCDCL is planning to digitize the working process of the schools by installing ICT elements to facilitate interactive learning sessions. Wi-Fi system, LED screens in classrooms & passage areas and installation of public address system are the interventions proposed under this theme.
- **Active theme:** in which PSCDCL is planning to encourage holistic development for students by enhancing facilities for sports, music and arts for all age groups. Playground development including shrubbery across boundary walls, provision of sports, music & arts equipment and installation of children play equipment are the interventions proposed under the theme.

- Clean theme: in which PSCDCL is planning to quickly improve the hygiene and cleanliness conditions of the schools. Toilet upgradation, adequate drinking water supply, solid waste bin provision and sanitary napkin disposals are the interventions proposed under the theme.
- Smart classroom theme: in which PSCDCL is planning to quickly improve the interior look and feel for the classrooms and augment the furniture with provision of desks, cupboards, shelves, green boards and soft boards.

Smart School is an ABB project implemented through SCP funds.

4. Smart Health

Primary public healthcare is very crucial as it focuses on preventative and curative care and reduces the long-term health risks for individuals. A strong, accessible PHC (Primary Health Centers) system reduces pressure on hospitals by supporting people to manage their health issues in the community.

PSCDCL proposes to launch 3 pilot smart clinics in ABB area to provide the following medical services to the patients completely free-of-cost:

- Primary healthcare: Smart Clinics will provide primary care to the citizens which comprises of preventive and curative care for common illnesses and injuries. These will also serve as centers for prevention and control of locally endemic diseases.
- Essential medicines: All the essential medicines for common ailments to be provided free-of-cost to patients. Only essential drugs procured through PMC can be prescribed by the doctors in the clinic.

Diagnostic tests: Smart Clinics will have an inhouse collection center for blood and urine samples

With modern & modular design, the Smart clinics will be equipped with all amenities required to provide good quality primary care to citizens. At a minimum the facilities of a Smart Clinic would include:

- Air-conditioned, well-lit space
- Waiting area for patients
- Separate cabins for doctor, pharmacist & ANM (Auxiliary Nurse Midwifery)
- Shelf-space for medicines along with 30-day storage space
- Refrigerator for keeping medicines/samples collected
- Designated space for lab technician to conduct basic diagnostic tests & sample collection
- Separate wash room for staff & patients
- Electronic tablet, printer, wi-fi for digital patient health record management
- TV screen in the waiting area
- CCTV cameras inside and outside of the clinic

- Smart Health is an ABB project implemented through SCP funds.

5. Rooftop Solar

India has been making a steady shift towards wider adoption of green energy. In January 2015, Indian government expanded its solar plans and set the target of 100 GW of solar capacity (including 40 GW from rooftop solar) by 2022. India has made consistent progress towards this goal and has quadrupled its solar-generation capacity from 2.65 GW in May, 2014 to 12.3 GW in Mar, 2017. Given the current cumulative solar capacity of 15.60 GW (as of Oct-17), India still has a long way to go before it achieves the target of 100 GW. As per Smart City Mission guidelines, a smart city should have at least 10% of electricity generated from renewable sources.

With this guidance, as part of its Smart City Proposal, Pune has set an ambition of over-achieving this target for supply of energy from renewable sources at 15-20% through setting up of rooftop solar and further scaling up to become the first 1 Gigawatt city in the country through renewables. The Rooftop Solar is an ABB project implemented on PPP basis.

To boost the adoption of rooftop solar and to set an example, PSCDL has set an ambition of achieving this target for supply of energy from renewable sources of around 1 Gigawatt through implementation of rooftop solar on all government buildings and institutions across Pune through SECI (Solar Energy Corporation of India) empaneled private solar developers under RESCO (Renewable Energy Service Company) model. Here are the broad details about the model:

- Under SECI – RESCO model, the developer invests, installs and maintains the rooftop solar power plant at consumer's premises i.e. no capex required from government agencies.
- Scheme is implemented by SECI under vigilance and guidelines as per policy implemented by MNRE to whom developers have submitted performance bank guaranties for compliance.
- Capital subsidy offered by SECI will be directly availed by developers. Developers have offered net tariff after considering subsidy being provided by SECI. Therefore, power procurer does not worry about the processes involved in availing capital subsidy.
- Under this arrangement the government agency will have to pay a subsidized tariff of approx. Rs. 3.62 per unit for next 25 years.
- Capital subsidy provided by developers and L1 matching process ensures that the tariff achieved are very competitive.
- These plants are built under Net Metering Scheme and hence there will be no open access or any other charges transmission/distribution charges to be paid by power procurer.
- The scheme will help reduce CO₂ emission, combat global warming and save cost at the same time.

Currently, PSCDCL has reached out to below mentioned private developers and successfully signed MoU for implementing rooftop solar at more than six suggested government offices and institutes.

1. Fourth Partner Energy Pvt. Limited
2. TEP Solar India Mauritius
3. Cleanmax Enviro Energy Solutions Pvt. Limited
4. Aditya Green Energy

First project has been successfully signed off in Pune University (SPPU) on 29 March 2018 where PSCDCL is facilitating Pune University in the implementation of Solar rooftop project in their campus. The project will generate up to 10% of the total monthly demand.

Pune Smart city is already in conversations with Chairman Managing Director, PMPML (Pune Mahanagar Parivahan Mahamandal Limited) to launch selection process for private developers. Also, Pune Smart city is in initial talks with College of Engineering Pune, Khadki Cantonment Board, Inter-University Centre for Astronomy and Astrophysics (IUCAA) for implementing rooftop solar project which can generate up to 10% to 15% of its total monthly demand.

6. Transit Hub

The Smart City Plan for Pune identified the development of a multi-modal Transit Hub project at Balewadi, Pune for promoting Transit Oriented Development (TOD) in Aundh-Baner-Balewadi area. The proposed Transit Hub Project will be a mixed-use development integrating transport facility. This facility will comprise of metro station (of Shivajinagar – Hinjewadi corridor being developed by PMRDA), BRT, bus transit facilities for both inter and intra city services of PMPML, MSRTC and private operators. The Project will also include large scale commercial and retail development, as part of an iconic and landmark development in Pune.

The Transit Hub project is proposed to be developed on a 10.84-acre site owned by PMC, alongside the Mumbai-Pune Expressway and opposite Balewadi Sports Complex. The proposed site is strategically located along the busy National Highway and enjoys access to Pune city. The Project is proposed to be developed as a TOD zone as per the Development Control Regulations (DCR-2017) for Pune, which allows for a maximum FSI of 4. The project is expected to act as a model for developing large multi-modal transport hubs for Pune city. Transit Hub is an ABB project implemented on PPP basis.

PSCDCL is proposing to develop the project on Public Private Partnership (PPP) basis with a private sector partner developer selected through a transparent procurement process. The feasibility studies and conceptual master plan along with financial feasibility that indicate a project cost of Rs. 1300 crore approx. have already been carried out. The concession term for the project will be for a minimum of 30 years. PSCDCL has now released the Expression of

Interest (EoI) on 16th July, 2018 for interested developers to submit their applications and understand the overall vision for the project. The EoI will be non-qualificatory and will be followed subsequently by the Request for Proposal (RFP) for selection of appropriate private sector partner developers.

The bid process for the selection of the private sector developer is expected to be completed by the end of year 2018.

7. Electric Buses

The Smart City Plan for Pune has identified the procurement and operation of electric buses as a key mobility initiative. The project envisages procurement and operation of around 500 electric buses for Pune and Pimpri-Chinchwad cities along with charging infrastructure and other requirements. PSCDCL is working with PMPML, PMC and PCMC, in carrying out financial and technical studies along with finalizing the tender documents and subsequently funding the project along with other important stakeholders.

The electric bus project for Pune envisages procurement and operation of 500 electric buses across the Pune and Pimpri-Chinchwad cities, this is expected to be one of the largest such initiatives in India. Pune intends to procure 25 buses on outright purchase and balance 475 buses on gross cost model. PSCDCL, PMC, PCMC, PMRDA and PMPML will be the stakeholders who will fund this project and support PMPML to successfully procure and operate electric buses in Pune. The project is to be done in a phased manner with an initial phase of 150 buses to run on the streets of Pune by 2019. This is expected to be a major mobility initiative to increase the public fleet of PMPML as well as promoting green and sustainable public transport. The move will also reduce congestion by providing modern and comfortable public transport facilities while significantly reducing vehicular emissions. This is a pan city project implemented through SCP funds and convergence.

PSCDCL had issued an EoI for supply, operation and maintenance of electric buses in 2017, which had received responses from 15 players. Subsequently, PSCDCL is currently working with PMPML in finalizing the technical and financial details for the project including the tender documents. PSCDCL is working alongside important stakeholders such as PMPML, PMC, and PCMC on the overall funding for this pioneering project.

The tender process for the project is expected to be completed in the next 2-3 months. The electric buses in the first phase are expected to start running on Pune city roads by January 2019.

8. Riverfront development

Pune Municipal Corporation is rejuvenating the Mula-Mutha river network of ~ 44km that runs within Pune city. Bimal Patel of HCP Consultants, one of the top urban planners (also redeveloped Sabarmati riverfront), has already been engaged to create a detailed master plan. The vision is to make the river safe, clean, beautiful and integrated with the overall development as follows:

- A. **Safe:** Strengthen the river edge, minimize flood risk for low lying areas of the city and increase flood carrying capacity
- B. **Clean:** Curb the sewage flowing into the river, avoid pollution of the river by treating and diverting the sewage that currently floods the river, retain the water in the river throughout the year and replenish it with treated water
- C. **Beautify:** Create continuous public realm along the river, induce water based activities, integrate historical and significant structures and create image of the city
- D. **Integrate:** Improve access and connectivity, create a network of gardens, open spaces, public promenades that will preserve the natural environment and turn the Pune rivers into an important asset for the city

A key short-term goal for PSCDCL will be the development of a 3.5 km iconic riverfront property on the banks of MulaMutha river. ABB's 3.5-km stretch of riverfront will be developed into a world-class recreation hub with a promenade, recreation and entertainment zone. This will increase community engagement from local activities and tourism while improving livability. The similar concept can be replicated across the 40 km of riverfront in Pune. Riverfront development is an AB

9. Solid waste management

Pune is already one of the leading cities in the planning and implementation of solid waste management. PSCDCL proposes to take this further through a number of initiatives, primarily focused around:

- A. **Zero-waste policy** - to significantly minimize movement of waste from residential & commercial areas within Aundh-Baner-Balewadi to landfill by adopting in-situ composting, neighborhood level conversion and specialized processing of segregated waste.
- B. **No visible waste** - to clear waste from streets, chronic spots and containers as fast as possible
- C. **Improving efficiency** –using smart technology including IOT and mobile apps to increase accountability and improve efficiency.
- D. **Sanitation** - to create benchmark for public and community toilet infrastructure.

PSCDCL has already initiated multiple projects across all the streams and is in advanced stages of DPR development. Solid Waste Management is an ABB project implemented through SCP funds.

10. Electric-Auto

Pune has become eighth most populous city in India. As of today, the metropolitan region boasts of a population of 11 million with almost 50 million registered vehicles.

This growth has brought several challenges related to urbanization with mobility being the number one challenge facing Pune-kars. As per current scenario average speed of vehicles in Pune is only 18 km/hour which is projected to reduce to 12 km/hour by 2021. Vehicle penetration is estimated to increase from around 650 to 786/1000 of population by this time. Two and four wheelers contribute to more than 70% of motorized vehicles while share of public transport is at a low of 18% of total trips indicating lack of metro and bus transport. Moreover, average waiting time is 20–60 minutes in more than 70% of the routes.

Pune needs to introduce measures to discourage the use of personal motor vehicles and encourage the use of public transport. PSCDCL, therefore, encourages the adoption of e-Autos that restrain the use of self-owned vehicles through implementation of electric vehicles (i.e. e-Auto, E-Buses) on Public Private Partnership (PPP) basis. Electric Auto is an ABB project implemented through PPP funds.

In order to fundamentally encourage the adoption of public transport and last mile connectivity for the citizens, PSCDCL is planning an extension of the public transport service by launching electric autos in a closed loop of 2-5 km. The service will initially act as a feeder to the bus network of PMPML and going forward will act as a feeder to the metro network. The autos will operate on a specific route, stop at identified locations and carry not more than 3 passengers at any point of time. The first phase of the project would involve launching 50-100 electric autos (preliminary estimate) in the Aundh-Baner-Balewadi (ABB) area of Pune Smart City. Based on the data received from PMPML, following five busiest bus stops with their respective footfalls in peak hours have been identified in the ABB area:

1. AundhGaon – 500 passengers
2. BanerPhata – 250 passengers
3. BalewadiPhata – 200 passengers
4. ITI Road – 200 passengers
5. Radha Chowk – 200 passengers

To enhance the last mile connectivity for these citizens it is proposed to launch a closed loop electric auto service originating/culminating from the above five bus stops. The bidder will be expected to identify optimal routes of 2 – 5 km around each bus stop. The bidder is free to

conduct his own study to identify at least five alternate spots within Aundh-Baner-Balewadi region to ensure sufficient number of e-Autos.

Depending upon the success of this phase, the service will be launched on a pan city basis on all key bus stops with high footfalls. Details of the pan city concept will be conceptualized at a later stage. PSCDCL plans to sign a 5+5-years contract with the aggregator. A pilot project is proposed to be implemented in ABB area with 50-100 e-Autos operating as last mile connectivity to PMPML bus system. Based on feedback, project would be scaled up in phases across Pune City.

AWARDS, ACHIEVEMENTS, EVENTS, COACHING

Awards –Pune Smart City Development Corporation Limited was conferred with 4 awards for exemplary work in the implementation of projects as mandated by Smart Cities Mission. A description of these awards is as below:

1. India Smart Cities Award: PSCDCL received the meritorious India Smart Cities Award by the Union Ministry of Housing & Urban Affairs in the categories of Smart Placemaking, Smart Lighthouse, Smart Public Bicycle Sharing Service and PMC CARE. The awards were received by Mrs. Mukta Tilak, Mayor of Pune and Dr. Rajendra Jagtap, CEO PSCDCL during the inaugural ceremony of the Exhibition organized on the occasion of 3rd anniversary of AMRUT, Smart Cities Mission and PMAY (U) on 27th July, 2018 at Lucknow. The award for PMC CARE was received at the hands of Prime Minister Shri Narendra Modiji.
2. SKOCH Award 2018: PSCDCL was conferred upon with the SKOCH Order-of-Merit-Award for Smart Cities on 22nd June 2018. It has been rated and qualified on parameters such as jury evaluation and popular voting by citizens.
3. Smart Cities India Award: PSCDCL was conferred upon with the Smart SPV Award during the Smart Cities India Award while Smart Street Lighting project and Water project were also awarded during the ceremony.
4. Business World 4th Digital India Summit & Awards: PSCDCL received a national level award for Best Information and Communication Technology (ICT) implementation in a Smart City at Business World's 4th Digital Summit & Awards.

Pune Smart City Conclave

On the occasion of 3rd Smart City Mission anniversary, PSCDCL organized 'Smart livable & Resilient City Conclave, Pune' - Conference and Exhibition along with Elet's Technomedia Pvt. Ltd. in association with Pune Municipal Corporation, Pimpri Chinchwad Municipal Corporation, PMPML and PMRDA.

The conference unveiled the path toward success of Smart City Projects implemented by different Smart Cities, through the smart exchange of views, ideas and best practices among Smart Cities' practitioners from various smart cities leading up to a possible consensus on thoughts and ideas which can be replicated across cities.

Pune Smart City Coaching Program

Pune Smart City is performing a pioneering role by being a mentor and guide to other Smart Cities in the SPV to SPV Coaching Program initiated by the Govt. of India. Dharamshala (Himachal Pradesh), Faridabad (Haryana), Madurai, Salem, Tiruchirapalli, Tiruppur, Vellore, Erode (all from Tamil Nadu) and Varanasi have followed suite in replication of Pune Smart City model.

F. SHARE CAPITAL:

The Authorized share capital of the Company as of March 31, 2018 is Rs. 300,00,00,000/- comprising of -30,00,00,000 equity shares of Rs. 10/- each. The issued, subscribed and paid up share capital of the Company as on March 31, 2018 was Rs. 186,00,00,000/- comprising of 18,60,00,000 equity shares of Rs. 10/- each.

Said increase in the Issued, subscribed and paid-up capital was pursuant to Right Issue of 185.95 crores that was approved by the Board of Directors in its meeting held on 4th December, 2017 and further allotment of shares was duly approved in Board meeting held on 29th March, 2018.

Status of the Company:

The Board of the Company consciously decided that while PSCDCL continues to follow the Ind AS accounting standards and General Finance Rules, 2017 as mandated for use of its (equity/grants). The Company continues to follow the instructions of Government of Maharashtra and Government of India and the norms laid down for use of Public Money in accordance with instructions contained in grant of public money received by it from time to time.

G. Composition of Board of Directors:**a. Present composition:**

Sr. No	Name of Director(s)	
	As on 31 st March, 2018	As on date of Board's Report
1	Dr. Nitin Nandkishor Kareer, Principal Secretary, UD-1 Ministry of Urban Development, Government of Maharashtra	Dr. Nitin Nandkishor Kareer Principal Secretary, UD-1 Ministry of Urban Development Government of Maharashtra
2	Mrs. Mukta Shailesh Tilak, Mayor, Pune	Mrs. Mukta Shailesh Tilak, Mayor, Pune
3	Mr. Subramanian Padmanabhan Independent Director	Mr. Subramanian Padmanabhan Independent Director
4	Mr. Luis Miranda, Independent Director	(Resigned with effect from 30 th April, 2018)
5	Mr. Chandrakant Narayan Dalvi Divisional Commissioner, Pune Division	Dr. Deepak Govindrao Mhaisekar Divisional Commissioner, Pune Division
6	Mrs. Rashmi Shukla Police Commissioner, Pune	Dr. K. Venkatesham Police Commissioner, Pune**
7	Mr. Kunal Kumar Municipal Commissioner Pune Municipal Commissioner	Mr. Saurabh Rao Municipal Commissioner, Pune Municipal Corporation
8	Mr. Sajeesh Kumar Naddmal Director SC-III, Nominee of Central Government, Ministry of housing and Urban Affairs	Director vacated the position. Nomination to be resent by Central Government
9	Mrs. Nayana Gunde (Chairman and Managing Director, PMPML)	Mrs. Nayana Gunde (Chairman and Managing Director, PMPML)
10	Mr. Chetan Vitthal Tupe, (Leader of Opposition) Pune Municipal Corporation	Mr. Chetan Vitthal Tupe, (Leader of Opposition) Pune Municipal Corporation
11	Mr. Yogesh Tukaram Mulik, (Standing Committee Chairman) Pune Municipal Corporation	Mr. Yogesh Tukaram Mulik, (Standing Committee Chairman) Pune Municipal Corporation
12	Mr. Shrinath Yashwant Bhimale,	Shrinath Yashwant Bhimale,

	(Leader of House) Pune Municipal Corporation	(Leader of House) Pune Municipal Corporation
13	Mr. Sanjay Shashikant Bhosale (Elected Councilor 1) Pune Municipal Corporation	Mr. Sanjay Shashikant Bhosale (Elected Councilor 1) Pune Municipal Corporation
14	Mr. Ravindra Hemraj Dhangekar (Elected Councilor 2) Pune Municipal Corporation	Mr. Ravindra Hemraj Dhangekar (Elected Councilor 2) Pune Municipal Corporation
15	Dr. Rajendra C Jagtap CEO and Executive Director	Dr. Rajendra C Jagtap *** Director

**Nominated position by State Government of Maharashtra - formalities for appointment to be completed

*** Extension of deputation for appointment as CEO & ED recommended by Dept. of IDES and awaiting formalities to be completed by way of State Government of Maharashtra order. Dr. Jagtap to continue as de-facto / interim CEO as approved by the Board of Directors.

b. Changes in the composition of Board of Directors during the financial period and after the end of Balance sheet date:

Sr. No	Position	With effect from	Change	
			From	To
1.	Director – PSCDCL (Divisional Commissioner, Pune Division)	25 th April, 2018 (Board noted the change w.e.f 14 th June, 2018)	Mr. Chandrakant Narayan Dalvi	Dr. Deepak Govindrao Mhaisekar
2.	Director – PSCDCL (Chairman and Managing Director, Pune Mahanagar Parivahan Mandal Limited)	29 th March, 2018 (Board noted the change w.e.f. 29 th March, 2018)	Mr. Tukaram Haribhau Munde	Mrs. Nayana Gunde
3.	Director – PSCDCL (Standing Committee Chairman, Pune Municipal Corporation)	29 th March, 2018 (Board noted the change w.e.f. 29 th March, 2018)	Mr. Murlidhar Kisanrao Mohol	Mr. Yogesh Tukaram Mulik

4.	Director – PSCDCL (Municipal Commissioner, Pune Municipal Corporation)	13 th April, 2018 (Board noted the change w.e.f 14 th June, 2018)	Mr. Kunal Kumar	Mr. Saurabh Rao
5.	Director – PSCDCL (Commissioner of Police, Pune)		Ms. Rashmi Shukla	Dr. K Venkatesham**

**Nominated position by State Government of Maharashtra - formalities for appointment to be completed

The Board of Directors of the Company consists of representatives of the Central Government, State Government, Pune Municipal Corporation, Independent directors and Executive Director of the Company in accordance with the Smart City Mission Guidelines, Government Orders and the Articles of Association of the Company. During the financial year and after the end of financial year date there were changes in the authorized representatives of certain positions which were duly noted and approved at the respective board meetings.(Details mentioned in table above). Further as per the provisions of Companies Act, 2013 tenure of such directors appointed in board meeting shall end at the ensuing Annual General Meeting for that year unless regularized as mentioned herein.

c. Directors appointed as Non-Executive Directors as Nominee of Maharashtra State Government, Pune Municipal Corporation and Central Government:

Sr. No	Name of Director	Date of Appointment
1	Dr. Deepak Govindrao Mhaisekar	9 th June, 2018
2	Mrs. Nayana Gunde	29 th March, 2018
3	Mr. Yogesh Tukaram Mulik	29 th March, 2018
4	Mr. Saurabh Rao	9 th June, 2018
5	Mr. Sajeesh Kumar N	4 th December, 2017
6	Dr. K Venkatesham ***	

**Nominated position by State Government of Maharashtra - formalities for appointment to be completed

Appointment of Independent Directors for a period of 5 years has been duly approved in the first Annual General Meeting of the Company held on 30th December, 2017. Mr. Luis Miranda, Independent Director expressed his inability to continue as Independent Director. His resignation was noted at the Board meeting held on 30th April, 2018.

The Independent Director(s) provided declaration with respect to meeting criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013.

Appointment of CEO and Executive Director w.e.f. 29th July, 2017: The appointment of Dr. Rajendra C Jagtap made by way of a deputation order by State Government of Maharashtra and the said appointment was duly regularized in the Annual General Meeting held on 30th December, 2017. His appointment was on deputation basis, which ended on 28th June, 2018. His deputation has been recommended to be further renewed for one year by the Department of Defense Estates and awaiting formal order of the State Govt. in this regard as of the date of this report. Dr. Jagtap to continue as CEO and manage operations of Company as the de-facto CEO, in the interim, as approved by the Board of Directors.

H. Subsidiary:

PUNE IDEA FACTORY FOUNDATION (Company registered under Section 8 of Companies Act, 2013) is a wholly owned subsidiary of the Company and was incorporated on January 20th, 2017. The Company is engaged in the activities related to promoting, incubating, assisting sustainable start-ups along with providing and promoting synergies among interested / relevant entrepreneurs etc. During the year, the Company earned an income of Rs. 35,90,220 and had spent Rs. 35,26,860 on development of its business plan and others including audit fee.

Company is coming up with Hackathon to be conducted on September 29, 2018.

Consolidated Financial Statements:

Provisions of Sec. 8 of Companies Act, 2013 prohibits a company from distribution of profits to its members, Section 129 of Companies Act, 2013 prescribes for consolidation of Financial Statements of a subsidiary company with that of the holding company in accordance with applicable accounting standards. During financial year 2017-18, the financial statements of PIFF has not been consolidated with PSCDCL considering the fact that the company does not satisfy the conditions laid down in Para 7 of IND AS-110 w.r.t. Consolidated Financial Statements relating to Control and the required condition of parent subsidiary relationship for Consolidation of the Financial Statements is not met. In view of this, Consolidated Financial Statements are not prepared. During the financial year 2016-17, Consolidated Financial Statements were prepared to comply with the requirement of subsection 3 of Sec 129 of the Companies Act, 2013 which required all the Companies to consolidate the financial statements irrespective of whether the conditions as laid down by the Accounting Standards for consolidation were satisfied or not. This provision was relaxed by Companies Amendment Act, 2017 which requires all the Companies to follow the conditions specified by the Accounting Standards for the purpose of Consolidation.

I. Secretarial Audit:

The provisions of section 204 of the Companies Act, 2013 with respect to secretarial audit are applicable to the company for the financial year 2017-18 post increase in paid up capital on 29th March, 2018. Accordingly Company has engaged CS Nitin B. Prabhune (Practicing Company Secretary) to conduct the Secretarial Audit for the financial year 2017-18. Copy of the same Secretarial Audit Report has been attached as Annexure II.

J. Deposits:

The Company has not invited, accepted or renewed any deposits from the public falling under the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 during the financial year under review.

K. Extracts of Annual Return:

The extract of the Annual Return of the Company for the financial year ended March 31, 2018 in Form MGT-9 is annexed herewith as Annexure "I" and forms part of this Report.

A copy of the said Extracts will also be uploaded on Company's website post Board approval: www.punesmartcity.in

L. Nomination and Remuneration Policy:

The Nomination and Remuneration Committee has framed the Nomination and Remuneration Policy with respect to the appointment and remuneration of Directors, Key Managerial Personnel (KMPs) and Senior Management. The Nomination & Remuneration Policy has been published on the website of the Company. The link where to is provided herein.

Details of meetings of the Board held during the financial year under review are as under:

Board Number	Meeting	Date of Board Meeting
10		15 th April, 2017
11		12 th May, 2017
12		17 th June, 2017
13		29 th July, 2017
14		2 nd September, 2017
15		4 th December, 2017
16		29 th March, 2018

Composition of Audit Committee:

Audit Committee of the Company has been constituted as per Section 177 of the Companies Act, 2013, Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014 and in accordance with Articles of Association of the Company. The composition, functions, powers and duties of the Audit Committee of the Company was adopted at Board's meeting held on August 20, 2016.

Composition:

Audit Committee	Leader of Opposition of the Pune Municipal Corporation, Member and Chairman of the Committee 2 Independent Directors, as Members
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Current composition as of date of this report the Committee is provided herein below:

Members
Mr. Chetan Tupe, Leader of Opposition, PMC
Mr. Subramanian Padmanabhan, Independent Director

Composition of Nomination and Remuneration Committee:

Nomination and Remuneration Committee of the Company has been constituted as per section 178 of the Companies Act, 2013, Rule 6 of Companies (Meetings of Board and its Powers) Rules, 2014 and in line with the Articles of Association of the Company. The composition, functions, powers and duties of the Nomination & Remuneration Committee of the Company was adopted at Board's meeting held on August 20, 2016.

Composition:

Nomination and Remuneration Committee	Divisional Commissioner, Pune Division, Member and Chairman of the Committee 2 Independent Directors, as Members
--	---

Current composition as of date of this report the Committee is provided herein below :

Members
Dr. Deepak Govindrao Mhaisekar, Divisional Commissioner, Pune Division
Mr. S. Padmanabhan, Independent Director

M. Particulars of Loans, Guarantees or Investments:

The Company has invested Rs. 4,90,00,000 as fully subscribed and paid up capital in Pune Idea Factory Foundation (PIFF) a section 8 Not for Profit Company (related party) and incurred Rs. 40,52,660 towards their incorporation and general consultants fee as advance to them for development of their business plan. These advances shall be recovered during the current year.

N. Internal Financial controls:

The Company was required to follow the provisions of Companies Act, 2013, under sections 134 and 143 read with Companies (Accounts) Rules, 2014, with respect to Internal Financial Controls (IFCs) by adopting an adequately designed and effectively operating internal controls mechanism over financial reporting (ICOFR) framework and an enterprise risk management policy. Accordingly Company had engaged services of external consultants to formally document the existing systems and also plug gaps wherever required. The draft internal controls mechanism along with risk management policy were then placed before the committee/board meetings. After taking into consideration and implementing various suggestions and changes given by the committee/board members, draft control mechanisms were then duly approved in Audit Committee meeting and thereafter in Board of directors Meeting held on 30th April, 2018.

O. Risk Management Policy:

The Company in accordance with the provisions of Companies Act, 2013, under sections 134 and 143 read with Companies (Accounts) Rules, 2014 has also framed a Risk Management Policy and the same after deliberations has been reviewed and adopted by the Board members. The same is put under implementation.

P. Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act 2013:

As per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, Section 4 (1) says "every employer of a workplace shall, by an order in writing constitute a committee to be known as the "Internal Complaints Committee". The Company fully respects the Vishakha Guidelines in spirit and practice and as part of its Human Resource Policy has duly adopted the same and provided for detailed provisions in its Employee Code of Conduct. The Company also has framed an Internal Complaints Committee (ICC) Policy under the aforesaid act and is following due compliances in the matter.

Q. Significant and Material Orders passed by the Regulators or Courts

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the Company and its future operations.

R. Related Party Transactions:

1. The Company has invested Rs. 4,90,00,000 as fully subscribed and paid up capital in Pune Idea Factory Foundation (PIFF) a section 8 Not for Profit Company (related party) during 2016-17 and incurred Rs. 40,52,660 towards their incorporation and general consultants fee as advance to them for development of their business plan. These advances shall be recovered during the current year.
2. PSCDCL is working on Assets owned by Pune Municipal Corporation (namely Smart Elements, Street Redesign and Place Making) and Road Asset Management System (RAMS) owned by Pune Mahanagar Parivahan Mahamandal Limited, where rights and revenue of PSCDCL for its sustainability in accordance with Clause 10 and 11 are still to be determined.

S. Relationship between Pune Municipal Corporation and the Company

The Company is a special purpose vehicle incorporated to plan, design, carry out technical and financial appraisals, structure, construct, execute, maintain, manage and operate the projects envisaged under Smart City Proposal of the Pune Municipal Corporation (PMC) approved by the Central Government under the Smart City Mission. The Memorandum and Articles of Association of the Company are drawn accordingly and have been approved by the General Body of the PMC on February 25, 2016 vide resolution number 914.

Articles of the Company prescribe that it shall have the right to exercise the powers delegated by the Maharashtra State Government and the PMC subject to extent and as provided under the Maharashtra Municipalities Act 1949, which include rights and obligations of PMC with respect to the Smart Cities Mission, decision making power available to the PMC under the Maharashtra Municipalities Act 1949/ Government Rules by the Chief Executive Office and approval or decision making powers related to project implementation under Smart Cities Mission available to the various departments of the State Government to be exercised by the Board of directors of PSCDCL.

The Company for furtherance of the objectives of Smart City Mission and its activities requires usage of certain infrastructure and resources including labor, technical, etc. of PMC and performing certain duties or obligations of PMC as a civic body for

improvement or modernization of the same under the projects undertaken as its Objectives.

While a board approval vide General Body's resolution stated herein above has been provided along with the approval of the Smart City Mission, the PMC is requisitioned to approve the utilization of the infrastructure and resources and delegation of its obligations or duties as a civic body to PSCDCL.

Accordingly a Memorandum of Understanding between PSCDCL and PMC is envisaged and it is proposed to obtain approval of the GB of PMC that will provide rights of usage and earn revenues including but not limited to all necessary approvals to implement the Smart City Plan as desired.

T. AUDIT, STATUTORY AUDITORS AND AUDITORS' REPORT:

Members of the Company in their Annual General Meeting held on 30th December, 2017 had appointed M/s Patil Ranadive & Associates, LLP as its Statutory Auditors for a period of five consecutive years upto 2021-22. Name of the said auditors was changed during the financial year. The said changes have been duly noted at the Board meetings. Appointment of statutory auditor was made subject to ratification at the every consecutive Annual General Meeting of the Company. As per the provisions of Companies Amendment Act, 2017, the requirement of ratification of auditor every year is no more required. It has been proposed to the shareholders to confirm the appointment of the statutory auditors up till conclusion of AGM for FY 2021-22 and no more ratification required for the same. The Auditors have confirmed their eligibility under section 141 of the Companies Act, 2013 and the rules made thereunder for appointment as Auditors of the Company.

Adoption of Accounting Standards: In accordance with the notification issued by the Ministry of Corporate Affairs, the Company has voluntarily adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 for the period ended March 31, 2017. The financial statements are prepared in accordance with Ind-AS.

Auditors' Report:

There is no qualification, reservation, adverse remark or disclaimer made by the Statutory Auditors of the Company in their report for the financial year ended March 31, 2018. Hence, they do not call for any further explanation or comment u/s 134 (3) (f) of the Companies Act, 2013.

U. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO:

Conservation of Energy:

After the successful launch of public bicycle sharing by Pune Smart City (PSCDCL) in partnership with Savitribai Phule Pune University (SPPU) in the month of December 2017, PSCDCL has now partnered with the Pune University for deployment of roof top solar having already signed Memorandum of Understanding with four empaneled firms in the Solar Energy space.

Savitribai Phule Pune University (SPPU) has signed a 25 year Power Purchase Agreement (PPA) with Cleanmax Enviro Energy Solutions Pvt. Ltd (Developer) and one of the firms with which PSCDCL has signed a MoU to set up solar rooftop plant on 14 of its buildings. The project is conceptualized as part of the scheme launched by Solar Energy Corporation of India (SECI) to enable government agencies to embrace non-renewable energy in its campuses / offices. The project of around 602 Kwh will be commissioned under the RESCO model of SECI and the PPA was signed on 27 March 2017.

This one of a kind project in Pune, is being undertaken at no cost to SPPU, wherein the Developer will set up the entire project at a cost of Rs 3.2 crores and will operate and maintain the project for a period of 25 years. The project will generate up to 600 kWh of clean energy, equivalent to approximately 10% of SPPU's total monthly energy consumption. For this energy, SPPU will pay a subsidized tariff of Rs. 3.62 per unit for the next 25 years.

Technology Absorption:

PSCDCL is also in discussions with various other government institutions, agencies for deployment of rooftop solar across the city of Pune. In the long term, PSCDCL will also work with private sector entities in implementing rooftop solar projects, thereby leading to the achievement of Pune's vision to become India's first 1 Gigawatt city based on renewable energy.

Foreign Exchange Earning and Outgo: NIL

V. DIRECTOR'S RESPONSIBILITY STATEMENT:

To the best of their knowledge and belief and according to the information and explanations obtained by them and also based on the representations received from the Operating Management, your directors make the following statement in terms of Section 134 (3) (c) of the Companies Act, 2013 that:

- a. in the preparation of the annual accounts for the financial year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- b. such accounting policies as mentioned in the Notes to the Financial Statements have been selected and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2017 and of the profit and loss of the Company for the financial year ended March 31, 2018;
- c. proper and sufficient care has been taken by them for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. the annual accounts for the financial year ended March 31, 2018 have been prepared by them on a going concern basis;
- e. proper Internal financial controls have been followed by the company and that such internal financial controls are adequate and were operating effectively; and
- f. proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT:

Your Directors express their gratitude to Banks, FIs, and various other agencies for the co-operation extended to the Company. The Directors also take this opportunity to thank the shareholders, customers, suppliers, lenders, distributors and other stakeholders for the confidence reposed by them in the Company. The employees of the Company contributed significantly in achieving the results. The Directors take this opportunity of thanking them and hope that they will maintain their commitment to excellence in the years to come.

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

sd/-	sd/-	sd/-
Saurabh Rao	Mukta Tilak	Rajendra Jagtap
Director	Director	Director
DIN: 07410973	DIN: 07782230	DIN:07870524

Place: Pune
Date: 08.09.2018

Annexure I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN as on the financial year ended 31st March, 2018

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

Sr.No	Particulars	Details
1.	CIN	U93000PN2016SGC158980
2.	Registration Date	23 rd March, 2016
3.	Name of the Company	Pune Smart City Development Corporation Limited
4.	Category/Sub Category of the Company	Company Limited by Shares/ State Government Company
5.	Address of Registered Office and Contact details	P.M.C. Main Building, Shivajinagar Pune - 411005
6.	Whether listed Company	Not Listed
7.	Name, Address and contact details of Registrar and Transfer Agent, if any	Not Applicable

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:-

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held	Applicable Section
PUNE IDEA FACTORY FOUNDATION	U93000PN2017NPL168052	Subsidiary Company	100%	2(87)

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

A. Category-wise Share Holding:

Category of shareholder	No. of shares held at the beginning of the year			No. of shares held at the end of the year				% change during year	
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total		% of Total shares
A. Promoters									
(1) Indian									
a) Individual / HUF	-	-	-	-	-	-	-	-	
b) Central Govt	-	-	-	-	-	-	-	-	
c) State Govt (s	-	25000	25000	50%	-	98000000	98000000	50%	NIL
d) Bodies Corporate	-	-	-	-	-	-	-	-	
e) Banks / FI	-	-	-	-	-	-	-	-	
f) Any other Pune Municipal Corporation	-	25000	25000	50%	-	98000000	98000000	50%	
Sub-Total A (1)		50000	50000	100%		186000000	186000000	100%	NIL
(2) Foreign									
a) NRIs - Individual	-	-	-	-	-	-	-	-	
b) Other Individual	-	-	-	-	-	-	-	-	
c) Bodies Corporate	-	-	-	-	-	-	-	-	
d) Banks / FI	-	-	-	-	-	-	-	-	
e) Any other	-	-	-	-	-	-	-	-	
Sub-Total A (2)									
Total shareholding o Promoter (A) = (A) 1 + (A)		50000	50000	100%		186000000	186000000	100%	NIL

B. Public shareholding N.A**(1) Indian**

a) Individual / HUF	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-
a) Mutual Fund	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-
d) State Govt (s	-	-	-	-	-	-	-	-
e) Venture capital Funds	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-
h) Foreign Venture capital funds	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-
Sub-Total B (1)	-	-	-	-	-	-	-	-

(2) Non-Institutions**a) Bodies Corp**

i) Indian	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-
b) Individual	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	-	-	-	-	-	-	-	-
c) Others	-	-	-	-	-	-	-	-
Sub-Total B (2)	-	-	-	-	-	-	-	-
Total shareholding of Promoter (B) = (B) 1 + (B) 2	-	-	-	-	-	-	-	-
C. Shares Held by Custodian fo	-	-	-	-	-	-	-	-

GDRs & ADRs								
GRAND TOTAL (A + B + C)	50000	50000	100%		18600 0000	18600 0000	100%	NIL

B. Shareholding of Promoters :

Sr. No	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during year
		No. of shares	% of total shares of the company	% of shares Pledge / encumbered to total shares	No. of shares	% of total shares of the company	% of shares Pledged / encumbered to total shares	
	State Government of Maharashtra (Through its authorized representative holding the position of Divisional Commissioner, Pune)	25000	50	0	98000 000	50	0	
	Pune Municipal Corporation (through its six authorized representative as follows: a. Mayor of Pune, b. Municipal Commissioner c. Leader of Opposition d. Leader of house e. Standing Committee Chairman	25000	50	0	98000 000	50	0	

f. CEO and Executive director.							
Total	50000	100		18600000	100	0	

C. Change in Promoters' Shareholding:

Sr. No		Shareholding at the beginning of the year		Cumulative Sharehold during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	State Government of Maharashtra				
	At the beginning of the year	25,000	50		
	Date wise changes Allotment on 29 th March, 2018	9,79,75,000	50	9,80,00,000	50
	At the end of the year	-	-	9,80,00,000	50

Sr. No		Shareholding at the beginning of the year		Cumulative Sharehold during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	Pune Municipal Corporation				
	At the beginning of the year	25,000	50		
	Date wise changes Allotment on 29 th March, 2018	9,79,75,000	50	9,80,00,000	50
	At the end of the year	-	-	9,80,00,000	50

D. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): Not applicable for the period under review

Sr.no	(Form each one separate)	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise changes	-	-	-	-
	At the end of the year	-	-	-	-

**E. Shareholding of Directors and Key Managerial Personnel:
No directors of the Company have any shares held in their own name.**

Sr. no		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
	At the beginning of the year	-	-	-	-
	Date wise changes	-	-	-	-
	At the end of the year	-	-	-	-

V.INDEBTEDNESS:**Indebtedness of the company including interest outstanding / accrued but not due for payment**

	Secured Loans excluding deposits	Unsecured loans (ECB)	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal amount	15,95,73,378	-	-	-
ii) interest due but not paid	NIL	-	-	-
iii) Interest accrued but not due	NIL	-	-	-
TOTAL	15,95,73,378	-	-	-
Change in indebtedness during the Financial year				
Addition	2,68,34,088	-	-	-
Reduction	-	-	-	-
NET CHANGE	2,68,34,088	-	-	-
Indebtedness at the end of the financial year				
i) Principal amount	18,64,07,466	-	-	-
ii) interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
TOTAL	18,64,07,466	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sr. No.	Particulars of Remuneration		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	-	-
3	Sweat Equity	-	-
4	Commission	-	-
	as % of Profit	-	-
	Others	-	-
5	Others	-	-
	Ceiling as per act	-	-

b. Remuneration to other directors:

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager / Director	Total Amount (Rs.)
	1. Independent Directors		
	Fee for attending board committee meetings	1. Mr. Subramanian Padmanabha 2. Luis Mranda	2,10,000 80,000
	Commission	-	-
	Others, please specify		
	Total (1)	-	2,90,000
	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	-	-

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:
Not applicable for the period under review

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)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

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

sd/-
Saurabh Rao
Director
DIN: 07410973

sd/-
Mukta Tilak
Director
DIN: 07782230

sd/-
Rajendra Jagtap
Director
DIN:07870524

Place: Pune
Date: 08.09.2018

NITIN PRABHUNE
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nitinprabhunecs@gmail.com

Phone: 020-24228828
306, Decision Tower,
Nr. City Pride Theatre,
Pune Satara Road,
Pune - 411037

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31ST March, 2018

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

Pune Smart City Development Corporation Limited

Registered address: P.M.C. Main Building, Shivajinagar, Pune

Maharashtra- 411005

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Pune Smart City Development Corporation Limited (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts and statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 complied in general with the statutory provisions and also that the Company needs to improve its Board-processes and compliance- mechanism to fulfil the requirements of the companies

Act 2013, to the extent and in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by Pune Smart City Development Corporation Limited for the financial year ended on 31st March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under; **(Not applicable to the company during the period of audit)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under; **(Not applicable to the company during the period of audit)**. All the shares issued by the company are in Physical form.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz. :-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; **(Not applicable to the company during the period of audit)**
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; 223 Guidance Note on Secretarial Audit **(Not applicable to the company during the period of audit)**
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not applicable to the company during the period of audit)**
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; **(Not applicable to the company during the period of audit)**
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable to the company during the period of**

audit) **(Not applicable to the company during the period of audit)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not applicable to the company during the period of audit)**

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and **(Not applicable to the company during the period of audit)**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable to the company during the period of audit)**

(vi) and other applicable laws.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India. During the period under review and as per explanations and representations made by the management and on the examination of relevant records and documents on test check basis, the company has generally complied with the provisions of the Act, Rules, regulations, guidelines etc. other than certain observations mentioned in the annexure B attached along with this report which is an integral part of this report and should be read along, which company should have complied with.

I further report that

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a women Director as on 31st March 2018. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors at least seven days in advance to schedule the Board Meetings. Agenda and detailed notes on agenda were sent in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Decisions at the Board meetings, as represented by the management, were taken unanimously.

I further report that as represented by the company and relied upon by us the company has an adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Pune

Signature:

Date: 3rd September 2018

Name of Company Secretary: CS Nitin B Prabhune

FCS No.: 6707

C. P. No.: 3800

*This report is to be read with our letter of even date which is annexed as Annexure A and Annexure B which form an integral part of this report.

NITIN PRABHUNE
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nitinprabhunecs@gmail.com

Phone: 020-24228828
306, Decision Tower,
Nr. City Pride Theatre,
Pune Satara Road,
Pune - 411037

'Annexure A'

To,

The Members,
Pune Smart City Development Corporation Limited

Our report of even date is to be read along with this letter:

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

to the verification of procedures on test basis. We have relied and done our audit based upon the disclosures made and information provided by the management, its representatives and employees of the company more specifically for other laws.

6. Our examination was limited to the verification of the procedure on test basis.

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

Place: Pune

Signature: Sd/-

Date: 3rd September 2018

Name of Company Secretary: CS Nitin B Prabhune

FCS No.: 6707

C. P. No. : 3800

NITIN PRABHUNE
 B.Com. LL. B. F. C. S.
nitinprabhunecs@gmail.com

Phone: 020-24228828
 306, Decision Tower,
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Annexure B:

List of observations during Secretarial Audit.

1. Regarding Companies Act 2013:

No.	Section	Observations of audit	Board's comments
1.	77(1) Every company creating a charge within or outside India, on its property or assets or any of its undertakings.....	The Company has taken an Over Draft facility from HDFC bank against the Term Deposit on which a charge has been created, the charge registration in CHG-1 has not been filed.	The charge holder (Banker) require security to be cr Therefore, the charge was no The Company shall follow necessary require hereinafter.
2	Share capital of the company	The company has classified a part of the Grants received as "instruments entirely equity in nature", which in our view is not correct classification and there is no classification for Equity share classified as above in the MoA	There was inadvertent de issuance of the shares again contribution made by Govern of Maharashtra. The funds been classified under the category pending allot Necessary opinion for classification from acco expert has been obtained shares have since been allotte

2. Regarding other Acts:

S.no		Observation	
1.	Clause 27 of Employees Code of conduct requisites for Mandatory disclosure of assets by the employees of every year by 30 th January	The said declaration has not been obtained	This shall be done henceforth
2.	Labour Laws	Some of the Annual Returns which are to be filed under various Labour Laws have been filed late	This is noted and be followed timely compliance in future
3.	ESIC	The company has not registered itself under ESIC during the FY 2017-18.	The registration has since done upon advice of the department.

Place: Pune

Signature: Sd/-

Date : 03rd September 2018

Name of Company

Secretary : CS Nitin B Prabhune

FCS No.- 6707

C. P No. - 3800

INDEPENDENT AUDITOR'S REPORT

To

The Members of Pune Smart City Development Corporation Limited

Report on the standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of Pune Smart City Development Corporation Limited ("*the Company*") which comprises the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are

appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, and its Profit/Loss for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. Section 129 of Companies Act, 2013 prescribes for consolidation of Financial Statements of a subsidiary company by a holding company. Pune Idea Factory Foundation (PIFF), a wholly owned subsidiary company of PSCDCL, is registered under Section 8 of Companies Act, 2013. Provisions of Sec. 8 of Companies Act, 2013 prohibits a company from distribution of profits to its members. In view of this, we are of the opinion that preparing a consolidated financial statements are not required.

On same lines, the conditions laid down in para 7 of Ind AS 110 are not satisfied. In view of this, preparation of Consolidated Financial Statements are not applicable.

3. As required by section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the

Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e. On the basis of written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure C".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For and on behalf of
M/s P R A S S & Associates LLP
Chartered Accountants
Firm Registration No. 107816WW100222

Sd /-
Partner
Mem. No:032953
Place: Pune
Date :

“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, 2018:

- 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 during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties, wherever applicable, are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 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 clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) 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 Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, maintenance of Cost Records as specified by the Central Government under sub-section (1) of Section 148 of the Act, is not applicable because the company does not fulfill the criteria of maintaining the Cost Records.
- 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, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. No undisputed amounts payable in respect of the above were in arrears as at March 31, 2018 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 income tax, service tax, duty of customs, duty of excise, outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions 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 clause 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.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details 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 clause 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 clause 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 clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For and on behalf of
M/s P R A S S & Associates LLP
Chartered Accountants
Firm Registration No. 107816W/W100222

Sd /-
Partner
Mem. No:032953
Place: Pune
Date :

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 Pune Smart City Development Corporation Limited ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, 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 and on behalf of
M/s P R A S S & Associates LLP
Chartered Accountants
Firm Registration No. 107816W/W100222

Sd /-
Partner
Mem. No:032953
Place: Pune
Date :