



# PUNE SMART CITY DEVELOPMENT CORPORATION LIMITED

## ANNUAL REPORT FOR FINANCIAL YEAR 2017-18

2<sup>ND</sup> ANNUAL GENERAL MEETING HELD  
ON SATURDAY, 29<sup>TH</sup> 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, 29<sup>th</sup> September, 2018 at 11.00 AM at Bajaj Conference Hall, 5th Floor, MCCA, 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 1<sup>st</sup> Annual General Meeting dated 30<sup>th</sup> 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 appointments 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

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. YogeshMulik (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. YogeshMulik (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 GovindraoMhaisekar (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.”

**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

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

Date: 24<sup>th</sup> September, 2018  
Place: Pune

RajendraC. 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 SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDER.
3. A ROUTE MAP GIVING DIRECTIONS TO REACH THE VENUE OF THE 2<sup>ND</sup> 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.

**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 29<sup>th</sup> 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.

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 14<sup>th</sup> June, 2018, noted appointment of Dr. Deepak Govindrao Mhaisekar which was approved via circular resolution which accorded majority sanction of board members on 9<sup>th</sup> June, 2018. Dr. Deepak Govindrao Mhaisekar was appointed as additional director with effect from 9<sup>th</sup> 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 29<sup>th</sup> 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.

## **Item no. 9**

### **Regularization of Mr. Saurabh Rao:**

The Board at its meeting held on 14<sup>th</sup> June, 2018, noted appointment of Mr. Saurabh Rao which was approved via circular resolution which accorded majority sanction of board members on 9<sup>th</sup> June, 2018. Mr. Saurabh Rao was appointed as additional director with effect from 9<sup>th</sup> 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: 24<sup>th</sup> September, 2018  
Place: Pune

Sd/-  
Rajendra C. Jagtap  
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)	-
Net Profit After Dividend and Tax	(2,18,33,371)

Capital Work In Progress (Inclusive of Taxes)	43,58,47,972
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\*(Excluding Capital Interest on GoI 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 finds as fixed deposits. The Net Loss during this period is Rs. 2,18,27,385 (Rs. Two Crore Eighteen Lakhs Twenty Seven Thousand Three Hundred and Eighty Five Only).

**C. RESERVES:** The Loss for the period under review amounting to Rs. 2,18,33,371 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 (Rscr)	Physical Progress (%)
<b>Commenced Projects</b>			
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 - Smart schools	41	70
10	Low income skill development and healthcare -	21	40

	Digital learning school		
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
<b>Completed Projects</b>			
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
	<b>GRAND TOTAL</b>	<b>937.49</b>	

### 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; PuneKarsbiked 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 PuneKars 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
	<b>Total</b>	<b>712</b>	<b>671</b>

\* 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 Wadhwanilnstitute 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 cybersecurityCoE.

**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 Cybersecurity
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 in house 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 CO<sub>2</sub> 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 MahanagarParivahanMahamandal 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 16<sup>th</sup> 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. RadhaChowk – 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. MuktaTilak, Mayor of Pune and Dr. Rajendra Jagtap, CEO PSCDCL during the inaugural ceremony of the Exhibition organized on the occasion of 3<sup>rd</sup> anniversary of AMRUT, Smart Cities Mission and PMAY (U) on 27<sup>th</sup> July, 2018 at Lucknow. The award for PMC CARE was received at the hands of Prime Minister ShriNarendraModiji.
2. SKOCH Award 2018: PSCDCL was conferred upon with the SKOCH Order-of-Merit-Award for Smart Cities on 22<sup>nd</sup> 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 4<sup>th</sup> 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 4<sup>th</sup> Digital Summit & Awards.**

### **Pune Smart City Conclave**

On the occasion of 3<sup>rd</sup> Smart City Mission anniversary, PSCDCL organized 'Smart livable & Resilient City Conclave, Pune' - Conference and Exhibition along with EletsTechnomedia Pvt. Ltd. in association with Pune Municipal Corporation, PimpriChinchwad Municipal Corporation, PMPMLand 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 4<sup>th</sup> December, 2017 and further allotment of shares was duly approved in Board meeting held on 29<sup>th</sup> 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 <sup>st</sup> 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. MuktaShaileshTilak, Mayor, Pune	Mrs. MuktaShaileshTilak, Mayor, Pune
3	Mr. Subramanian Padmanabhan Independent Director	Mr. Subramanian Padmanabhan Independent Director
4	Mr. Luis Miranda, Independent Director	(Resigned with effect from 30 <sup>th</sup> April,2018)
5	Mr. Chandrakant Narayan Dalvi Divisional Commissioner, Pune Division	Dr. Deepak GovindraoMhaisekar Divisional Commissioner, Pune Division
6	Mrs. RashmiShukla 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. NayanaGunde (Chairman and Managing Director, PMPML)	Mrs. NayanaGunde (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. YogeshTukaramMulik, (Standing Committee Chairman) Pune Municipal Corporation	Mr. YogeshTukaramMulik, (Standing Committee Chairman) Pune Municipal Corporation
12	Mr. ShrinathYashwantBhimale,	ShrinathYashwantBhimale,

	(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 <sup>th</sup> April, 2018 (Board noted the change w.e.f 14 <sup>th</sup> June, 2018)	Mr. Chandrakant Narayan Dalvi	Dr. Deepak GovindraoMhaisekar
2.	Director – PSCDCL (Chairman and Managing Director, Pune MahanagarParivahan Mandal Limited)	29 <sup>th</sup> March, 2018 (Board noted the change w.e.f. 29 <sup>th</sup> March, 2018)	Mr. TukaramHaribhauMunde	Mrs. NayanaGunde
3.	Director – PSCDCL (Standing Committee Chairman, Pune Municipal Corporation)	29 <sup>th</sup> March, 2018 (Board noted the change w.e.f. 29 <sup>th</sup> March, 2018)	Mr.MurlidharKisanrao Mohol	Mr. YogeshTukaramMulik

4.	Director – PSCDCL (Municipal Commissioner, Pune Municipal Corporation)	13 <sup>th</sup> April, 2018 (Board noted the change w.e.f 14 <sup>th</sup> June, 2018)	Mr. Kunal Kumar	Mr. Saurabh Rao
5.	Director – PSCDCL (Commissioner of Police, Pune)		Ms. RashmiShukla	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 GovindraoMhaisekar	9 <sup>th</sup> June, 2018
2	Mrs. NayanaGunde	29 <sup>th</sup> March, 2018
3	Mr. YogeshTukaramMulik	29 <sup>th</sup> March, 2018
4	Mr. Saurabh Rao	9 <sup>th</sup> June, 2018
5	Mr. Sajeesh Kumar N	4 <sup>th</sup> 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 30<sup>th</sup> December, 2017Mr. Luis Miranda, Independent Director expressed his inability to continue as Independent Director. His resignation was noted at the Board meeting held on 30<sup>th</sup> 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. 29<sup>th</sup> 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 30<sup>th</sup> December, 2017. His appointment was on deputation basis, which ended on 28<sup>th</sup> 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 20<sup>th</sup>, 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 29<sup>th</sup> 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.punsmartcity.in](http://www.punsmartcity.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 whereto is provided herein.

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

<b>Board Number</b>	<b>Meeting</b>	<b>Date of Board Meeting</b>
10		15 <sup>th</sup> April, 2017
11		12 <sup>th</sup> May, 2017
12		17 <sup>th</sup> June, 2017
13		29 <sup>th</sup> July, 2017
14		2 <sup>nd</sup> September, 2017
15		4 <sup>th</sup> December, 2017
16		29 <sup>th</sup> 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:**

<b>Audit Committee</b>	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:**

<b>Members</b>
Mr. Chetan Tupe, Leader of Opposition, PMC
Mr. SubramanianPadmanabhan , 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:**

<b>Nomination and Remuneration Committee</b>	Divisional Commissioner, PuneDivision, 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 :**

<b>Members</b>
Dr. Deepak GovindraoMhaisekar, 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 30<sup>th</sup> 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 MahanagarParivahanMahamandal 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 30<sup>th</sup> 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 SavitribaiPhule 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.

SavitribaiPhule Pune University (SPPU) has signed a 25 year Power Purchase Agreement (PPA) with CleanmaxEnviro 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	MuktaTilak	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 31<sup>st</sup> March, 2018

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

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**I. REGISTRATION AND OTHER DETAILS:**

<b>Sr.No</b>	<b>Particulars</b>	<b>Details</b>
1.	CIN	U93000PN2016SGC158980
2.	Registration Date	23 <sup>rd</sup> 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:-

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

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

<b>Name and Address of the Company</b>	<b>CIN/GLN</b>	<b>Holding/Subsidiary/ Associate</b>	<b>% of shares held</b>	<b>Applicable Section</b>
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	
<b>A. Promoters</b>								
(1) Indian								
a) Individual / HUF	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-
c) State Govt (s)	25000	25000	50%	92975 000	92975 000	50%	NIL	
d) Bodies Corporate	-	-	-	-	-	-	-	
e) Banks / FI	-	-	-	-	-	-	-	
f) Any other <b>Pune Municipal Corporation</b>	25000	25000	50%	92975 000	92975 000	50%		
Sub-Total A (1)	<b>50000</b>	<b>50000</b>	<b>100%</b>	<b>18600 0000</b>	<b>18600 0000</b>	<b>100%</b>	<b>NIL</b>	
(2) Foreign								
a) NRIs - Individual	-	-	--	-	-	-	--	
b) Other Individual	-	-	-	-	-	-	-	
c) Bodies Corporate	-	-	-	-	-	-	-	
d) Banks / FI	-	-	-	-	-	-	-	
e) Any other	-	-	-	-	-	-	-	
Sub-Total A (2)	-	-	-	-	-	-	-	
Total shareholding of Promoter (A) = (A) 1 + (A)	<b>50000</b>	<b>50000</b>	<b>100%</b>	<b>18600 0000</b>	<b>18600 0000</b>	<b>100%</b>	<b>NIL</b>	

<b>B. Public shareholding N.A</b>									
<b>(1) Indian</b>									
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) FIIs			-			-		-	-
h) ForeignVentur capital funds			-			-		-	-
i) Others			-			-		-	-
Sub-Total B (1)			-	-		-		-	-
<b>(2) Non-Institutions</b>									
<b>a) Bodies Corp</b>									
i) Indian			-			-		-	-
ii) Overseas			-			-		-	-
b) Individual			-						-
i) Individual shareholders holding nomina share capital uptoRs. 1 Lakh			-					-	-
i) Individual shareholders holding nomina 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 the 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	92975 000	50	0	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 f. CEO and Executive director.	25000	50	0	92975 000	50	0	0
	Total	50000	100		18600 0000	100	0	0

**C. Change in Promoters' Shareholding:**

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
	State Government of Maharashtra				
	At the beginning of the year	25,000	50		
	Date wise changes Allotment on 29 <sup>th</sup> March, 2018	9,29,75,000	50	9,30,00,000	50
	At the end of the year	-	-	9,30,00,000	50

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
	Pune Municipal Corporation				
	At the beginning of the year	25,000	50		
	Date wise changes Allotment on 29 <sup>th</sup> March, 2018	9,29,75,000	50	9,30,00,000	50
	At the end of the year	-	-	9,30,00,000	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

	<b>Secured Loans excluding deposits</b>	<b>Unsecured loans (ECB)</b>	<b>Deposits</b>	<b>Total Indebtedness</b>
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	-	-	-
<b>TOTAL</b>	<b>15,95,73,378</b>	<b>-</b>	<b>-</b>	<b>-</b>
Change in indebtedness during the Financial year				
Addition	2,68,34,088	-	-	-
Reduction	-	-	-	-
<b>NET CHANGE</b>	<b>2,68,34,088</b>	<b>-</b>	<b>-</b>	<b>-</b>
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	-	-	-	-
<b>TOTAL</b>	<b>18,64,07,466</b>	<b>-</b>	<b>-</b>	<b>-</b>

**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	-	-

**c. Remuneration to Key Managerial Personnel other than MD/Manager/WTD:**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel (Rs.)			
		CEO	CS	CFO	Total
1	Gross Salary	14,06,601	21,37,500	20,93,496	62,37,597
	(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	-	-	-	-
	<b>Total</b>	<b>14,06,601</b>	<b>21,37,500</b>	<b>20,93,496</b>	<b>62,37,597</b>

**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)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

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

Sd/-

Sd/-

Sd/-

Saurabh Rao  
 Director

MuktaTilak  
 Director

Rajendra Jagtap  
 Director

DIN: 07410973

DIN: 07782230

DIN:07870524

Place: Pune

Date: 08.09.2018

**NITIN PRABHUNE** Phone: 020-24228828  
B.Com. LL. B. F. C. S. 306, Decision Tower,  
[nitinprabhunecs@gmail.com](mailto:nitinprabhunecs@gmail.com) Nr. City Pride Theatre,  
Pune Satara Road,  
Pune - 411037

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**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 thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(Not applicable to the company during the period of audit)**
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(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 thereunder 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 alongwith 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 31<sup>st</sup> 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 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: 3<sup>rd</sup> 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** Phone: 020-24228828  
B.Com. LL. B. F. C. S. 306, Decision Tower,  
[nitinprabhunecs@gmail.com](mailto:nitinprabhunecs@gmail.com) Nr. City Pride Theatre,  
Pune Satara Road,  
Pune - 411037

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**'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: 3<sup>rd</sup> September 2018

Name of Company Secretary: CS Nitin B Prabhune

FCS No.: 6707

C.P. No. : 3800

**NITIN PRABHUNE** Phone: 020-24228828  
 B.Com. LL. B. F. C. S. 306, Decision Tower,  
[nitinprabhunecs@gmail.com](mailto:nitinprabhunecs@gmail.com) Nr. City Pride Theatre,  
 Pune Satara Road,  
 Pune - 411037

Annexure B:

List of observations during Secretarial Audit.

1. Regarding Companies Act 2013:

S.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) did not require security to be created. Therefore, the charge was not filed. The Company shall follow the necessary requirements 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 delay in issuance of the shares against the contribution made by Government of Maharashtra. The funds have been classified under the said category pending allotment. Necessary opinion for such classification from accounting expert has been obtained. The shares have since been allotted.

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 <sup>th</sup> 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 for timely compliance in future.
3.	ESIC	The company has not registered itself under ESIC during the FY 2017-18.	The registration has since been done upon advice of the ESIC department.

Place: Pune

Date : 03<sup>rd</sup> September 2018

Signature:Sd/-

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 A" 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 B”.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - 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. 107816W/W100222**

**Sd/-**

**Partner**  
**CAJ.J. Ranadive**  
**Mem. No:032953**  
**Place: Pune**  
**Date : 08/09/2018**



## **“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**  
**CAJ.J. Ranadive**  
**Mem. No:032953**  
**Place: Pune**  
**Date :08/09/2018**

## **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**  
**CA J.J. Ranadive**  
**Mem. No:032953**  
**Place: Pune**  
**Date :08/09/2018**

		Particulars	Note No.	As at March 31, 2018	As at March 31, 2017
A		<b>ASSETS</b>			
	1	<b>Non-current assets</b>			
		(a) Property, Plant and Equipment	3	2,195,564	166,201
		(b) Capital work-in-progress	3	426,121,946	11,654,029
		(c) Other Intangible assets	3	38,053	45,312
		(d) Financial Assets - Investments	4	49,000,000	49,000,000
		(f) Income Tax Assets		39,342,308	20,721,880
		(g) Deferred tax assets (net)	10	15,229	21,216
		(h) Other non-current assets	5	304,737,589	82,078,839
		<b>Total Non - Current Assets</b>		<b>821,450,689</b>	<b>163,687,477</b>
	2	<b>Current assets</b>			
		(a) Financial Assets			
		(i) Cash and cash equivalents	6	966,809,113	1,002,061,825
		(ii) Bank balances other than (iii) above	6	2,855,747,704	2,820,070,978
		(iii) Loans	7	4,052,660	558,300
	(iv) Others Financial Assets	8	6,346,993	150,035,918	
	(b) Other Current Assets	9	85,583	-	
	<b>Total Current Assets</b>		<b>3,833,042,053</b>	<b>3,972,727,021</b>	
	<b>Total Assets (1+2)</b>		<b>4,654,492,742</b>	<b>4,136,414,498</b>	
B		<b>EQUITY AND LIABILITIES</b>			
	1	<b>Equity</b>			
		(a) Equity Share capital	11	1,860,000,000	500,000
		(b) Instruments Entirely Equity in Nature	11.1	130,250,000	1,859,500,000
		(c) Reserve & Surplus	11.2	(21,226,143)	607,228
		<b>Equity attributable to owners of the Company (I)</b>		<b>1,969,023,857</b>	<b>1,860,607,228</b>
		<b>LIABILITIES</b>			
	2	<b>Non-current liabilities</b>			
		Other Non - Current Liabilities	12	2,067,811,275	2,061,117,924
		<b>Total Non - Current Liabilities</b>		<b>2,067,811,275</b>	<b>2,061,117,924</b>
	3	<b>Current liabilities</b>			
		(a) Financial Liabilities			
		(i) Borrowings	13	186,407,466	159,573,378
		(ii) Trade and other payables	14	133,319,018	39,049,387
		(iii) Other Financial Liabilities	15	278,119,099	13,242,237
	(b) Other Current Liabilities	12	19,812,027	2,824,344	
	<b>Total Current Liabilities</b>		<b>617,657,610</b>	<b>214,689,346</b>	
	<b>Total Equity and Liabilities (1+2+3)</b>		<b>4,654,492,742</b>	<b>4,136,414,498</b>	
	<b>Significant accounting policies</b>	2			
	<b>See accompanying notes forming part of the financial statements.</b>	1 - 30			

In terms of our report attached.

For and on behalf of the Board of Directors of

**For P R A S S & Associates LLP**  
Chartered Accountants  
FRN 107816W/W100222

**Pune Smart City Development Corporation Limited**

Sd /-  
Partner  
M No 032953

Sd /-  
Director  
DIN 08127958

Sd /-  
Director  
'07782230

Sd /-  
Director  
07870524

Sd /-  
Chief Finance Officer

Sd /-  
Company Secretary

Date : 8.9.2018  
Place : Pune

Date : 8.9.2018  
Place : Pune

Pune Smart City Development Corporation Limited  
Statement of Profit and Loss for the year ended March 31, 2018

(Amount in Rupees)

Particulars	Note No.	For the Period from April 01, 2017 to March 31, 2018	For the Period from March 23, 2016 to March 31, 2017
<b>Continuing Operations</b>			
I Revenue from operations		-	-
II Other Income	16	174,234,428	186,078,687
III <b>Total Income (I + II)</b>		<b>174,234,428</b>	<b>186,078,687</b>
<b>IV EXPENSES</b>			
(a) Employee benefit expense	17	15,264,218	825,216
(b) Finance costs	18	458,778	556,119
(c) Depreciation and amortization expense	3	208,609	3,464
(d) Other expenses	19	180,130,208	183,815,121
<b>Total Expenses (IV)</b>		<b>196,061,813</b>	<b>185,199,920</b>
V <b>Profit/(loss) before tax (III - IV)</b>		<b>(21,827,385)</b>	<b>878,767</b>
<b>VI Tax Expense</b>			
(1) Current tax	10	-	292,755
(2) Deferred tax	10	(5,986)	-21,216
(3) (Excess) / Short provision for tax of earlier years		-	-
<b>Total tax expense VI</b>		<b>(5,986)</b>	<b>271,539</b>
VII <b>Profit/(loss) after tax (V - VI)</b>		<b>(21,833,371)</b>	<b>607,228</b>
<b>VIII Other comprehensive income</b>			
Items that will not be recycled to profit or loss			
- Remeasurements of the defined benefit liabilities / (asset)			
IX <b>Total comprehensive income for the period (VII + VIII)</b>		<b>(21,833,371)</b>	<b>607,228</b>
<b>X Earnings per equity share</b>			
(1) Basic	22	-0.12	12.14
(2) Diluted	22	-0.12	12.14
<b>Significant accounting policies</b>	2		
<b>See accompanying notes forming part of the financial statements.</b>	1 - 30		
In terms of our report attached.		For and on behalf of the Board of Directors	
<b>For P R A S S &amp; Associates LLP</b>		<b>For Pune Smart City Development Corporation Limited</b>	
Chartered Accountants			
FRN 107816W/W100222			
Sd /-	Sd /-	Sd /-	Sd /-
Director	Director	Director	Director
Partner			
M No 032953	DIN 08127958	07782230	07870524
	Sd /-	Sd /-	
	Chief Finance Officer	Company Secretary	
Date : 8.9.2018	Date : 8.9.2018		
Place : Pune	Place : Pune		

PUNE SMART CITY DEVELOPMENT CORPORATION LIMITED  
CIN-U93000PN2016SGC158980  
P.M.C. MAIN BUILDING SHIVAJINAGAR Pune MH 411005  
CASH FLOW STATEMENT as at March 31, 2018

(Amount in Rupees)

S No.	Particulars	As at March 31, 2018	As at March 31, 2017
<b>1</b>	<b><u>Cash flows from operating activities</u></b>		
	Net profit before taxation, and extraordinary item	(21,827,385)	878,767
	Adjustments for Depreciation	208,609	3,464
	Interest Income	(152,434,428)	(168,292,986)
	Interest Paid	458,253	554,681
	Operating profit before working capital changes	(173,594,951)	(166,856,074)
	Increase in Trade Payable	94,269,631	38,666,261
	Increase in Other Financial Liabilities	264,876,862	
	Increase in Other Current Liabilities	16,987,683	164,122,714
	Increase in Other Non-Current Liabilities	6,693,351	
	Increase in Income Tax Assets	(18,620,428)	
	Increase in other non current Assets	(19,249,845)	
	Increase in other current Assets	(85,583)	
	Decrease in Other Financial Assets	143,688,925	(185,130,537)
	Increase in Short Term Provisions	-	12,193,126
	Increase in Deferred Income - Interest Capitalised	-	109,067,924
	Cash generated from operations	314,965,645	(27,936,586)
	Income Tax Paid		(292,755)
	<b>Net cash used in operating activities (A)</b>	<b>314,965,645</b>	<b>(28,229,341)</b>
<b>2</b>	<b><u>Cash flows from investing activities</u></b>		
	Purchase of fixed assets	(2,230,713)	(214,977)
	Interest received	152,434,428	168,292,986
	Advances for Projects	(203,408,905)	(68,557,155)
	Investment in Capital Work-in-progress Projects	(414,467,917)	(11,654,028)
	Equity Shares in PIFF	-	(49,000,000)
	<b>Net cash used in investing activities (B)</b>	<b>(467,673,107)</b>	<b>38,866,826</b>
<b>3</b>	<b><u>Cash flows from financing activities</u></b>		
	Proceeds from issuance of share capital	1,859,500,000	500,000
	Interest paid	(458,253)	(554,681)
	Contribution Received from Shareholders towards Equity	-	1,929,750,000
	Grant Received from GOI		1,881,800,000
	Decrease in Other Equity	(1,729,250,000)	
	Increase in Borrowings - Bank Over Draft	26,834,088	
	Loan given to PIFF	(3,494,360)	
	<b>Net cash used in financing activities (C)</b>	<b>153,131,475</b>	<b>3,811,495,319</b>
<b>4</b>	<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>424,014</b>	<b>3,822,132,803</b>
<b>5</b>	<b>Cash and cash equivalents at beginning of period</b>	<b>3,822,132,803</b>	<b>-</b>
<b>6</b>	<b>Cash and cash equivalents at end of period</b>	<b>3,822,556,817</b>	<b>3,822,132,803</b>

In terms of or

For and on behalf of the Board of Directors of

**For P R A S S :**  
Chartered Accountants  
FRN 107816W/W100222

**Pune Smart City Development Corporation Limited**

Sd /-  
Partner  
M No 032953

Sd /-  
Director  
'08127958

Sd /-  
Director  
'07782230

Sd /-  
Director  
'07870524

Sd /-  
Chief Finance Officer

Sd /-  
Company Secretary

Date : 8.9.2018  
Place : Pune

Date : 8.9.2018  
Place : Pune



Pune Smart City Development Corporation Limited  
Statement of Changes in Equity

A. Changes in Equity		(Amount in Rupees)	
Particulars	As at March 31, 2018	As at March 31, 2017	
Balance at the beginning of the period	500,000	-	
Shares issued during the period	1,859,500,000	500,000	
<b>Balance at the end of the period</b>	<b>1,860,000,000</b>	<b>500,000</b>	

  

B. Changes in Other Equity		(Amount in Rupees)	
Particulars	Contribution received from Shareholders towards equity	Retained earnings	Total
Balance at the beginning of the period	70,250,000	-	70,250,000
Loss for the period	-	-	-
Addition during the period	60,000,000	-	60,000,000
<b>Balance as at March 31, 2018</b>	<b>130,250,000</b>	<b>-</b>	<b>130,250,000</b>

  

In terms of our report attached.	For and on behalf of the Board of Directors		
<b>For P R A S S &amp; Associates LLP</b>	<b>For Pune Smart City Development Corporation Limited</b>		
Chartered Accountants			
FRN 107816W/W100222			
Sd /- Partner	Sd /- Director	Sd /- Director	Sd /- Director
M No 032953	DIN 08127958	07782230	07870524
	Sd /- Chief Finance Officer	Sd /- Company Secretary	
Date : 8.9.2018	Date : 8.9.2018		
Place : Pune	Place : Pune		

**Pune Smart City Development Corporation Limited**  
**Notes forming part of the financial statements**

**1. CORPORATE INFORMATION**

Pune Smart City Development Corporation Limited ('PSCDCL' or 'the company') is a public company domiciled and incorporated in India under the Companies Act, 2013 ('the Act'). The registered office of the company is situated at Pune Municipal Corporation (PMC) office Main Building at Shivaji Nagar Pune. PSCDCL is Special Purpose Vehicle (SPV) formed under Smart City Mission of the Government of India for implementation of smart city projects in Pune. The core objectives of Pune Smart Cities Mission is to provide core infrastructure, decent quality of life to citizens of Pune with clean and sustainable environment and application of Smart solutions.

**2. SIGNIFICANT ACCOUNTING POLICIES**

**2.01 Basis of preparation and presentation**

These financial statements have been prepared on the historical cost basis, except for certain financial instruments which are measured at fair values at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

**2.02 Use of estimate**

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

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

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

**Useful lives of property, plant and equipment**

The Company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

**Valuation of deferred tax assets**

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note 2.06.

**Provisions and contingent liabilities**

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

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

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognised nor disclosed in the financial statements.

**2.03 Revenue Recognition**

1. Revenue is recognized on accrual basis of accounting.

2. Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

3. Interest Income received on account of Government Grants for Capital Projects is capitalized and not shown as income.

#### **2.04 Government grants**

Government grants are not recognized until there is reasonable assurance that the company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognized in profit or loss on a systematic basis over the periods in the which the company recognizes as expenses the related costs for which grants are intended to compensate. Specifically, government grants whose primary conditions is that the Company should purchase, construct or otherwise acquire non - current assets are recognized as deferred revenue in the balance sheet and transferred to profit or loss on a systematic and rational basis over the useful lives of the related assets.

Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the company with no future related costs are recognized in profit or loss in the period in which they become receivable.

#### **2.05 Employee benefits**

##### **Short-term employee benefits**

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

##### **Post-employment and other long-term employee benefits**

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

#### **2.06 Taxation**

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

#### **2.07 Property, Plant and Equipment**

Property, plant and equipment held for use or for administrative purposes are stated at cost less accumulated depreciation/amortization less accumulated impairment, if any. The cost of fixed assets comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use.

Capital work-in-progress for use or for administrative purposes is carried at cost less accumulated impairment loss, if any, until construction and installation are complete and the asset is ready for its intended use.

Depreciation is recognized (other than on capital work-in-progress) on a straight line basis over the estimated useful lives of assets. Depreciation on assets acquired/ purchased, sold/discarded during the year is provided on a pro-rata basis from the date of each addition till the date of sale/retirement.

The economic useful lives of assets is assessed based on a technical evaluation, taking into account the nature of assets, the estimated usage of assets, the operating conditions of the assets, anticipated technological changes etc. The estimated useful life is reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis. The company has adopted useful life as defined under Companies Act, 2013.

Where the cost of part of the asset is significant to the total cost of the assets and the useful life of that part is different from the useful of the remaining asset, useful life of that significant part is determined separately. Depreciation of such significant part, if any, is based on the useful life of that part.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment, determined as the difference between the sales proceeds and the carrying amount of the asset, is recognized in the Statement of Profit or Loss.

## 2.08 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization. Amortization is recognized on a straight line basis over their estimated useful lives, which reflects the pattern in which the asset's economic benefits are consumed. The estimated useful life, the amortization method and the amortization period are reviewed at the end of each reporting period, with effect of any change in estimate being accounted for on a prospective basis.

An intangible asset is derecognized on disposal or when no future economic benefits are expected from use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, are recognized in the profit or loss when the asset is derecognized.

## 2.09 Financial Instruments

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

### Cash and cash equivalents

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

### Financial assets at amortized cost

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

### Financial assets at fair value through other comprehensive income

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### Financial assets at fair value through profit or loss

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

### Financial liabilities

Financial liabilities are measured at amortized cost using the effective interest method.

### Equity instruments

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Equity instruments recognized by the Company are recognized at the proceeds received net off direct issue cost.

### Reclassification of Financial Assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the company's operations. Such changes are evident to external parties. A change in the business model occurs when a company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognized gains, losses (including impairment gains and losses) or interest.

### Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

## 2.10 Earnings Per Share (EPS)

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

## 2.11 Cash flow statement

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

## 2.12 Current/Non-Current Classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is classified as current when it satisfies any of the following criteria:

- It is expected to be realized or intended to be sold or consumed in normal operating cycle
- It is held primarily for the purpose of trading
- It is expected to be realized within 12 months after the date of reporting period, or
- Cash and cash equivalent unless restricted from being exchanged or used to settle a liability for at least 12 months after reporting period.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

A liability is current when it satisfies any of the following criteria:

- It is expected to be settled in normal operating cycle
  - It is held primarily for the purpose of trading
  - It is due to be settled within 12 months after the reporting period, or
  - There is no unconditional right to defer the settlement of the liability for at least 12 months after the reporting period
- Current liabilities include the current portion of long term financial liabilities.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets and their realization in cash and cash equivalents. The Company has identified 12 months as its operating cycle.

## 2.13 Share Capital

### Ordinary Shares

Ordinary shares are classified as equity. Incremental costs, if any, directly attributable to the issue of ordinary shares are recognized as a deduction from other equity, net of any tax effects.

## 2.14 Fair Value Measurement

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

- in the principle market for the asset or liability
- in the absence of principle market, in the most advantageous market for the asset or liability.

The principle or the most advantageous market must be accessible by the Company.

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

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

### Determination of Fair Value

#### 1) Financial Assets

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

#### 2) Financial Liabilities

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

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

### Subsequent Measurement

#### Fair value through Profit & Loss

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

#### Loans and Borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortization process. The EIR amortization is included as finance costs in the statement of profit and loss.

**Note - 3A : Property Plant and Equipment :**

(Amount in Rupees)

Pune Smart City Development Corporation Limited											
Property, Plant And Equipment Schedule As Per Companies Act, 2013											
Sr No	Particulars	FIXED ASSET - GROSS BLOCK				DEPRECIATION				Net Book Value as on March 31, 2018	Net Book Value as on March 31, 2017
		Opening Gross Block	Additions	Deletions	Closing Gross Block as on March 31, 2018	Accumulated Dep. Opening Balance	Depreciation for the Period	Depreciation on Deletions	Total Accumulated Depreciation as on March 31, 2018		
A)	Furniture and Fixture	21,128	1,120,485	-	1,141,613	1,001	48,654	-	49,655	1,091,958	20,127
		<b>21,128</b>	<b>1,120,485</b>	<b>-</b>	<b>1,141,613</b>	<b>1,001</b>	<b>48,654</b>	<b>-</b>	<b>49,655</b>	<b>1,091,958</b>	<b>20,127</b>
B)	Office Equipment's & Computers	148,000	1,110,228	-	1,258,228	1,926	152,696	-	154,622	1,103,606	146,074
		<b>148,000</b>	<b>1,110,228</b>	<b>-</b>	<b>1,258,228</b>	<b>1,926</b>	<b>152,696</b>	<b>-</b>	<b>154,622</b>	<b>1,103,606</b>	<b>146,074</b>
	<b>Total</b>	<b>169,128.00</b>	<b>2,230,713</b>	<b>-</b>	<b>2,399,841</b>	<b>2,927</b>	<b>201,350</b>	<b>-</b>	<b>204,277</b>	<b>2,195,564</b>	<b>166,201</b>

**Note - 3B : Intangible Assets:**

Pune Smart City Development Corporation Limited											
Intangible Assets Schedule As Per Companies Act, 2013											
Sr No	Particulars	FIXED ASSET - GROSS BLOCK				DEPRECIATION				Net Book Value as on March 31, 2018	Net Book Value as on March 31, 2017
		Opening Gross Block	Additions	Deletions	Closing Gross Block as on March 31, 2018	Accumulated Dep. Opening Balance	Depreciation for the period	Depreciation on Deletions	Total Accumulated Depreciation as on March 31, 2018		
A)	Software	45,849	-	-	45,849	537	7,259	-	7,796	38,053	45,312
		<b>45,849</b>	<b>-</b>	<b>-</b>	<b>45,849</b>	<b>537</b>	<b>7,259</b>	<b>-</b>	<b>7,796</b>	<b>38,053</b>	<b>45,312</b>

**Note - 3C : Capital Work-in-progress:**

Sr No	Particulars	As at March 31, 2018	As at March 31, 2017
1	1.5 Kms Pilot Road, Aundh (1)	126,808,976	2,032,937
2	Place making & Open Spaces (2)	19,195,934	9,621,092
3	Road Assessment Management System (3)	8,176,200	-
4	Smart Elements (4)	271,940,836	-
	<b>Total</b>	<b>426,121,946</b>	<b>11,654,029</b>

**Notes:**

- 1 The overall cost of the contract is Rs 181.12 crs which is expected to be spent as capex. Currently, there is no revenue avenue which has been envisaged for the same.
- 2 GST on account of Capital Expenditure is shown under Input Tax Credit as decided by management.

Note No. 4 - Non Current Investment

Particular	As at March 31, 2018	As at March 31, 2017
<b>A. COST</b>		
<b>Unquoted Investments (all fully paid)</b>		
<b>Investments in Equity Instruments of Subsidiary</b>		
#REF!	49,000,000	49,000,000
4,900,000 Equity Shares of Rs 10 Each fully paid		
<b>INVESTMENTS CARRIED AT COST</b>	<b>49,000,000</b>	<b>49,000,000</b>

Note No. 5 - Other non-current assets

Particulars	As at March 31, 2018	As at March 31, 2017
(a) Capital advances	271,941,060	68,532,155
(b) Balances with government authorities (other than income taxes)	32,796,529	13,546,684
<b>TOTAL</b>	<b>304,737,589</b>	<b>82,078,839</b>

Note No. 6 - Cash and Bank Balances

Particulars	As at March 31, 2018	As at March 31, 2017
<b>A) Current Cash and bank balances</b>		
(a) Unrestricted Balances with banks	966,809,113	2,046,258
(b) Cheques, drafts on hand	-	1,000,000,000
(c) Cash in hand	-	15,567
(d) Balances with banks in deposit accounts with original maturity of less than 3 months		
<b>Cash and Cash equivalent as per balance sheet</b>	<b>966,809,113</b>	<b>1,002,061,825</b>
Bank Overdraft	186,407,466	159,573,378
<b>Total Cash and cash equivalent as per statement of cash flows</b>	<b>780,401,647</b>	<b>842,488,447</b>
<b>B) Other Bank Balances</b>		
(a) Balances with banks in deposit accounts with original maturity more than 3 months	1,072,200,000	1,000,000,000
(b) In earmarked accounts		
- Earmarked for On Going Projects (As per list below)	1,783,547,704	1,820,070,978
<b>Total Other Bank Balances</b>	<b>2,855,747,704</b>	<b>2,820,070,978</b>

Other Bank Balances in Earmarked Accounts	As at March 31, 2018
i) E-Governance & Citizen Services	1,632,063,014
ii) Urban Mobility	151,484,690
<b>TOTAL</b>	<b>1,783,547,704</b>

Note: As on year ended 31/03/2017, Project Specific earmarking was not in place, hence not shown in comparatives above.

Note No. 7 - Loans

Particulars	As at March 31, 2018	As at March 31, 2017
a) Advance to related Parties	4,052,660	558,300
<b>TOTAL</b>	<b>4,052,660</b>	<b>558,300</b>

Note No. 8 - Others - Current Financial Assets

Particulars	As at March 31, 2018	As at March 31, 2017
a) Interest accrued on deposits	6,346,993	150,035,918
<b>TOTAL</b>	<b>6,346,993</b>	<b>150,035,918</b>

Note No. 9 - Other Current Assets

Particulars	As at March 31, 2018	As at March 31, 2017
a) Prepaid Expenses	85,583	-
<b>TOTAL</b>	<b>85,583</b>	<b>-</b>

**Note No. 10 - Current Tax and Deferred Tax**

**(a) Income Tax Expense**

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Current Tax:</b>		292,755
Current Income Tax Charge	-	
Adjustments in respect of prior years	-	
<b>Deferred Tax</b>		
In respect of current year origination and reversal of temporary differences	(5,986)	(21,216)
<b>Total Tax Expense recognized in profit and loss account</b>	<b>(5,986)</b>	<b>271,539</b>

**(b) Numerical Reconciliation between average effective tax rate and applicable tax rate :**

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Profit Before tax from Continuing Operations</b>	(21,827,385)	878,767
Income Tax using the Company's domestic Tax rate @ 30.9%	-	271,539
<b>Income Tax recognized In P&amp;L from Continuing Operations (Effective Tax Rate)</b>	<b>(5,986)</b>	<b>271,539</b>

**(c) Deferred tax (liability) / asset**

Particulars	As at March 31, 2018	As at March 31, 2017
<u>Tax effect of items constituting deferred tax liabilities</u>		
Property, Plant and Equipment	25,485	4,783
<u>Tax effect of items constituting deferred tax assets</u>		
Incorporation Expenses	19,499	25,999
<b>Net Deferred Tax Asset</b>	<b>(5,986)</b>	<b>21,216</b>

**Note No. 11 - Equity Share Capital**

Equity share capital	As at March 31, 2018		As at March 31, 2017	
	No. of shares	Amount	No. of shares	Amount
<b>Authorized:</b>				
Equity shares of Rs 10 each with voting rights	186,000,000	1,860,000,000	50,000	500,000
<b>Issued, Subscribed and Fully Paid:</b>				
Equity shares of Rs 10 each with voting rights	186,000,000	1,860,000,000	50,000	500,000

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

**Note No. 11A - Equity Share Capital**

**(i) Reconciliation of the number of shares outstanding at the beginning and at the end of the period.**

Particulars	No. of shares	Amount
<b>Opening balance</b>	50,000	500,000
Changes in equity share capital during the period		
Add: Share Capital issued During the year	185,950,000	1,859,500,000
<b>Balance at March 31, 2018</b>	<b>186,000,000</b>	<b>1,860,000,000</b>

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

Class of shares / Name of shareholder	As at March 31, 2018		As at March 31, 2017	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
<b>Equity shares with voting rights</b>				
State Government of Maharashtra	93,000,000	50%	25,000	50%
Pune Municipal Corporation	93,000,000	50%	25,000	50%
<b>Percentage</b>		<b>100%</b>		<b>100%</b>

**Note No. 11.1 - Instruments Entirely Equity in Nature**

Particulars	As at March 31, 2018	As at March 31, 2017
-------------	----------------------	----------------------



<b>Contribution received from Shareholders towards equity</b>		
Opening Balance - Received from PMC in FY 2016-17	70,250,000	-
Received during the year	60,000,000	1,859,500,000
	130,250,000	1,859,500,000
<b>Balance at the end of the reporting period - March 31, 2018</b>	<b>130,250,000</b>	<b>1,859,500,000</b>

**Note No.11.2 Reserve & Surplus ( Balance of Retained Earnings /Losses)**

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Retained Earnings</b>		
Opening Balance	607,228	607,228
Transfer to retained earnings	(21,833,371)	
	<b>(21,226,143)</b>	<b>607,228</b>
<b>Balance at the end of the reporting period - March 31, 2018</b>	<b>(21,226,143)</b>	<b>607,228</b>

**Note - 12: Other Liabilities**

**A. Non - Current**

Particulars	As at March 31, 2018	As at March 31, 2017
a. Project related grant received from Government of India (GoI) (Refer Table Below)	1,860,000,000	1,860,000,000
b. Revenue related grant received from Government of India (GoI) (Refer Table Below)	-	21,800,000
c. Deferred Income : Interest on Earmarked Project Funds	207,811,275	109,067,924
d. Contribution received from Pune Municipal Corporation (PMC) towards Equity (transfer this year towards Equity)	-	70,250,000
<b>Total Other Liabilities</b>	<b>2,067,811,275</b>	<b>2,061,117,924</b>

Particulars	93 % towards Projects Rs	5% towards A & OE Rs	2% MoUD Share Rs
a. Grant Received - Opening Balance	1,860,000,000	21,800,000	-
b. Paid by MoUD for preparation of SCP	-	-	-
c. Retained by MoUD towards their expenditure share	-	-	-
<b>Total</b>	<b>1,860,000,000</b>	<b>21,800,000</b>	<b>-</b>
c. Retained by MoUD towards their expenditure share and applied	-	-	-
e. Paid by MoUD for preparation of SCP (Pre-incorporation) and applied	-	-	-
f. Appropriation towards income in proportion to revenue expenditure	-	21,800,000	-
<b>Total Deductions</b>	<b>-</b>	<b>21,800,000</b>	<b>-</b>
<b>Closing Balance</b>	<b>1,860,000,000</b>	<b>-</b>	<b>-</b>

**B. Current**

Particulars	As at March 31, 2018	As at March 31, 2017
Statutory dues		
- taxes payable (other than income taxes)	181,458	2,824,344
- TDS Payable	1,944,412	-
Security Deposit	12,657,016	-
Retention Money for Technical Reason	1,429,925	-
Retention Money for Work In Progress	3,599,216	-
<b>Total Other Current Liabilities</b>	<b>19,812,027</b>	<b>2,824,344</b>

**Note No. 13 - Borrowings**

Particulars	As at March 31, 2018	As at March 31, 2017
(a) HDFC Bank Overdraft	186,407,466	159,573,378
<b>Total other financial liabilities</b>	<b>186,407,466</b>	<b>159,573,378</b>

**Note No. 14 - Trade Payables**

Particulars	As at March 31, 2018	As at March 31, 2017
Trade payable for goods & services dues to Micro, Small and Medium Enterprises (Refer Note 24)	-	-
Trade payable for goods & services dues to creditors other than Micro, Small and Medium Enterprises	133,319,018	39,049,387
<b>Total trade payables</b>	<b>133,319,018</b>	<b>39,049,387</b>

**Note No. 15 - Other Current Financial Liabilities**

<b>Particulars</b>	<b>As at March 31, 2018</b>	<b>As at March 31, 2017</b>
(a) Earnest Money Deposits (EMD) Collected	2,901,894	1,432,237
(b) Provision for Expenses	275,217,205	11,810,000
<b>Total other financial liabilities</b>	<b>278,119,099</b>	<b>13,242,237</b>

Pune Smart City Development Corporation Limited  
Notes forming part of the financial statements

Note No. 16 - Other Income

(Amount in Rupees)

Particulars	For the Period from April 01, 2017 to March 31, 2018	For the Period from March 23, 2016 to March 31, 2017
(a) Interest Income	251,169,115	168,292,986
Less : Transferred to Deferred Income - Interest on Earmarked Project Funds	98,743,351	109,067,924
	<b>152,425,764</b>	<b>59,225,062</b>
(b) Revenue Grant Transfer to Income		
Share of 2% MoUD Grant transferred to Income ( respective debit to expenses )	-	40,000,000
Share of MoUD for preparation of SCP ( pre-incorporation ) expenditure incurred by PMC	-	28,653,625
Appropriation towards Income	-	58,200,000
Share of 2% A & OE GoI Grant Transferred to Income	21,800,000	
(b) Misc Income	8,664	-
<b>Total Other Income</b>	<b>174,234,428</b>	<b>186,078,687</b>

Note No. 17 - Employee Benefits Expense

Particulars	For the Period from April 01, 2017 to March 31, 2018	For the Period from March 23, 2016 to March 31, 2017
Salaries and wages, including bonus	15,264,218	825,216
<b>Total Employee Benefit Expense</b>	<b>15,264,218</b>	<b>825,216</b>

Note No. 18 - Finance Cost

Particulars	For the Period from April 01, 2017 to March 31, 2018	For the Period from March 23, 2016 to March 31, 2017
(a) Bank charges	525	1,438
(b) Interest Expenses	458,253	554,681
<b>Total finance costs</b>	<b>458,778</b>	<b>556,119</b>

Note No. 19 - Other Expenses

Particulars	For the Period from April 01, 2017 to March 31, 2018	For the Period from March 23, 2016 to March 31, 2017
(a) Rates and Taxes	149,176	497,115
(b) Rent	137,956	-
(c) Training & Conference	11,000	-
(d) Office Maintenance	100,823	-
(e) Office Newspaper	13,425	-
(f) Communication Expenses	431,076	-
(g) Advertisement	4,277,263	-
(h) Auditors Remuneration & Out of Pocket Expenditure	-	-
a) As Auditor	200,000	200,000
b) For Taxation Matters	50,000	-
c) Other Services	-	-
(i) Director Fees	290,000	-
(j) Maintenance of Place Making & Open Spaces	870,833	-
(k) Paid by MoUD for preparation of SCP to PMC (Pre - incorporation)	-	20,000,000
(l) Retained by moUD towards their expenditure share and applied	-	40,000,000
(m) Pre Incorporation expenses paid by PMC for for preparation of SCP in excess of MouD Transfer	-	8,653,625
(n) Incorporation Expenses Paid by PMC	-	105,173
(o) Project Launching Expenses	-	19,402,414
(p) Other Expenses		
1) General Consultants, Legal & Other Professional Costs	166,217,456	94,081,563
2) Travelling and Conveyances Expenses	463,784	94,963
3) Printing and Stationery	873,292	521,044
4) Miscellaneous Expenses (refer table below)	6,044,124	259,224
<b>Total Other Expenses</b>	<b>180,130,208</b>	<b>183,815,121</b>

Miscellaneous Expenses	For the Period from April 01, 2017 to March 31, 2018	For the Period from March 23, 2016 to March 31, 2017
a. Administrative Expense	866,411	
b. Board Meeting Expenses	140,407	36,718
c. Business Promotion Expenses	84,000	
d. Reimbursement of Expense	180,307	
e. Event Expenses	2,921,920	34,400
f. Installation Charges	50,000	
g. Interest on TDS	302,420	
h. Manpower Recruitment Expense	229,887	
i. Miscellaneous Expenses	147,303	
j. Postage & Delivery Charges	19,307	
k. Repair & Maintenance Charges	15,487	
l. Rounding off	(236)	
m. Security Charges	861,604	
n. Staff Welfare Expense	200,382	
o. Water Expenses	14,926	
p. VAT Late Filing Fees	10,000	
r. Refreshment Expenses		26,765
s. Books & Periodicals		21,948
t. prize money		90,000
u. Membership & Subscription		49,393
	<b>6,044,124</b>	<b>259,224</b>

**Pune Smart City Development Corporation Limited**  
**Notes forming part of the financial statements**

**NOTE - 20**  
**Financial Instruments and Risk Review**

Pune Smart City Development Corporation Limited is exposed primarily to liquidity risk which may adversely impact the fair value of its financial instruments. The Company assesses the unpredictability of the financial environment and seeks to mitigate potential adverse effects on the financial performance of the Company.

**i) Capital Management**

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the Company.

The Company uses debt ratio as a capital management index and calculates the ratio as Net debt divided by total equity. Net debt and total equity are based on the amounts stated in the financial statements.

Particulars	As at March 31, 2018	As at March 31, 2017
Other Non - Current Liabilities (Debt) - (A)	2,067,811,275	2,061,117,924
Equity - (B)	1,969,023,857	1,860,607,228
<b>Debt Ratio (A/B)</b>	<b>105%</b>	<b>111%</b>

**ii) Liquidity Risk**

**a) Liquidity Risk Management**

Liquidity risk refers to the risk that the Company cannot meet its financial obligations. The objective of liquidity risk management is to maintain sufficient liquidity and ensure that funds are available for use as per requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

**b) Maturities of Financial Liabilities**

The following tables detail the Company's remaining contractual maturity for its financial liabilities with agreed repayment periods. The amount disclosed in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows.

Particulars	As at March 31, 2018	As at March 31, 2017
	Less than 1 Year	Less than 1 Year
<b>Financial liabilities</b>		
(i) Trade and other payables	133,319,018	39,049,387
(ii) Other financial Liabilities	278,119,099	13,242,237

**Pune Smart City Development Corporation Limited**  
**Notes forming part of the financial statements**

**NOTE - 21**

Disclosure of related party transactions

**I. List of Related Parties**

Name of Related Party	Nature of Relationship
Pune Idea Factory Foundation	Wholly owned Subsidiary
Mr. Rajendra Jagtap	Key Managerial Personnel
Mr. Devendra Agarwal	Key Managerial Personnel
Mr. Manojit Bose	Key Managerial Personnel
Ms. Geetu Sachdeva	Personnel
Pune Municipal Corporation	Share Holder

**II. Transactions with related parties during the period:**

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Incorporation fees paid for</b>		
Pune Idea Factory Foundation	-	558,300
<b>Professional Fees Paid for</b>		
Pune Idea Factory Foundation	3,494,360	
<b>Subscription to Equity Shares</b>		
Pune Idea Factory Foundation	-	49,000,000
<b>Remuneration to Key Managerial Personnel</b>		
<b>1) Short Term Employee Benefits:</b>		
Mr. Rajendra Jagtap, CEO w.e.f. 29.06.2017	1,406,601	
Mr. Devendra Agarwal, CFO w.e.f. 13.02.2017	2,093,496	394,253
Ms Geetu Sachdeva, CS w.e.f. 13.02.2017	2,137,500	348,148
Mr. Manojit Bose, CKO w.e.f.21.03.2017	2,664,696	

**III. Outstanding Balances:**

Particulars	As at March 31, 2018	As at March 31, 2017
<b>Receivable</b>		
Pune Idea Factory Foundation	53,052,660	558,300
Pune Municipal Corporation	3,860,260	-
<b>Payable</b>		
Mr. Devendra Agarwal, CFO w.e.f 13.02.2017	412,500	146,210
Ms Geetu Sachdeva, CS w.e.f. 13.02.2017	521,612	179,800
Mr. Manojit Bose, CKO w.e.f.21.03.2017	700,000	-

**NOTE - 22**

Earning per share (EPS)

Particulars	As at March 31, 2018	As at March 31, 2017
Net profit available for equity share holder	(21,833,371)	607,228
Weighted average number of equity shares for Basic EPS	186,000,000	50,000
Face value per share	10	10
Basic EPS	-0.12	12.14
Weighted average number of equity shares for Diluted EPS	186,000,000	50,000
Diluted EPS	-0.12	12.14

**NOTE - 23**

**Contingent Liabilities and Commitments**

There are no contingent liabilities as at March 31, 2018.

**Commitments**

Particulars	Total Project awarded Costs	Total Expenditure incurred upto 31.03.2018	Balance Amount of Un-Executed Work as on March 31, 2018	As at March 31, 2017
1.5 Kms Street Re- Design	197,297,850	135,764,340	61,533,510	195,264,914
Place Making & Open Spaces	22,000,000	19,598,646	2,401,354	12,378,908
Smart Element	1,551,031,444	271,940,837	1,279,090,607	1,482,499,289
Road Assessment Management Systems	40,881,000	8,544,149	32,336,851	40,881,000
<b>TOTAL</b>	<b>1,811,210,294</b>	<b>435,847,972</b>	<b>1,375,362,322</b>	<b>1,731,024,111</b>

1) All above figures are inclusive of Taxes

2) In absence of certified value of unexecuted work as on 31st March 2018, same is considered as Total Cost less value certified/payments done till year end.

**NOTE - 24**

## Segment Reporting

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

### NOTE - 25

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

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

### NOTE - 26

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

### NOTE - 27

Previous years figures are restated wherever necessary.

### NOTE - 28

In case of Capital Work in Progress of Rs.42,61,21,946 Company has anticipated that it shall have sufficient revenues from the same projects and effective control shall remain with the Company. In this regards, since the project is being executed on the assets owned by Pune Municipal Corporation, Company has begun the process of having a memorandum of understanding with Pune Municipal Corporation about rights and revenue of the Company. In case of no such comfort in future, Company shall charge the same costs to Profit & Loss Account.

### NOTE - 29

Company has appointed a General Consultant for Strategic & Project Management for appraisal and implementation of project envisaged at a total cost of Rs. 38.60 Cr being paid on lumpsum basis per month over 30 months without linkage to progress achieved. During the year, Company has provided Rs. 13,89,60,000.00 to such consultants and same have been charged to profit & loss account. Total amount paid to General Consultants upto 31st March 2018 is Rs. 23,16,00,000.00 while value of Work in Progress is Rs. 43,58,47,972.00

### NOTE - 30

#### Consolidated Financial Statement

The Company has invested in Pune Idea Factory Foundation (PIFF) which is a wholly owned subsidiary and also a Sec. 8 Company as per the Companies Act 2013. Whereas 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.

In terms of our report attached.

For and on behalf of the Board of Directors of

**For P R A S S & Associates LLP**  
Chartered Accountants  
FRN 107816W/W100222

**Pune Smart City Development Corporation Limited**

Sd /-  
Partner  
M No 032953

DIN      Sd /-  
Director  
08127958

Sd /-  
Director  
07782230

Sd /-  
Director  
07870524

Sd /-  
Chief Finance Officer

Sd /-  
Company Secretary

Date : 8.9.2018  
Place : Pune

Date : 8.9.2018  
Place : Pune

PROXY FORM  
Form No. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
(Management and Administration) Rules, 2014]

CIN: U93000PN2016SGC158980

Name of Company: PUNE SMART CITY DEVELOPMENT CORPORATION LIMITED  
Registered office: P.M.C. Main Building Shivajinagar, Pune – 411005

Registered address:.....  
Name of the member (s):.....  
E-mail Id:.....  
Folio No/Cliend Id:.....  
DP ID:.....

I/We, being the member(s) of shares of the above named company, hereby appoint

1. Name:  
Address:  
E-mail Id:  
Signature:
  
2. Name:  
Address:  
E-mail Id:  
Signature:
  
3. Name:  
Address:  
E-mail Id:  
Signature:

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the First Annual General Meeting of the Company, to be held on the 29<sup>th</sup> September, 2018 at 11.00 AM and at any adjournment thereof in respect of such resolutions as are indicated below:



<b>Sr. No</b>	<b>Name of resolutions</b>
1	Adoption of Audited Accounts (Standalone)
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 himself 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.
5	Removal of Ratification Clause with respect to appointment of PRASS & Associates LLP, Chartered Accountants under Section 139 (1)
6	Regularization of Mr. Yogesh Mulik (DIN 07362095)
7	Regularization of Dr. Deepak Govindrao Mhaisekar (DIN 07560053)
8	Regularization of Ms. Nayana Arjun Gunde (DIN 08083786)
9	Regularization of Mr. Saurabh Rao (DIN 08127958)

Signed this ----- day of ----- 2018

Signature of Shareholder

Signature of Proxy Holder (s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company

**PUNE SMART CITY DEVELOPMENT CORPORATION LIMITED**  
(CIN: U93000PN2016SGC158980)

**Registered office:** P.M.C. Main Building, Shivajinagar, Pune – 411005

E-mail: [info@punsmartcity.in](mailto:info@punsmartcity.in)

Website: <https://punsmartcity.in>

SECOND ANNUAL GENERAL MEETING dated 29<sup>th</sup> September, 2018

**ATTENDANCE SLIP**

(Please fill in the Attendance Slip and hand over at the entrance of the meeting hall)

Folio No/DPID & Client ID No	
Number of Shares	
Name of the Member (s) Shareholder	
Address	
Email Id	

I/We certify that I/we are a member/proxy for the member(s) of the Company.

I hereby record my presence at the 2<sup>nd</sup> Annual General Meeting of the Company to be held for the Company as per the schedule mentioned below:

Date: 29 <sup>th</sup> September, 2018	Day: Saturday	Time: 11.00 AM
Place: Bajaj Conference Hall, 5th Floor, MCCIA, ICC Trade Tower, Senapati Bapat Road, Pune - 411016		

\_\_\_\_\_  
Signature of First Holder/Proxy    Signature of First Holder/Proxy    Signature of First Holder/Proxy

**Notes:**

Please sign this attendance slip and hand it over at the Attendance Verification Counter at the meeting venue.

Shareholder/Proxy attending the meeting is requested to bring his/her copy of the Annual Report.

