

INDEPENDENT AUDITORS' REPORT

TO,

THE MEMBERS OF DEHRADUN SMART CITY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **DEHRADUN SMART CITY LIMITED** ("the Company"), which comprise the Balance Sheet as at **31/03/2018**, the Statement of Profit and Loss, **the cash flow statement** for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, 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 of 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 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 thereunder.

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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2018**, and its **Profit and its cash flows** for the year ended on that date.

Emphasis of Matter

We draw attention to the following matters

1. As mentioned in clause 11.4 in Mission statements & guidelines, MoHUA is required to deduct its share of expense. As no information was available with the Company regarding such deduction, therefore financial statements do not reflect this amount.
2. The Company has received Capital grant of Rs. 3.00 Crore from State Government. Company had treated it as revenue grant and incurred the revenue expenses out of this grant.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

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 purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and **the cash flow statement** dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid 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 the written representations received from the directors as on **31/03/2018** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2018** 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**".



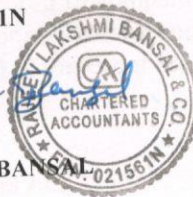
(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Date : 04/10/2018
Place : DEHRADUN

FOR RAJEEV LAKSHMI BANSAL & CO
(Chartered Accountants)
Reg No. :021561N

Rajeev Bansal



CA. RAJEEV BANSAL
Partner
M. No. : 508076

Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report to the financial statements of the Company for the year ended March 31, 2018

(i) In Respect of Fixed Assets

The Company has not owned any fixed assets as on 31.03.2018. Accordingly, the provisions of clause 3 (i) (a) to (C) of the Order are not applicable to the Company and hence not commented upon

(ii) In Respect of Inventories

The Company has not owned any inventory during the year under report. Accordingly, the provisions of clause 3 (ii) (a) & (b) of the Order are not applicable to the Company and hence not commented upon

(iii) Compliance under section 189 of The Companies Act, 2013

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.

(iv) Compliance under section 185 and 186 of The Companies Act, 2013

Based on our audit procedures and as per the information and explanations given by the management, no such loans, investments, guarantees and security had been given.

(v) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed thereunder while accepting Deposits

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.

(vi) Maintenance of cost records

As informed to us, maintenance of Cost Records as specified by the Central Government under subsection (1) of Section 148 of the Act, is not applicable because the company does not fulfill the criteria of maintaining the Cost Records

(vii) Deposit of Statutory Dues

(a) According to the records of the Company, there are no dues of Income tax, sales tax, customs duty, wealth tax, service tax, excise duty, sales tax and cess that have been not been deposited on amount of any dispute.

(b) There is no dispute with the revenue authorities regarding any duty or tax payable.



(viii) Repayment of Loans and Borrowings

Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank of debenture holders.

(ix) Utilization of Money Raised by Public Offers and Term Loan For which they Raised

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.

(x) Reporting of Fraud During the Year

Based on our audit procedures and the information and explanation 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.

(xi) Managerial Remuneration

No managerial remuneration has been paid by the company.

(xii) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio

As per information and records available with us the company is not Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Order are not applicable to the Company

(xiii) Related party compliance with Section 177 and 188 of companies Act - 2013

Based on our audit procedures and the information and explanation made available to us no such transaction was found during the year.

(xiv) Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures

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.



(xv) Compliance under section 192 of Companies Act - 2013

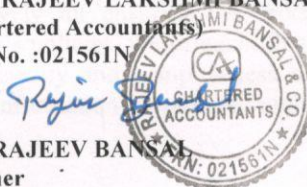
Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company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

(xvi) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934

The company is not required to be registered under section 45-IA of the Reserve Bank of India Act. and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

Date : 04/10/2018
Place : DEHRADUN

FOR RAJEEV LAKSHMI BANSAL & CO
(Chartered Accountants)
Reg No. :021561N



CA. RAJEEV BANSAL
Partner
M. No. : 508076

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Financial Statements of DEHRADUN SMART CITY LIMITED

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 **DEHRADUN SMART CITY LIMITED** (“The Company”) as of March 31, 2018 in conjunction with our audit of the standalone 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. 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 operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over 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 March 31, 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 issues by the Institute of Chartered Accountants of India.

Date : 04/10/2018
Place : DEHRADUN

FOR RAJEEV LAKSHMI BANSAL & CO
(Chartered Accountants)
Reg No. :021561N

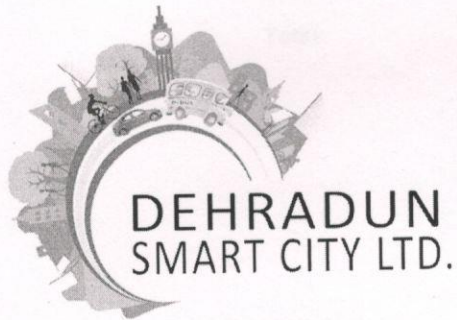
Rajeev Bansal



CA. RAJEEV BANSAL
Partner
M. No. : 508076

DEHRADUN SMARY CITY LIMITED

Incorporated on 15th September 2017



FINANCIAL STATEMENTS FOR PERIOD
ENDING 31st March 2018

CIN: U45309UR2017SGC008127

Office: - 777, Saatvik Towers, Kaulagarh Road
Dehradun-248001

Registered Office: - MDDA, Saharanpur Road,
KH No. 919 KA, PH-I, Transport Nagar,
Dehradun-248001

DEHRADUN SMART CITY LIMITED
777, SAATVIK TOWERS, KAULAGARH ROAD, RAJENDER NAGAR, DEHRADUN, UTTARAKHAND
Balance Sheet as at 31 March, 2018



CIN: U45309UR2017SGC008127

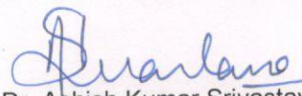
(Amount (Rs.))

Particulars	Note No.	As at 31 March, 2018
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share capital	1	10,00,000.00
Total		10,00,000.00
2 Non-current liabilities		
(a) Other long-term liabilities	2	31,00,00,000.00
		31,00,00,000.00
3 Current liabilities		
(a) Deferred Revenue Grants	3	5,50,41,676.00
(b) Short-term provisions	4	1,41,74,314.00
		6,92,15,990.00
Total (1+2+3)		38,02,15,990.00
B ASSETS		
1 Non-current assets		
(a) Other non-current assets	5	31,00,00,000.00
2 Current assets		
(a) Cash and cash equivalents	6(a)	3,02,15,990.00
(b) Deferred Grants for A & OE	6(b)	4,00,00,000.00
		7,02,15,990.00
Total (1+2)		38,02,15,990.00
Significant Accounting Policies	9	
See accompanying notes forming part of the financial statements	1 - 8	

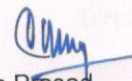
In terms of our report attached
For Rajeev Lakshmi Bansal & Company
Chartered Accountant
FRN 021561N


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



CA Rajeev Bansal
(Partner)
M. No. 508076


Dr. Ashish Kumar Srivastav
Director
DIN:08088464


Shailesh Bagauli
CEO & Chairman
DIN 01869481


Ganga Prasad
Finance Controller


Rashid V Mallik
Company Secretary

Date:-18-8-2018
Place:- Dehradun

Date:-18-8-2018
Place:- Dehradun

Regd. Office: MDDA, Saharanpur Road, KH No. 919 KA, PH-I, Transport Nagar, Dehradun-248001


DEHRADUN SMARTCITY LIMITED
GROUND FLOOR, 777, SAATVIK TOWERS, KAULAGARH ROAD, DEHRADUN
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDING ON 31ST MARCH 2018

(Amount in Rupees)

S.No.	Particulars	Note No.	As at 31st March 2018
	Continuing Operations		
I	Revenue from Operation		-
II	Other Income	7	3,52,31,324.00
III	Total (I + II)		3,52,31,324.00
IV	EXPENSES		
	(a) Employee benefit expenses		-
	(b) Finance Costs		-
	(c) Depreciation and amortization expenses		-
	(d) Other Expenses	8	3,52,31,324.00
	Total Expenses (IV)		3,52,31,324.00
V	Profit/(loss) before tax (III-IV)		-
VI	Tax Expense		
	(1) Current Tax		-
	(2) Deferred Tax		-
	(3) (Excess)/Short provision for tax of earlier years		-
VII	Profit/(loss) after tax (V - VI)		-
VIII	Other Comprehensive Income		-
	Items that will not be recycled to profit or loss		
	'- Re measurements of the defined benefit liabilities/ (asset)		-
IX	Total Comprehensive Income for the period (VII + VIII)		-
X	Earnings per equity share		
	(1) Basic		-
	(2) Diluted		-

In terms of our report attached
For Rajeev Lakshmi Bansal & Company
 Chartered Accountant
 FRN 021561N

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

Rajeev Bansal

 CA Rajeev Bansal
 (Partner)
 M. No. 508076

Ashish Kumar Srivastav
 Dr. Ashish Kumar Srivastav
 Director
 DIN:08088464

Shailesh Bagauli
 Shailesh Bagauli
 CEO & Chairman
 DIN 01869481

Ganga Prasad
 Ganga Prasad
 Finance Controller

Rashid J Mallik
 Rashid J Mallik
 Company Secretary

Date:-18-8-2018
 Place:- Dehradun

Date:-18-8-2018
 Place:- Dehradun

DEHRADUN SMART CITY LIMITED
777, SAATVIK TOWERS, KAULAGARH ROAD, RAJENDER NAGAR, DEHRADUN, UTTARAKHAND
Cash Flow Statement for the year ended 31-March-2018

CIN: U45309UR2017SGC008127

(Amount (Rs.))

S.No.	Particulars	Amount	Amount
A.	<u>Cash Flow From Operating Activities</u>		
	Profit before taxation and exceptional items	-	-
	Adjustments for:		
	Increase in Short Term Provisions	-	1,41,74,314.00
	Cash generated from operations	-	1,41,74,314.00
	Income taxes paid (net of refunds)	-	-
	Cash flow before exceptional items	-	1,41,74,314.00
	Proceeds from Extra Ordinary Items	-	-
	Net Cash from Operating Activities -A	-	1,41,74,314.00
B.	<u>Cash Flow from Investing Activities:</u>		
	Net Cash from/used in Investing Activities -B	-	-
C.	<u>Cash Flow from Financing Activities:</u>		
	Grants Received from GoUK	-	1,50,41,676.00
	Issue of Equity Share Capital	-	10,00,000.00
	Net Cash used in Financing Activities -C	-	1,60,41,676.00
	Net Increase/(decrease) in Cash and Cash Cash and Cash equivalents as at (Opening Balance)	-	3,02,15,990.00
	Cash and Cash equivalents as at 31st March 2018 (Closing Balnce)	-	3,02,15,990.00

In terms of our report attached
For Rajeev Lakshmi Bansal & Company
Chartered Accountant
FRN 021561N

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



CA Rajeev Bansal
(Partner)
M. No. 508076

Dr. Ashish Kumar Srivastav
Director
DIN:08088464

Shailesh Bagauli
CEO & Chairman
DIN 01869481

Ganga Prasad
Finance Controller

Rashid J. Mallik
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Date:-18-8-2018
Place:- Dehradun

Date:-18-8-2018
Place:- Dehradun

DEHRADUN SMARTCITY LIMITED
GROUND FLOOR, 777, SAATVIK TOWERS, KAULAGARH ROAD, DEHRADUN
NOTES TO ACCOUNTS

Note: 1 Share Capital

Particulars	As at 31st March, 2018	
	Number of shares	Value (Rs.)
Authorised Equity shares of Rs 10 each	1,00,000.00	10,00,000.00
Issued, Subscribed & Fully paid up Equity shares of Rs 10 each	1,00,000.00	10,00,000.00
Total	1,00,000.00	10,00,000.00

a. Reconciliation of number of equity shares outstanding

	As at 31st March, 2018
Number of shares outstanding at the beginning	-
Add: Shares Issued during the year	1,00,000.00
Number of Shares at the end of the year	<u>1,00,000.00</u>

b. Detail of shareholders holding in the company

Particulars	As at 31st March, 2018	
	Number	%
1. Vice Chairman, MDDA	49997	49.9970%
2. Secretary, MDDA	1	0.0010%
3. Chief Accounts officer, MDDA	1	0.0010%
4. Superintendent Engineer, MDDA	1	0.0010%
5. Municipal Commissioner, Nagar Nigam Dehradun	49997	49.9970%
6. Health Officer, Nagar Nigam Dehradun	1	0.0010%
7. Health Officer, Nagar Nigam Dehradun	1	0.0010%
8. Senior Finance Officer, Nagar Nigam Dehradun	1	0.0010%
	<u>100000</u>	<u>100.00%</u>

Note 2 Other Long Term liabilities:

NON CURRENT

Particulars	As at 31st March, 2018
(a) Project related grants receivable from Government of Uttarakhand	15,00,00,000.00
(b) Project related grants receivable from Government of India (refer appendix A)	16,00,00,000.00
Total Other Liabilities	<u>31,00,00,000.00</u>

Note 3 Deferred Revenue Grants

Particulars	As at 31st March, 2018
(a) Revenue related grants to be received from Government of India (refer appendix A)	2,00,00,000.00
(b) Grants received from Government of Uttarakhand	1,50,41,676.00
(c) Revenue related grants to be received from Government of Uttarakhand	2,00,00,000.00
Total	<u>5,50,41,676.00</u>

Regd. Office: MDDA, Saharanpur Road, KH No. 919 KA, PH-I, Transport Nagar, Dehradun-248001



DEHRADUN SMARTCITY LIMITED
GROUND FLOOR, 777, SAATVIK TOWERS, KAULAGARH ROAD, DEHRADUN

NOTES TO ACCOUNTS

Note 4 other Short Term Provisions

CURRENT LIABILITIES

Particulars	As at 31st March, 2018
(a) Statutory Audit Fees Payable	23,600.00
(b) Tax Deducted at Source Payable	21,572.00
(c) Preliminary Expenses	1,00,110.00
(d) Pre incorporation Expenses paid by MDDA for preparation of SCP in excess of MoHUA Transfer	1,40,29,032.00
Total	1,41,74,314.00

Note 5 other Non Current Assets

NON CURRENT

Particulars	As at 31st March, 2018
(a) Project related grants received from Government of India (refer appendix A)	16,00,00,000.00
(b) Project related grants recivable from Governmnet of Uttarakhand (refer appendix B)	15,00,00,000.00
Total	31,00,00,000.00

Note 6 (a) Cash & Cash Equivalent items:

CURRENT

Particulars	As at 31st March, 2018
Bank Balance With:	
H.D.F.C. Bank	3,02,15,990.00
Closing Balance	3,02,15,990.00

Note 6 (b) Deferred Grants for A& OE

Particulars	As at 31st March, 2018
(a) Revenue related grants to be received from Government of India (refer appendix A)	2,00,00,000.00
(b) Revenue related grants to be received from Government of Uttarakhand (refer appendix B)	2,00,00,000.00
Total	4,00,00,000.00

Note 7 Other Income :

Particulars	As at 31st March, 2018
(a) Revenue Grant transfer to income	2,00,00,000.00
Share of MoHUA for preparation of SCP (Pre- Incorporation) expenditure incurred by MDDA (Note - 1 at Appendix-A)	1,49,58,324.00
(b) Appropriation towards Income	2,73,000.00
(c) Tender Fee Received	2,73,000.00
Total	3,52,31,324.00

Note 8 Other Expenses:

Particulars	As at 31st March, 2018
(a) Advertisement Cost	10,78,582.00
(b) Preliminary Expenses	1,00,110.00
(c) Audit Fees	23,600.00
(d) Paid by MoHUA for preparation of SCP to MDDA (Pre -Incorporation)	2,00,00,000.00
(e) Pre incorporation Expenses paid by MDDA for preparation of SCP in excess of MoHUA Transfer	1,40,29,032.00
Total	3,52,31,324.00

Regd. Office: MDDA, Saharanpur Road, KH No. 919 KA, PH-I, Transport Nagar, Dehradun-248001



DEHRADUN SMARTCITY LIMITED
GROUND FLOOR, 777, SAATVIK TOWERS, KAULAGARH ROAD, DEHRADUN

STATEMENT SHOWING FUNDS RELEASED FROM GOVERNMENT OF INDIA

Appendix-A

Particulars	As at 31st March, 2018		
	93 % towards Project Rs.	5% towards A&OE Rs.	2% MoHUA Share Rs.
a. Paid by MoHUA for preparation of SCP	-	2,00,00,000.00	-
b. Grant Received	16,00,00,000.00	2,00,00,000.00	-
c. Retained by MoHUA towards their expenditure share	-	-	-
Total	16,00,00,000.00	4,00,00,000.00	-
c. Retained by MoHUA towards their expenditure share and applied	-	-	-
d. Paid by MoHUA for preparation of SCP (Pre-Incorporation) and applied	-	2,00,00,000.00	-
e. Appropriation towards income in proportion to revenue expenditure	-	-	-
Total Deductions	-	-	-
Closing Balance	16,00,00,000.00	2,00,00,000.00	-

Notes:-

- In case of Grant received from Government of India, Rs 2,00,00,000/- was paid to Mussorie Dehradun Development Authority (MDDA) before incorporation of the Company for preparation of Smart City Proposal (SCP). MDDA had incurred expenses on SCP to the tune of Rs. 3,40,29,032/-. Excess amount incurred by MDDA is payable by the Company to MDDA. Hence entire expenses incurred by MDDA has been charged to Statement of Profit & Loss and the excess amount of Rs. 1,40,29,032/- paid by MDDA has been recognized as income in the books of account.
- Government grants have been received for the purpose of implementation of Smart City projects in Dehradun.

STATEMENT SHOWING FUNDS RELEASED FROM GOVERNMENT OF UTTARAKHAND

Appendix-B

Particulars	Capital (Rs.)	Revenue (Rs.)
a. Grant Received from State Government	3,00,00,000.00	-
b. Grant Receivable from State Government	15,00,00,000.00	2,00,00,000.00
Total	18,00,00,000.00	2,00,00,000.00
c. Appropriation towards income in proportion to revenue expenditure	9,29,292.00	-
d. Appropriation towards income in proportion to revenue expenditure (Pre Incorporation)	1,40,29,032.00	-
Total Deductions	1,49,58,324.00	-
Closing Balance	16,50,41,676.00	2,00,00,000.00

Statement Showing Bifurcation of Closing Balance of Appendix-B

Particulars	Capital Amount (Rs.)	Revenue Amount (Rs.)
a. Grant Received from State Government	1,50,41,676.00	-
b. Grant Receivable from State Government	15,00,00,000.00	2,00,00,000.00
Total	16,50,41,676.00	2,00,00,000.00

Regd. Office: MDDA, Saharanpur Road, KH No. 919 KA, PH-I, Transport Nagar, Dehradun-248001



Notes to Accounts

Note 9:-

1. Significant Accounting Policies

1.1 Basis of preparation of financial statements

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.

1.2 Revenue recognition

Revenue is recognized on accrual basis of accounting

1.3 Government grants

Government grants are not recognised 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 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 recognised 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 recognised in profit or loss in the period in which they become receivable.

1.4 Cash and cash equivalents

Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

1.5 Share Capital

Ordinary shares are classified as Equity

1.6 Use of estimate

(a) Provisions

- 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.

