



TUMAKURU SMART CITY LIMITED

1st Annual Report for the year 2017-18



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Tumakuru Smart City Limited, Tumakuru.

Sri Mahalakshmi Arcade, S.S.Puram Main Road, Coffee Board Colony, Tumakuru-572102

Website: www.smartcitytumakuru.in

Phone: 0816-2278190

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CIN : U74999KA2017PLC099774

Notice of 1ST ANNUAL GENERAL MEETING

Notice is hereby given that the First Annual General Meeting (AGM) of the members of the Tumakuru Smart City Limited will be held on Saturday, December 22, 2018 at 3.30 p.m. IST at the Room No. 253, II Floor, Gate-II, M.S. Building, Bengaluru-560001 India at shorter notice, to transact the following business:

Ordinary Business

1. To consider and adopt the Financial Statement of the Company for the financial year 2017-18 along with the Balance sheet, Profit & Loss Account and Reports of the Board of Directors and Auditors.
2. To appoint a Director in place of Dr. Shalini Rajneesh, IAS(DIN:05174456) who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint a Director in place of Shri A B Ibrahim, IAS (DIN:06695818) who retires by rotation and being eligible offers himself for re-appointment.
4. To ratify the appointment of Statutory Auditor nominated by CA&G of M/s. Venkatachala Raghavendra & Co. as Statutory Auditor of the Company for financial year 2018-19 and fix the remuneration.

NOTES:

- a) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself/herself and such Proxy need not be member of the Company. Proxies in order to be effective must be deposited at the Registered Company's Registered Office at least 48 hours before the time appointed for the Meeting.
- b) Members / Proxies are requested to produce the enclosed attendance slip duly filled and signed as per the specimen signature recorded with the company for admission to the meeting hall.
- c) Members are requested to notify immediately any change in their address to the Company. In all correspondence with the company, members are requested to quote their account/folio numbers.

For and on behalf of the Board of Directors of
TUMAKURU SMART CITY LIMITED

Sd/-

Place : Bengaluru
Date : 19.12.2018

Manjunath Swamy L-KMAS
Director
DIN: 07968295

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1.	Directors' Report with Annexures
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Tumakuru Smart City Limited

Board of Directors

Dr. Shalini Rajneesh, IAS	Chairperson
Shri. A B Ibrahim, IAS	Director
Shri. N Jayaram, IAS	Director
Shri. B S Shekharappa, IAS	Director
Smt. Shikha C., IAS	Director
Dr. Rakesh Kumar K., IAS	Director
Shri. Bhupendra Bahuguna, CSS	Director
Dr. Rekha Jagannath	Independent Director
Shri. VVR Sastry	Independent Director
Shri. Manjunath Swamy L., KMAS	Managing Director

Key Personnel & Information

General Manager (Tech.) Shri. Satish M.	General Manager (Admin.) Shri. P N Swamy
Chief Finance Officer Shri. K A Srinivasa	Bankers I. State Bank of India II. Union Bank of India
Company Secretary Ms. Akansha Mittal	Statutory Auditors B S Ramesh & Co.



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DIRECTORS' REPORT

[Pursuant to section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules 2014]

Dear Members,

The Board of Directors have a pleasure in presenting their **First Annual Report** of **Tumakuru Smart City Limited** along with audited statement on Profit and Loss for the year ended 31st March 2018, balance sheet as on that date, together with auditors' report thereon.

1. PRELUDE

As the members are aware, Tumakuru was selected for implementation of Smart City Mission program of the Government of India in the 2nd Round of challenge. The important milestones concerning formation and implementation are as under:

Details	Dates
Declaration of Tumakuru to implement Smart City Mission program(second round of challenge)	03.10.2016
Special Purpose Vehicle(SPV) Incorporation	06.02.2017
Appointment of Chairperson	02.03.2017
Appointment of Managing Director	02.03.2017
Appointment of Project Management Consultants	18.04.2017

The Company is formed by Government of Karnataka and Tumakuru City Corporation as the Urban Local Body on 50:50 equal partnership basis for implementing the Smart City Project. The main objective of the Company is to appraise, sanction and implement projects identified under Smart City Proposal of Ministry of Urban Development (MoUD), Government of India/ Karnataka.

2. FINANCIAL RESULTS

The Company initiated and executed projects under the Smart City Plan, a few of which were implemented and several various are under different stages of appraisal. The year 2017-18 being the first financial year of the Company upon incorporation, the activities of the company were focused on mobilization of resources for undertaking the infrastructural activities with challenge to develop smart city. As a result as on 31.03.2018, the financial statement shows that the Company has incurred a loss of Rs. 1,19,98,080, after deducting all administrative and other expenses, before tax of Rs 1,53,45,874 and after tax loss of Rs. 1,19,98,080.00.

Particulars	2017-18
Total Income	40,098,783
Total Expenses	55,444,657
Profit before exceptional and extraordinary items and tax	(15,345,874)
Less: Exceptional items	-
Profit/(Loss) Before Tax	(15,345,874)
Less: Current Tax	-
Less: Deferred Tax	(33,47,749)
Net Profit/(Loss) after Tax	(1,19,98,080)

During 2018-19, the Company proposes to intensify its efforts for implementation of projects which are designed in 2017-18 as per Smart City Mission guidelines and subsequently revised in September 2018 taking into account ground realization.

3. STATE OF AFFAIRS

The Smart Cities Mission is an innovative and new initiative by the Government of India to drive the economic growth and improve quality of life of the urban people by enabling local development and overall growth of the city. The Smart Cities initiative began with 100 cities in India for fast paced growth with systematic planning. Cities developed under a bold vision and came up with smart proposals. Each city formulated in its own different vision, mission and plan to develop itself as Smart City. Their concept reflects the city uniqueness, resources. Each city developed a pan-city and area based development plans. The cities were selected through the challenge round based on the Smart City Plan proposed. Special Purpose Vehicle is formed for speedy implementation of the plan so prepared.

4. CAPITAL

The Authorized share capital of the Company as on March 31, 2018 is Rs. 2, 00,00,00,000/- (Two Hundred Crores) divided in to 2,00,00,000 (Two Crores) equity shares of Rs. 100/-(One Hundred) each. Presently, the Company's Issued Subscribed and Paid-up Capital is Rs. 10,00,000/- (Ten Lakh only) divided into 10,000 (Ten Thousand) equity shares of Rs. 100 (One Hundred) each. The entire paid up share capital is mobilized in the form of subscription to the memorandum of association at the time of incorporation of the Company. As a result there was no occasion for the Company to first issue and complete the allotment process.

As per Smart City Mission Guidelines, the Government of India will provide Rs. 100 crores per year to each city subject to fulfillment of conditions under Smart City Mission guidelines for undertaking the projects in Smart City Plan and the said grants amount have to be matched up with equal contribution by state/ULB. Accordingly, during 2017-18, Government of India released total Rs. 107 crores with a matching grant of Rs. 105 crores by the State Government.

5. BOARD OF DIRECTORS

The Company's Board comprised with professional and highly accredited Senior Government Officials of State of Karnataka with right mix of knowledge and expertise. Within the ambit of Smart City Mission guidelines, the Board provides the strategic guidance and directions to the Company in achieving its aim for transforming Tumakuru into a Smart City.

While incorporating the company following were nominated as the First Directors to form the Company by the nominating authority:

S. No.	Name of the Directors	Designation	DIN	Nominating Authority
1.	Dr. Vishal Ravi, IAS	Director	01819320	Government of Karnataka (GoK)
2.	Sri. Ponnuraj Veluswamy, IAS	Director	05211567	Government of Karnataka (GoK)
3.	Dr. Ravishankar J., IAS	Director	07662542	Government of Karnataka (GoK)
4.	Sri. Rajendra Cholan P, IAS	Director	06395219	Government of Karnataka (GoK)
5.	Sri. Rahman Shariff Ashaad, KMAS	Director	07660970	Government of Karnataka (GoK)
6.	Smt. Yashodhamma	Director	07660952	Tumakuru City Corporation (TCC)
7.	Sri. Tumkur Ramanna Nagraj	Director	07714546	Tumakuru City Corporation (TCC)
8.	Sri. K P Mohanraj, IAS	Director	06965604	Government of Karnataka (GoK)

In pursuance of Govt. of Karnataka Notifications vide GO No. UDD 56 CSS 2016 dated 10th Feb, 2017 and vide GO No. DPAR 95 SAS 2017 dated 21st February, 2017 and read with Article 14.8 of the Article of Associations of the Company following officials were appointed as Chairperson and Managing Director of the company respectively.

1. Dr. Shalini Rajneesh, IAS
2. Shri. Anirudh Sravan P, IAS

During the year Smt. Yashodhamma resigned from Directorship upon expiry of her tenure as Mayor of the Tumakuru City Corporation and in her place Shri. H Ravikumar the succeeding Mayor and nominated as Director of the Company. Further, Shri. Tumkur Ramanna Nagraj resigned from Directorship due to completion of his tenure as Deputy Mayor and Smt. Farzana Khanum was appointed as Director by virtue of Deputy Mayor's designation in Tumakuru City Corporation.

Further, through Government of India order no. K-15016/34/2016-SC-1 dated 28.11.2016 and as per article 14.1(i) (a) Shri. Bhupendra Bahuguna, CSS was nominated by Ministry of Urban Development as representative of Government of India in the SPV. Meanwhile, Shri. Manjunath Swamy L, KMAS having taken over charge as Commissioner of Tumakuru City Corporation in place of Shri. Rahman Shariff Ashaad, KMAS on the account being transferred resigned from the directorship of the Company.

Consequent upon the transfer of Shri Anirudh Sravan P., IAS as on 12.12.2017 vide notification no. DPAR 339 SAS 2017, the Government placed Shri. Manjunath Swamy L., KMAS Commissioner of Tumakuru City Corporation in the additional charge of Managing Director/ Chief Executive Officer, TSCL.

The Board of Directors of the Company as on the last day of the financial year i.e. as on 31-03-2018 consisted of the following:

- **Composition of Board of Directors as on 31.03.2018**

Sl. No.	Name of the Directors	Designation	DIN	Nominating Authority
1.	Dr. Shalini Rajneesh , IAS Principal Secretary to Govt. Education Department (Primary & Secondary), Bengaluru.	Chairperson	05174456	Government of Karnataka (GoK)
2.	Dr. Ravishankar J. , IAS Managing Director Karnataka Urban Water Supply and Drainage Board, Bengaluru.	Director	07662542	Government of Karnataka (GoK)
3.	Dr. Vishal Ravi , IAS Director Directorate of Municipal Administration	Director	01819320	Government of Karnataka (GoK)
4.	Sri. A B Ibrahim , IAS Managing Director Karnataka Urban Infrastructure Development & Finance Corporation(KUIDFC)	Director	06695818	Government of Karnataka (GoK)
5.	Sri. K P Mohanraj , IAS Deputy Commissioner of Tumakuru District.	Director	06965604	Government of Karnataka (GoK)
6.	Sri. Rajendra Cholan P. IAS Managing Director Bangalore Electricity Supply Company Limited Bengaluru.	Director	06395219	Government of Karnataka (GoK)
7.	Sri. Bhupendra Bahuguna CSS Under Secretary, Ministry of Urban Development under Smart City Mission & AMRUT, New Delhi.	Director	07970704	Government of India (GOI)
8.	Late Sri. H. Ravikumar Mayor Tumakuru City Corporation	Director	07813947	Tumakuru City Corporation (TCC)
9.	Smt. Farzana Khanum Deputy Mayor Tumakuru City Corporation	Director	07813965	Tumakuru City Corporation(TCC)
10.	Sri. Manjunath Swamy L ,KMAS Commissioner, Tumakuru City Corporation.	Managing Director	07968295	Tumakuru City Corporation (TCC)

6. BOARD MEETINGS

During the first financial year of the company, 6(six) Board Meetings were held and the intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 (Enclosed in Annexure-I).

S. No.	Date of meeting	Number of Directors Present
1.	02.03.2017	8 (Eight)
2.	06.05.2017	6 (Six)
3.	02.08.2017	6 (Six)
4.	23.10.2017	6 (Six)
5.	27.12.2017	5 (Five)
6.	15.02.2017	5 (Five)

7. APPOINTMENT OF PROJECT MANAGEMENT CONSULTANTS (PMC)

For the implementation of the Smart City Projects, the SPV is permitted to engage the services of the Project Management Consultants (PMC) for Design, Developing, Managing and implementing area based projects and Pan City based projects. Accordingly, Tumakuru Smart City Limited have appointed a consortium of Project Management Consultants consisting of M/s IPE Global Ltd, New Delhi as Lead Partner and M/s Grant Thornton India LLP and M/s Aryavartha Design Consultants LLP, by following the due procedure.

8. IMPLEMENTATION OF THE SMART CITY PROPOSAL

The Smart City Proposal consisted of Area Based Programs spread over the identified wards of the corporation which is called the ABD area and PAN City programs. The ABD area consisted of ward no's 4, 5, 14, 15, 16, 19 and part of 7. The projects identified are as detailed below:

i) Area Based Proposal

Proposed Area: Transforming 1354.97 Acres of the City Centre.

i. QUALITY OF LIFE

- Public Utility Infrastructure Improvement.
- Clean Tumakuru: efficient management of MSW, Zero Waste Campuses, and Public Toilets.
- Public Space Improvement: Lake Front Development, City Library, Vending Zones, Underground Ducting, Smart Lounges
- Affordable Housing at Slums and EWS housing

ii. MOBILITY AND ACCESSIBILITY:

- Transit Hub: Government and Private Bus Stands, Feeder System, Junction Re-design
- Non-motorized Transport: Footpaths & Walkway, Cycle lanes.

- Parking: On-street Parking.
- Integrated Signage Network: 'You are here' Maps, Signage and Street Markings.

iii. ENVIRONMENT AND ECOLOGY:

- Integrated Water Resources Management: Sustainable Lake Basin Management, Rain Water Harvesting
- Solar Energy : Solar Panels on Rooftops, LED and Solar Street Lights
- Urban tree Management: Afforestation around Amanikere, Tree Plantation, Green Buffer Zones, Redevelopments of Parks
- Monitoring: Enviro-Lab. Pollution Monitoring Sensors and Weather Stations

iv. GOVERNANCE AND PUBLIC SERVICE MANAGEMENT

- Business Innovation and Incubation Centre
- Tumakuru One Centers

ii) Pan City Proposal

1. Integrated City Management Control Centre (ICMCC) with Pan City components.

- Smart Water Network
- Intelligent Traffic & Transport Management
- Intelligent SWM Monitoring
- Intelligent Surveillance System
- Emergency Response System
- Environment Monitoring

To implement the above proposals, the financial plan was worked out in the Smart City Proposal and the same as depicted below:

Rs. in crore				
SOURCE	ABD	PAN CITY	TOTAL	%
Smart City Grants	896.98	282.40	1179.38	61
Convergence	544	5	549	28.3
Public Private Partnership (PPP)	146	62	208	10.7
TOTAL	1586.98	349.40	1936.38	100

A review of the projects taken up for designing/implementation during 2017-18 is furnished here under:

Area Based Programs

1. Amanikere Lake Revival and Rejuvenation:

The Amanikere Lake Revival and Rejuvenation project is aimed at restoring Amanikere to its natural glory to help in alleviating socio-ecological activities, value system and their interdependence. Amanikere is the largest lake in the city having covered 481 acres. The proposal is to Revive and Rejuvenate the lake basin, Afforestation and reclamation of green cover, Smart and sustainable water management etc.



The important sub-projects of Revival and Rejuvenation of Amanikere are:

- Desilting, Restoration and reclamation of Upstream Feeder Channel.
- Lake Bank Conservation and Erosion Protection.
- Construction of Boundary Wall and Fencing.
- Provision of Pedestrian Promenade along the Bunds.
- Development of Synchronized Water Ballet Show at the Lake-edge.
- Provision of Boating Desks/ Jetty, Observation Towers.
- Integrated and sustainable Landscaping of existing and proposed.
- Provision of Public Amenities and facilities.
- Development of Solar powered Carway.
- Development of Bike Trail/Cycle Track.

A Detailed Project Report (DPR) on the above activities has been prepared and submitted by the Project Management Consultants which is under consideration of the Karnataka Tank Development Authority/Karnataka Minor Irrigation Department to issue a necessary No Objection certificate to implement the project. In the meanwhile in order to ensure that the rain water from the catchment area is harnessed Tumakuru Smart City carried out a small intervention by desilting the upstream feeder channel, restoration and declamation of the upstream feeder channel in October 2017 and as a result there was good inflow into the tank as could be observed from the two photos given above.

2. Govt. PU College Precinct Revitalization and Rejuvenation:

The Govt. Pre-University College located in the heart of the city attached to NH-206 was established as a High School in the year 1890 by the British Rulers and in the year 1915 the then Maharaja of Mysore expanded the High School. In 1973 Pre-University section was established. The present building of Govt. PU College is a historical epitome, with colonial architecture of the 19th century, which are rare in the existing city's Urban Landscape.



The College building is now in a dilapidated state of existing and academic buildings with inadequate infrastructure, lack of language labs and inadequate computer labs, neglected and disrepair state of tangible heritage building etc. Considering this the Tumakuru Smart City identified Precinct Rejuvenation and Revitalization of this PU College as an impactful project in its Smart City Plan. The intervention in brief includes:

- a) Sustainable Educational Infrastructure Development consisting of Redevelopment of College Library integrated with digital library management, construction of additional academic infrastructure and retrofitting of existing buildings as Smart Class rooms.
- b) Restoration and enhancement of cultural history through restoration of historical / heritage buildings with in the campus.
- c) Up gradation of sporting and extracurricular activities, construction and development of sports facility center, provision and development of jogging track along the existing ground in feint of the college and also Pathway connecting the various buildings of the college.
- d) Landscape development – development of existing Banyan Tree Avenue as art and Culture Boulevard to be used by the school open air cultural space.
- e) Provision of Amenities like toilets, drinking water kiosks at appropriate locations.
- f) Provision and development of congregation / assembly hall.
- g) Sustainable energy infrastructure development through provision of Roof Top Solar paneling of 50KW to provide electricity to the entire campus and revenue generation from the sale of excess power.

The Project Management Consultant has prepared a Detailed Project Report for undertaking the above interventions in phases. Interventions like construction of Pathway and Jogging track, Additional Class Rooms, Sports Facility Centre and

Construction of Toilet block have been taken up. Besides, for establishment of Smart Class Rooms, ICT Labs and English Language tender has been floated.

3. Integrated Mobility Plan- Smart Roads in ABD Area:

The Integrated Mobility Plan aims at development of important wider roads in the ABD are as Smart Roads and Development of other roads by providing Underground ducting, Shoulder Improvement, Carriage way improvement where ever needed. The Mobility Plan prepared envisages development of 14.15 KM of Smart Roads of 18 no's with ROW of over 15 mtrs.



The Smart Road facility along the asphalt road is proposed to meet the requirement of Smart City. The major components are:

- Development of cycle tracks (NMT Facility)
- Pedestrian friendly footpaths with additional space allocated towards the footpaths.
- Road Improvements such as Traffic signs, Safety Barriers, Rehabilitation works and Road markings.
- Junction Improvements.
- Visual Improvements like Tree lane / plantations, Railing, Bollards etc.
- Beautification and Landscaping of the footpath, junctions and open spaces within the ROW.
- Construction of Smart Bus Shelters, Bus bays, Auto bays wherever required.
- Public Amenities like E-Toilet, Dust Bins.
- Utility Corridor / spaces and provision for underground ducting.
- Storm Water Drains.
- Provision for Pedestrian footpath, LED lights and Street lightings.
- Provision for Smart Poles / CCTV and other ICT components wherever essential.
- The complete street shall be environmental friendly.

While the Project Management Consultants have prepared a Detailed Concept Report on the Integrated Mobility Plan for the entire ABD area, the implementation of the project will be in phases. Accordingly a pilot project for converting the Field Marshal Cariappa Road as Smart Road has been tendered and Bid evaluated. Further the Package -1 consisting of 04 important roads (MG Road, Horpet road, Vivekananda road, JC road) and pacakage-2 07 Roads (FMC-2 road, Mandipet Road, private Bus Stand North and

South Road, bhagwan Mahavir road, 1st and 2nd Main Mandipet road are important roads for which DPR is under preparation.

4. **Redevelopment and Rejuvenation of Ring Road**

The objective of the Redevelopment and Rejuvenation of Ring Road is to ease the traffic congestion in the Bengaluru-Honnavar National Highway, which is passing through the heart of the city. However, the Ring Road was constructed in 1999-2000 has become unusable due to heavy traffic on the road. Consequently the traffic has again devolved on the BH road which is in the ABD area. In order to reduce the traffic on the BH Road in the city as a measure to improve the quality of life of the people staying around the BH road, Redevelopment of the Ring Road was taken up so that the heavy traffic is diverted to the ring road. The total length of the road between National Highway and the Gubbi Gate which is taken up for development is 10.5 KMs.

The objective of the Redevelopment and Rejuvenation Ring Road is to improve the connectivity and travel and to reduce the traffic cloud on BH road for the traffic passing towards Honnavar & Kunigal and the project has been tendered. The project consists of the following components:

- Upgradation and re-surfacing of 2 lane carriageway for 7.10 km.
- Provision of Service road.
- Upgradation and re-surfing of 4 lane carriage away with service road for 3.40 km
- Ground water recharge well system in storm water drain.
- Cross drainage to avoid stagnation of water.
- Provision of covered storm water drain.

5. **Solid Waste Management-Making ABD area as Litter free Zone**

As an initiative towards making ABD area of Smart city as litter free Zone, project for making ABD area as Litter Free Zone has been developed with following components:

- Infrastructure Component for waste management – Bins, sign boards.
- Public Awareness- through NGOs, schools, electronic and print media.

This project is proposed for implementation in the ABD area is taken as a pilot scheme in the first Phase. The aim of the project is to “**foster local pride**” and raise awareness of littering in the area. The focus will be to educate local people and encourage them to play their part in keeping their area clean. Litter bins, sign Boards indicating litter free zone will be placed in strategic points of the ABD area. Further, the project is considered taken more as a measure of social reform rather than an infrastructure development having Stakeholders’ involvement in the waste management activity of the city which is crucial for the success of the Litter Free Zone Plan. Towards enhancing the stakeholders’ involvement, an Information, Education and Communication Strategy involving local NGOs, Schools and Media is also imbibed in the Smart City Plan.



6. Redevelopment of Mariyamma Nagar Slum

Rehabilitating the slums located in the ABD area go a long way in improving the beauty of the city but it also provides the much needed shelter to the people living in the slums without basic facilities. Mariyamma Nagar slum, located in ABD area, has been identified for improving the living conditions of about 87 families through better housing conditions, Physical and Social infrastructures, individual water supply and UGD connections etc. These measures will go long way in improving the quality of life of the residents of this slum. Accordingly Detailed Project Report has been prepared for construction of G+3 building with 96 Houses and is in the advanced stage of technical appraisal.



7. Smart Lounge

The specially designed Tumakuru Smart City Lounge will ensure enhancing the accessibility, convenience and to ease the citizens of Tumakuru towards digital content for public reading as well as towards fundamental banking services, municipal and other G2C and B2C services.

The Tumakuru Smart Lounge shall be an independent module-based, stand-alone structure with low cost construction and good aesthetics. The Smart Lounge shall house the components like Digital Reading Zone, Digital Public Service Kiosk, ATM, Café with pantry, Toilets, and Medical Clinic (optional). The revenue models structured include the user fee for E-Learning service charges from Public service Kiosk, Lease / rental charges from Cafeteria, medical Clinic etc. one pilot Smart Lounge is under Construction near Tumakuru Amanikere where there is good footfall.



8. Development of Integrated Bus Terminal

The Karnataka State Road Transport Corporation is having 8.18 acres of land in two different locations without the basic facilities. Originally the Tumakuru Smart City Proposal has identified Development of Integrated Bus Terminal



as one of the PPP projects for the development of commercial retail / Commercial office spaces to be developed for lease / renting. However at the request of the KSRTC the project has now been considered as a convergent project on EPC Mode with sharing of the Capital Expenditure by both the institution and the maintenance by the KSRTC. The detailed drawings has been drawn and the DPR under preparation.



9. Tumakuru City Central Library

The City Central Library of Tumakuru is located in a heritage building constructed in 1931 and it is found that the space is not sufficient to meet the requirements of citizens visiting the library regularly. Hence, it is proposed to restore the heritage of the existing building and also construct an annex to meet the growing demands. Further in order to have greater access to the enriched and quality of digital content available it is proposed to develop a digital library at the City Library Tumakuru with the following components:

- The Digital Technology imbibed to control the Library Management System, access to the Content worldwide and restricting the content based on the subscription and license.
- Quality E-Content: E-Journals, E-Books, E-Magazine, Audio and Video Content.
- Physical and Digital Content Management and Monitoring.
- Web based remote access privilege for the authenticated and subscribe users of the Digital Library.
- Customizable lending system for the digital content access (DRM) justifying a Virtual Library System.

The infrastructure project for construction of the Basement with G+4 Building is being taken up under Smart City Project and the detailed drawings are under preparation. The proposal for Development of Digital Library has been tendered.

10. Public Toilets

Establishment of Public Toilets is one of the projects of the Smart City Proposal. In this connection a pilot project for construction of e-toilet near Siddaganaga College Bus Shelter has been taken up. Besides establishment of a conventional toilet in the NCC premises has also been tendered.

11. Developing the Green space

Management of Green Network in the city will go a long way in improving the quality of life of the people and also reduction of pollution. In the Smart City Proposal provision has been made for Afforestation through buffer around Amanikere Lake bed, Afforestation around the 8 lakes being developed. Few parks are also being developed as smart parks, accordingly on pilot basis development of Smart Park at Tumakuru University premises has been taken up with the following components:

- Provisions of Walkaways
- Seating arrangements
- Lights
- Selfie wall
- Bollards
- Pargola
- Open Gym Equipments
- Sports Facilities

Pan City Programs

1. Street Lighting Control System

Energy Efficient Lighting is one of the impactful projects of Tumakuru Smart City Proposal. Approximately 40,000 street lights are functioning in Tumakuru and as a PPP project the Smart City Proposal aims to convert the conventional lights to a more effective street light solution with energy efficient light (LED) with Centralized Control and Monitoring System (CCMS). It is also proposed to integrate some of the Smart Components like Public announcement system, CCTV Camera for public safety and security, Sign Boards to help city navigation, EV charging ports etc.,



The Base line Survey has been conducted and presented before the competent authority for approval of the project.

2. Public Bicycle System

Public Bike Sharing scheme is considered to act as a mode for last mile connectivity to the residents who commute daily mainly for education, work and recreational activities in Tumakuru. The PBS system with its multiple benefits, like affordability, low implementation cost, quick implementation, environment friendly, last mile connectivity, easy to use etc. has an exciting potential in Tumakuru.

Tumakuru Smart City Proposal, proposes a feeder system that would provide last mile connectivity to the residents of Tumakuru. The PBS system has been selected as one of the main components of the feeder system.

Tumakuru Smart City Limited envisages that timely intervention of a good Public Transport system supported by an efficient feeder system would encourage the young school and college going population, people travelling for work and recreational purposes to opt for these sustainable modes of transport, which in turn shall improve the liveability in the city in the long run.

Selection of locations

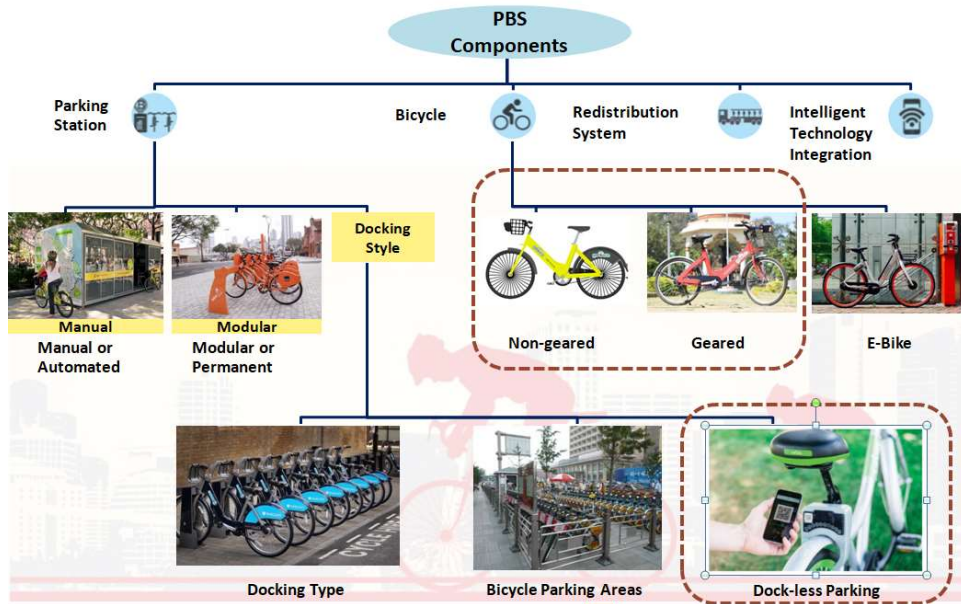
In order to create an integrated network of stations following planning exercise is carried out for the finalization of station locations:

- Mapping of major Land-Use zones which covers
 - a. Public/Semi-Public ☒ Existing employment centers ☒ Major Educational Institutions ☒ High population density zones.
 - b. Commercial ☒ Major activity nodes.
 - c. Recreational ☒ Tourist attraction point and Stadium.
 - d. Transportation ☒ Railway Station ☒ KSRTC and Private Bus Stand ☒ Bus Shelters.
 - e. Residential ☒ Major residential clusters.
- Mapping of proposed NMT Infrastructure (Integrated Mobility and Services Plan)
- Mapping of Bus Routes

Optimizing Capex: Choosing a technology and process that optimize capex and provide choices for scalability, Tumakuru has opted for Dock-less system. As the name suggests, dock-less bicycle sharing does not require a docking station- an expense that could sometimes limit the number of bicycles a city could afford. With dock-less system, bicycles can be parked within a defined geofenced area along the side walk/ shoulder space.

Sustained Scalability: Scalability is ensured so that the system may be expanded beyond the Area Based Development to cover the whole city.

TSCL has allocated INR 2.00 Crores under Private Public Partnership (PPP) to develop the necessary PBS infrastructure, such as dedicated geofenced area, geared and non-geared bicycles, GPS tracking, Wi-Fi, etc. – all aimed at boosting adoption of this unique scheme. The approach of creating PBS system by gauging citizen's feedback and then structuring a robust project, helped TSCL in taking strong step towards overcoming its mobility challenge. Around 450-500 bicycles are being introduced in the ABD area in the first phase.

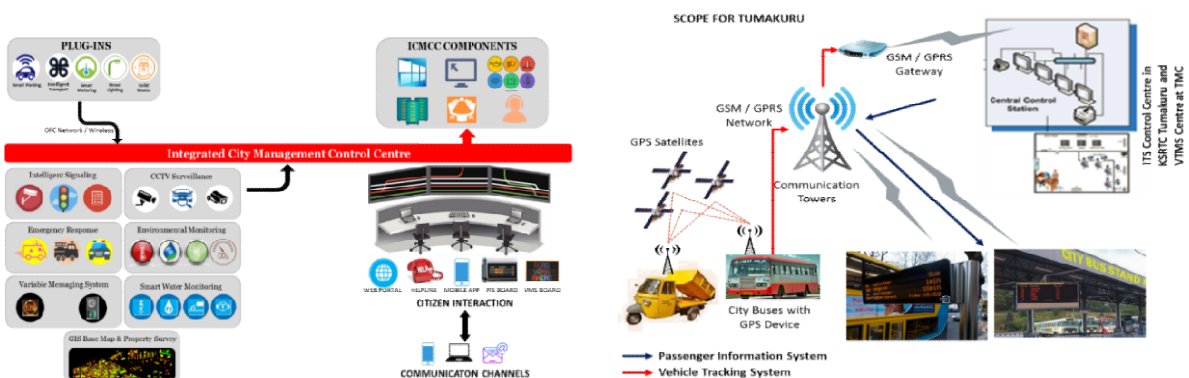


In the long run, with PBS system is set to transform the city's traffic landscape, environmental health and improve the mobility.

3. Intelligent Transport System (ITS)

Tumakuru Smart City Limited (TSCL) envisages to improve the quality of intra-city public bus transport services being run by KSRTC Division - Sri Siddaganga Tumakuru City Transport, thereby enhancing public convenience. Equipping the municipal waste collection vehicles with GPS enabled devices combining with a citizen-friendly web/mobile application to track real-time movement of these vehicles and organize the process further to optimize their operational efficiency for better public service is also integrated into this project. The project has been tendered.

The project as a Pan City component is planned to cover 49 KSRTC- Sri Siddaganga Tumakuru City Transport Buses, 142 bus stops, 1 Bus Terminal and 120 Municipal Waste Collection Vehicles in Tumakuru City. The ITS will cover Automatic Vehicle Location Information system, Passenger Information System (PIS) (through LED Boards, LCD display, etc.) for KSRTC City Buses, providing information display in vehicles, bus stops, bus terminals, bus terminal platforms, one Control Station (CCS), and generation of MIS reports. The ITS will be integrated into Integrated City Management Control Centre (ICMCCC) once it is established.



The key benefits of the project will be the citizen is able to see the Estimated Time of Arrival (ETA) and Departure of the City Buses, access all the information (ETA, etc.) through their mobile. The citizens will also be able locate the real time presence of Solid Waste Collection Vehicles of Tumakuru City Corporation in their neighborhood.

4. Integrated City Management Control Centre (ICMCC)

The ICMCC shall provide a comprehensive system for planning, optimizing resources and response pertaining to the standard functions of the concerned authorities. Hence ICMCC along with the Pan City components is one of the most important projects of the Smart City aiming at e-governance.

With a view to enabling varied and respective stakeholders to operate specified Smart City Components, it is proposed to build an Integrated City Management Control Centre (ICMCC), which will cater to the City Operations, City Surveillance, Emergency Response System, Intelligent Signaling, Variable Messaging System, Environmental Monitoring System, Helpdesk and their components. It acts as support mechanism to the city administration/authorities in their daily routine activities as well as during exigency situations. This dynamic response to situations, both pre-active and re-active will truly make the city operations “SMART”.

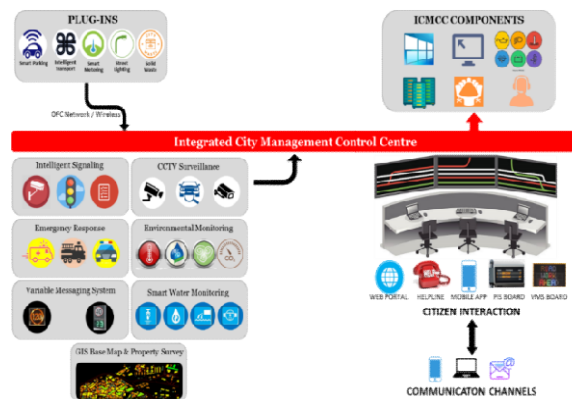
The ICMCC shall facilitate the viewing and controlling mechanism for the selected field locations in a fully automated environment for optimized monitoring, regulation and enforcement of services. The ICMCC shall be accessible by operators and concerned authorized entities with necessary role based authentication credentials.

Activities at the ICMCC will comprise of monitoring services, incident management and response as per the Standard Operating Procedures (SOPs) with defined escalation procedures.

The ICMCC will manage and monitor the entire project and services. All the information and data collected through various components of the smart city project will be viewable through a Centralized Application.

The Karnataka Urban Infrastructure Development and Finance Corporation (KUIDFC) which is the nodal agency for implementation of the Smart City Mission in Karnataka have decided that a centralised architecture for all Smart Cities will be established in Bengaluru by Karnataka Municipal Data Society (KMDS) and a prototype of the same will also be established at the Smart City level as a mini data centre. Accordingly, Tumakuru Smart City ICMCC will be a mini data centre located in Tumakuru and integrated with State Data Centre at Bengaluru.

ICMCC will comprise of a centralized dashboard for entire Smart City project for the reporting and viewing of all the project components and key performance indicators of systems such as CCTV Camera Surveillance System, Intelligent Signalling, Smart Water Quality Monitoring, Environmental Monitoring etc. through a single interface.



The project for establishment of ICMCC with the following Pan City components has been tendered:

- a. Integrated City Management Control Centre (ICMCC)
- b. Intelligent Signaling
- c. CCTV City Surveillance
- d. Emergency Response System
- e. Environment Monitoring System
- f. Variable Messaging System

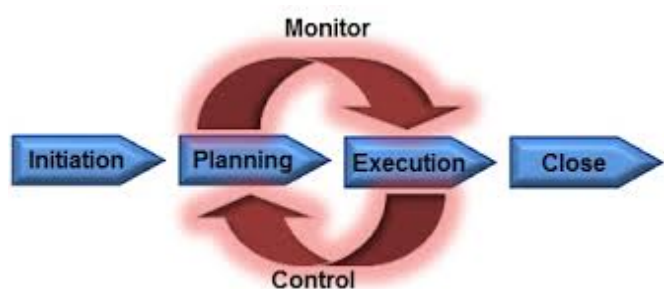
5. Project Monitoring and Citizens Participation:

The Smart City Proposal of Tumakuru Smart City Limited has identified nearly 100 projects/sub projects for implementation. These projects require close monitoring for effective implementation. Besides as involvement of citizen is one of the core essence of the Smart City Guidelines Mission, the status of the project should be available in citizens. Accordingly Tumakuru Smart City Limited in association with Indian Center for Social Transformation is in the process of developing a portal for monitoring the project progress by the various stake holders and also facilitating the citizens for viewing the status of the project from their home. To enlarge the scope, the project being implemented by the Tumkur City Corporation has also been included. It is proposed to bring in the other line departments who are implementing projects in Tumkur city also to the portal so that in one common place the projects being implemented in Tumkur city could be ascertained/viewed.

The portal also covers the various facilities that is available through the Corporation, linking of the portal to the payment gateways will help the citizens to pay their dues to the corporation from comforts of their home. Promoting paperless office in Tumakuru Smart City office and Tumkur City Corporation is in the future agenda of the portal.

The various components of the proposed portal and the facilities available are as under:

Project Management Unit



1. Project Monitoring Unit for TCC and TSCL.
2. Document Management System.
3. E-office.
4. Timeline Management and Photographs of all the on-going projects.
5. Effective Project Management.

Citizens Portal



1. Citizen portal for updates on all projects and the present status
2. All the Central/State Govt services at a single window
3. Grievance portal to upload photos and complaints
4. Ward wise listing of the projects

Property Tax Analytics



1. Property Tax Analysis for TCC to increase the revenue.
2. Tax reports and rewarding regular tax payers.
3. Top Tax defaulters information.

9. DETAILS OF KEY MANAGERIAL PERSONNEL APPOINTED, TRANSFERED & RESIGNED DURING THE YEAR

As per order of the Government of Karnataka vide No. DPAR 339 SAS 2017 dated 12.12.2017 Sri. Anirudh Sravan P, IAS was transferred from Urban Development Department and accordingly his position as Managing Director of the Company was withdrawn. Shri. Manjunath Swamy, KMAS Commissioner of Tumakuru City Corporation was appointed on additional charge as Managing Director of the Company.

In addition to this, CS Akansha Mittal (Memb. No. 34993) is appointed as Whole-time Company Secretary on 21st day of August, 2017 and Sri. Koratagere Aswathaiah Srinivasa on deputation from State Accounts Department was appointed as Chief Financial Officer (in-charge) of the company during the year.

10. DIRECTORS RESPONSIBILITY STATEMENT

The Directors confirms that pursuant to the requirement of sub-section (5) of section 134 of the Companies Act, 2013;

- i. In the preparation of the annual accounts, the applicable Accounting Standards have been followed along with proper explanation relating to material departures;
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of the affairs of the company at the end of the financial year and of the profit of the Company for that year;
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv. The Directors have prepared the annual accounts on a going concern basis.
- v. The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- vi. The directors have devised the proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

11. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT: (AS PER COMPANIES (AMENDMENT) ACT, 2015)

No frauds were reported by Auditors under section 143(12) of the Companies Act 2013 during the financial year 2017-18.

12. DECLARATION OF INDEPENDENT DIRECTORS

It is not applicable as the Company did not have Independent Directors during year ended 2018. Meanwhile, company sent the request for appointment of Independent Directors to Government of Karnataka through KUIDFC for issue of necessary Government Order.

13. COMPANY'S POLICY RELATING TO DIRECTORS' APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are not applicable as the Company did not have Independent Directors during the financial year.

14. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS AND THE PRACTICING COMPANY SECRETARY IN THEIR REPORTS

The Auditor's observations in their report are self explanatory and as such do not require any comments. The provisions relating to submission of Secretarial Audit Report is not applicable to the Company.

15. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year.

16. MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year 2017-18 and to the date of this report.

17. ANY COMMENTS OR REMARKS OF CA&G FROM THEIR SUPPLEMENTARY AUDIT FOR FINANCIAL YEAR 2017-18

The Report of the Comptroller and Auditor General of India under section 143(6) of the Companies Act, 2013 on the accounts for the year 2017-18 is placed as part of this Report.

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

There were no foreign exchange earnings and outgo during the financial year. The particulars as required under the provisions of section 134(3) (m) of the Companies Act, 2013 in respect of conservation of energy and technology absorption, company is engaged in Public Administrative Services and not in manufacturing activity. Hence, this provision is not applicable.

19. DISCLOSURE PURSUANT TO SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013 requires every employer to comply with its provisions and make a

disclosure of the number of cases occurring under the Act. Accordingly, following are the information:

S. No.	No of cases filed under the Act before the internal committee	No of disposal under the Act
	NIL	NIL

20. PARTICULARS OF EMPLOYEES

The Company had no employee during the year covered under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Therefore, details in respect thereof are not reportable. During the year there is a change in Key Managerial Personnel i.e. Managing Director of the Company. Henceforth, this is not applicable as current Managing Director is appointed on additional charge.

21. STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

22. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As the provision of Corporate Social Responsibility (Section 135 of the Companies Act, 2013) is not applicable to the company. So, Company has not developed and implemented any Corporate Social Responsibility initiatives.

23. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

24. THE CHANGES IN THE NATURE OF BUSINESS

There is no change in the nature of business.

25. THE DETAILS OF DEPOSITS WHICH ARE NOT IN COMPLIANCE WITH THE REQUIREMENTS OF CHAPTER V (ACCEPTANCE OF DEPOSITS BY COMPANIES) OF THE COMPANIES ACT, 2013

The Company has neither accepted nor renewed any deposits during the year. So this provision is not applicable to the company.

26. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

This provision does not apply.

27. STATUTORY AUDITORS

As per article 24.9 of Article of Association, the company shall be audited by statutory auditors appointed as per section 139(5) & 139(7) of Act which shall be appointed by Hon'ble Comptroller and Auditor General of India. Accordingly, the office of the Comptroller and Auditor General being constitutional authority made an appointment of M/s. B S Ramesh & Co., Chartered Accountant Firm in Tumakuru for the financial year 2017-18.

28. DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE AND ESTABLISHMENT OF VIGIL MECHANISM

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 for formation of Audit Committee and Vigil mechanism committee is not applicable to the Company.

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

No such order is passed by any Regulator.

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

As per the Independent Audit Report submitted by Statutory Auditor of the Company i.e. M/s. B S Ramesh & Co. Chartered Accountant, being the first year of operations the Company is in the process of establishing adequate Internal Financial Controls.

31. DETAILS OF EQUITY SHARES WITH DIFFERENTIAL RIGHTS ISSUED BY THE COMPANY DURING THE YEAR UNDER REPORT

The Board of Directors report that during the year under report, the Company has not issued equity shares with differential rights pursuant to the provisions of Section 43 of the Companies Act, 2013 read with rule 4(4) of the Companies (Share Capital and Debentures) Rules, 2014.

32. DETAILS OF SWEAT EQUITY SHARES ISSUED BY THE COMPANY, DURING THE YEAR UNDER REPORT

The Board of Directors report that during the year under report, the Company has not issued sweat equity shares pursuant to the provisions of Section 54 of the Companies Act, 2013 read with Rule 13(8) of the Companies (Share Capital and Debentures) Rules, 2014.

33. DETAILS OF ESOP SCHEME

The Board of Directors report that during the year under report, the Company has not offered equity shares under ESOP scheme to the employee of the Company

pursuant to the provisions of Section 62(1) (b) of the Companies Act, 2013 read with Rule 12(9) of the Companies Act, 2013.

34. DISCLOSURES OF RATIO OF REMUNERATION TO EACH DIRECTOR

The provisions of Section 197 (12) of the Companies Act, 2013 are not applicable to the company.

35. ACKNOWLEDGEMENTS

The Directors would like to thank the Government of India, especially the Ministry of Urban Development and also Government of Karnataka and Urban Development Department for their valuable advice, guidance and co-operation. They also take this opportunity to extend their whole hearted gratitude to Managing Director and staff of of Karnataka Urban Infrastructure Development Finance Corporation (Nodal agency) for their timely guidance and support in implementing the projects of the Smart City. The Directors also wish to place on record their appreciation for efficiently running the affairs of the Board & the Company by the Chairperson and Managing Director and valuable services rendered by the Officers and staff of the Company during the year under report. The Directors also thank the co-operation extended by various Departments. The Directors also place in record their appreciation for valuable services extended by the Project Management Consultants viz. M/s IPE Global Ltd, New Delhi as Lead Partner and M/s Grant Thornton India LLP and M/s Aryavartha Design Consultants LLP.

For Tumakuru Smart City Limited

**Sd/-
Dr. Shalini Rajneesh, IAS
Chairperson
DIN 05174456**

**Sd/-
Manjunath Swamy L., KMAS
Managing Director
DIN 07968295**

**Place: Bengaluru
Date: 28-11-2018**

Annexure - I

[Annexure to Directors Report – Statutory Disclosures]

A. Particulars of Board Meetings:

In 2017-18, the Board of the Company met 6 (Six) times respectively during 06th February, 2017 to 31st March, 2018. The maximum gap between any two Board Meetings was 87 days. Details of director's attendance are under:

Name of the Director	Designation	Number of Board meetings		Last AGM held (Not applicable being the 1 st financial year)
		Held	Attended	
Dr. Shalini Rajneesh, IAS	Chairperson	6	6	NA
Dr. Vishal Ravi, IAS	Director	6	5	NA
Dr. Ravishankar J. IAS	Director	6	4	NA
Shri. Rajendra Cholan P., IAS	Director	6	1	NA
Shri. Bhupendra Bahuguna, CSS	Director	3	1	NA
Shri. A. B. Ibrahim, IAS	Director	4	2	NA
Shri. Anirudh Sravan P, IAS	Managing Director	4	4	NA
Shri. K P Mohanraj, IAS	Director	6	1	NA
Shri. Manjunath Swamy L, KMAS	Director	3	3	NA
Smt. Yashodhamma	Director	1	1	NA
Shri. T R Nagraaj	Director	1	1	NA
Shri. H Ravikumar	Director	4	1	NA
Smt. Farzana Khanum	Director	4	3	NA
Shri. Rehman Shariff Ashad, KMAS	Director	1	1	NA

For Tumakuru Smart City Limited

Sd/-

Dr. Shalini Rajneesh, IAS
Chairperson
DIN 05174456

Sd/-

Manjunath Swamy L, KMAS
Managing Director
DIN 07968295

Annexure-II

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on 31-03-2018 (06-02-2017 to 31-03-2018)
[Pursuant to Section 92(3) of the Companies Act 2013 and Rule 12(1) of the Companies
(Management and Administration) Rules 2014]

I. REGISTRATION AND OTHER DETAILS:

1	CIN	U74999KA2017PLC099774
2	Registration Date	6-Feb-17
3	Name of the Company	TUMKURU SMART CITY LIMITED
4	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES
5	Address of the Registered office & contract details	MAHALAKSHMI ARCADE S.S.PURAM MAIN ROAD COFFEE BOARD COLONY TUMKURU-572102
6	Whether listed company	NO
7	Name , Address & Contact details of Registrar & 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)

Sl.No.	Name and Description of main products /Services	NIC Code of the Product	% to total turnover of the Company
1	Special Purpose Vehicle	75133	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the company	CIN/GLN	CIN/GLN Holding/ Subsidiary/ Associate	% of shares Held	Applicable Section
(1)	(2)	(3)	(4)	(5)	(6)
-	-	-	-	-	-

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

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters									
(1) Indian									
a) Individual/HUF		6	6	0.06		6	6	0.06	
b) Central Govt.		0	0	0		0	0	0	
c) State Govt(s)		4997	4997	49.97		4997	4997	49.97	
d) Bodies Corporates		4997	4997	49.97		4997	4997	49.97	
e) Bank/ FI		0	0	0		0	0	0	
f) any Other		0	0	0		0	0	0	
SUB TOTAL:(A)(1)		10000	10000	100		10000	10000	100	
(2) Foreign									
a)NRIs-Individuals		0	0	0		0	0	0	
b) Other Individuals		0	0	0		0	0	0	
c) Bodies Corp.		0	0	0		0	0	0	
d) Bank/ FI		0	0	0		0	0	0	
e) any Other		0	0	0		0	0	0	
SUB TOTAL:(A)(2)		0	0	0		0	0	0	
Total Shareholding of Promoter		0	0	0		0	0	0	
(A) = (A)(1) + (A)(2)		10000	10000	100		10000	10000	100	
B. PUBLIC SHAREHOLDING									
(1) Instructions		0	0	0		0	0	0	
a) Mutual funds		0	0	0		0	0	0	
b) Bank/ FI		0	0	0		0	0	0	
c) Central Govt.		0	0	0		0	0	0	
d) State Govt(s)		0	0	0		0	0	0	
e)Venture Capital Fund		0	0	0		0	0	0	
f) Insurance Companies		0	0	0		0	0	0	
g) FIIS		0	0	0		0	0	0	
h)Foreign Venture Capital Funds		0	0	0		0	0	0	
i) Others (specify)		0	0	0		0	0	0	

ii) Share holding of Promoter:

Sl.No.	Shareholder's Name	Shareholding at the beginning of the year shareholding			Shareholding at the end of the year shareholding			% change in Share holding during the year
		No.of shares	% of Total Shares of the Company	% of Shares Pledged/ encumbered to total Shares	No. of shares	% of Total Shares of the Company	% of Shares Pledged/ encumbered to total Shares	
1	Governer of Karnataka	4997	49.97	0	4997	49.97	0	0
2	Tumakuru City Corporation	4997	49.97	0	4997	49.97	0	0
3	Sri. A B Ibrahim, IAS	1	0.00%	0	1	0.00%	0	0
4	Dr. Ravishankar J. IAS	1	0.00%	0	1	0.00%	0	0
5	Sri. Rajendra Cholan P., IAS	1	0.00%	0	1	0.00%	0	0
6	Sri. H Ravikumar	1	0.00%	0	1	0.00%	0	0
7	Smt. Farzana Khanum	1	0.00%	0	1	0.00%	0	0
8	Sri. K P Mohanraj, IAS	1	0.00%	0	1	0.00%	0	0
	Total	10000	99.94	0	10000	99.94	0	0

iii) Change in Promoter's Shareholding:

Sl.No.	Particulars	Shareholding at the beginning of the year shareholding		Cumulative Shareholding during the year	
		No.of shares	% of Total Shares of the Company	No.of shares	% of Total Shares of the Company
1	Governor of Karnataka				
	At the begining of the year	4997	49.97	0	0
	any change during the year	0	0	0	0
	At the end of the year	4997	49.97	0	0

Sl.No.	Particulars	Shareholding at the beginning of the year shareholding		Cumulative Shareholding during the year	
		No.of shares	% of Total Shares of the Company	No.of shares	% of Total Shares of the Company
2	Tumakuru City Corporation				
	At the beginning of the year	4997	49.97	0	0
	any change during the year	0	0	0	0
	At the end of the year	4997	49.97	0	0

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

Sl.No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during	
		No.of shares	% of Total Shares of the Company	No.of shares	% of Total Shares of the Company
1	At the beginning of the year Date wise increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease(e.g. allotment/ transfer / bonus /sweat equity etc):			NOT APPLICABLE	
	At the end of the year (or on the date of separation, if separated during the year)				

iv) Shareholding of Directors and Key Managerial Personnel:

Sl.No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of Total Shares of the Company	No.of shares	% of Total Shares of the Company
1	A B Ibrahim, IAS				
	At the beginning of the year	1	0.00%	0	0
	Date wise increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease(e.g. allotment/ transfer / bonus /sweat equity etc):	0	0	0	0
	At the end of the year	1	0.00%	0	0

Sl.No.	Particulars	Shareholding at the		Cumulative	
		No.of shares	% of Total Shares of the Company	No.of shares	% of Total Shares of the Company
2	Dr. Ravishankar J. IAS				
	At the beginning of the year	1	0.00%	0	0
	Date wise increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease(e.g. allotment/ transfer / bonus /sweat equity etc):	0	0	0	0
	At the end of the year	1	0.00%	0	0

Sl.No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of Total Shares of the Company	No.of shares	% of Total Shares of the Company
3	Rajendra Cholan P. IAS				

	At the beginning of the year	1	0.00%	0	0
	Date wise increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease(e.g. allotment/ transfer / bonus /sweat equity etc):	0	0	0	0
	At the end of the year	1	0.00%	0	0

Sl.No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of Total Shares of the Company	No.of shares	% of Total Shares of the Company
4	H Ravikumar				
	At the beginning of the year	1	0.00%	0	0
	Date wise increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease(e.g. allotment/ transfer / bonus /sweat equity etc):	0	0	0	0
	At the end of the year	1	0.00%	0	0

Sl.No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of Total Shares of the Company	No.of shares	% of Total Shares of the Company
5	Farzana Khanum				
	At the beginning of the year	1	0.00%	0	0

	Date wise increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease(e.g. allotment/ transfer / bonus /sweat equity etc):	0	0	0	0
	At the end of the year	1	0.00%	0	0

Sl.No.	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No.of shares	% of Total Shares of the Company	No.of shares	% of Total Shares of the Company
6	K P Mohanraj, IAS				
	At the beginning of the year	1	0.00%	0	0
	Date wise increase/ Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease(e.g. allotment/ transfer / bonus /sweat equity etc):	0	0	0	0
	At the end of the year	1	0.00%	0	0

V. INDEBTEDNESS

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

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

Sl. No.	Particulars of Remuneration	Name of the MD/CEO	Total Amount
		a) Shri Anirudh Shravan P., IAS-Managing Director	
1	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961	816,960.00	816,960.00
2	Stock Option	-	-
3	Sweat Equity	-	-
4	Commission - as % of profit others, specify	-	-
5	Others, please specify	210,906.00	-
	Total (A)	1,027,866.00	1,027,866.00
	Ceiling as per the Act		

B. Remuneration to other Directors

Sl. No.	Name of Directors	Category of Directors	Fee for attending Board meetings	Commission	Fee for attending Committee meetings	Total Amount
1	Dr. Shalini Rajneesh, IAS	Chairperson	12000	0	0	12000
2	Dr. Vishal Ravi, IAS	Director	10000	0	0	10000
3	Dr. Ravishankar J., IAS	Director	8000	0	0	8000
4	Sri. Rajendra Cholan P, IAS	Director	2000	0	0	2000
5	Sri. K P Mohanraj, IAS	Director	2000	0	0	2000
6	Sri. A B Ibrahim, IAS	Director	4000	0	0	4000
7	Sri. L Manjunath Swamy, KMAS	Director	2000	0	0	2000
8	Sri. Bhupendra Bahuguna, CSS	Director	2000	0	0	2000
9	Sri. H Ravikumar	Director	2000	0	0	2000
10	Shri. T R Nagaraj	Director	2000	0	0	2000
11	Shri Rehman Shariff Ashad	Director	2000	0	0	2000
12	Smt. Yashodhamma	Director	2000	0	0	2000
13	Smt. Farzana Khanum	Director	6000	0	0	6000

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act.1961	-	418,522	451,160	869,682
	(b) Value of perquisites u/s 17(2) Income-tax Act,1961	-	-	60,421	60,421
	under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	,- others specify	-	-	-	-
5	Others, Please specify	-	-	47,340	47,340.00
	Total	-	418,522	558,921	977,443

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

TYPE	Section of the Companies Act	Brief Description	Details of penalty/punishment/compounding fees	Authority [RD/NCLT/COURT]	Appeal made if any (give Details)
A. COMPANY					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
B. DIRECTORS					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0
C. OTHER OFFICERS IN DEFAULT					
Penalty	0	0	0	0	0
Punishment	0	0	0	0	0
Compounding	0	0	0	0	0

Annexure - III

[Annexure to Directors Report – Statutory Disclosures]

FORM AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

1 Details of contracts or arrangements or transactions not at arm's length basis			
a. Name(s) of the related party and nature of relationship	NIL		
b. Nature of contracts / arrangements / transactions			
c. Duration of the contracts / arrangements/ transactions			
d. Salient terms of the contracts or arrangements or transactions including the value, if any			
e. Justification for entering into such contracts or arrangements or transactions			
f. date(s) of approval by the Board			
g. Amount paid as advances, if any			
h. Date on which the special resolution was passed in general meeting as required under first proviso to section 188			
2 Details of material contracts or arrangement or transactions at arm's length basis			
a) Name(s) of the related party and nature of relationship	NIL	NIL	NIL
b) Nature of contracts/ arrangements/ transactions	NIL	NIL	NIL
c) Duration of the contracts / arrangements/ transactions	NIL	NIL	NIL
d) Salient terms of the contracts or arrangements or transactions including the value, if any	NIL	NIL	NIL
e) Date(s) of approval by the Board, if any:	NIL	NIL	NIL
f) Amount paid as advances, if any:	NIL	NIL	NIL

For Tumakuru Smart City Limited

Sd/-

Dr. Shalini Rajneesh, IAS
Chairperson
DIN 05174456

Sd/-

Manjunath Swamy L, KMAS
Managing Director
DIN 07968295

COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) (B) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF TUMAKURU SMART CITY LIMITED, TUMAKURU FOR THE PERIOD 6TH FEBRUARY 2017 TO 31ST MARCH 2018.

The preparation of financial statements Tumakuru Smart City Limited, Tumakuru for period 06th February 2017 to ended 31st March 2018 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Companies Act, 2013 are responsible for expressing opinion on these financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143(10) of the Act, This is stated to have been done by them vide their Audit Report dated 04.10.2018 which supersedes their earlier Audit Report dated 02.08.2018.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit under section 143 (6)(a) of the act of the financial statement of Tumakuru Smart City Limited, Tumakuru for the period of 06th February 2017 to ended 31st March 2018. This supplementary audit has been carried out independently without access to the working papers of the Statutory Auditors and is limited primarily to inquiries of the statutory auditors and Company personnel and a selective examination of some of the accounting records.

In the view of the revisions made in the independent Auditors Report by the Statutory Auditors, as a result of my audit observation raised during supplementary audit I have no further comments to offer upon or supplement to statutory Auditor's Report, under section 143(6)(b) of the Act.

**For and on behalf of the
Comptroller & Auditor General of India**

SD/-

**(E.P. Nivedita)
PRINCIPLA ACCOUNTANT GENERAL
(GENERAL & SOCIAL SECTOR AUDIT)
KARNATAKA, BANGALORE**

BANGALORE

Date: 16, October 2018



INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF TUMAKURU SMARTCITY LIMITED (REVISED)

1. Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS Financial Statements of **M/s.TUMAKURU SMARTCITY LIMITED** which comprise the Balance sheet as at 31st March 2018, the Statement of Profit & Loss (including Other Comprehensive Income) for the period Feb 06, 2017 to Mar 31, 2018, and the Cash Flows and Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information. We have given our original audit report on August 02, 2018. Pursuant to the Preliminary Comments u/s 143(6)(b) of the Companies Act, 2013 dated 28-Sep-2018 issued by Office of the Principal Accountant General [G&SSA] Bengaluru, Karnataka regarding Project Management Charges charged to Statement of Profit and Loss instead of classifying under Capital Work in Progress by the Company, we revise our audit report on the aforesaid matter. The aforementioned original audit report will stand withdrawn.

2. Management's Responsibility on the Financial Statements

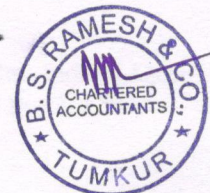
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these Ind AS Financial Statements that give a true and fair view of the financial position, financial performance (including other comprehensive income) and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder. This responsibility also includes the 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 Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

3. Auditors' Responsibility

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

We have taken into account the provisions of the Act and the Rules made thereunder including 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 Ind AS financial statements are free from material misstatement.





An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the Auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS 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 Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 Ind AS 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 Ind AS financial statements.

4. Basis for qualified Opinion:

Project Management Charges has been charged to Statement of Profit and Loss instead of adjusting against capital grant. Accordingly loss for the year has been over stated to the extent of Rs. 14,872,256/-.

5. Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, *subject to* effects of the matter described in the "Basis for Qualified opinion" the aforesaid 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 including the Ind AS, of the financial position of the Company as at 31 March, 2018 and its financial performance including other comprehensive income, cash flows and the changes in equity for the year ended on that date.

6. Emphasis of Matter

We Draw attention to the following matters in the Notes to the financial statements

- a) Tumakuru City Corporation [TCC] has incurred preliminary expenses over and above the advanced grant of Rs. 20,000,000/- aggregating to Rs.22,394,732.
- b) The Company has incurred Administration and operating expenses over and above the advanced grant of Rs. 20,000,000/- aggregating to Rs. 32,951,142/-.

Our opinion is not modified in respect of these matters.

7. Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act ("the Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order.

8. As required by section 143(3) of the Act, we report to extent applicable, 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 (including other comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- (d) in our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rule issued thereunder;





- (e) on the basis of the written representations received from the directors as on 31-Mar-2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31-Mar-2018 from being appointed as a director in terms of Section 164 (2) of the Act; and
- (f) in our opinion and based on the information and explanations provided to us, *being the first year of operations the Company is in the process of establishing adequate Internal Financial Controls*
- (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 no pending litigations as on balance sheet date.
 - 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 – Nil
 - iii. There are no amounts outstanding that required to be transferred, to the Investor Education and Protection Fund by the Company.

As per Directions issued by CAG of India under section 143(5) of the Companies Act 2013, we report that:

REPLY TO THE QUESTIONS AND INFORMATION SOUGHT FOR IN THE DIRECTIONS GIVEN BY THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143 (5) OF THE COMPANIES ACT, 2013 ON THE ACCOUNTS OF M/S TUMAKURU SMARTCITY LIMITED FOR THE YEAR ENDED 31st MARCH 2018.

I. Disinvestment (if applicable)

1)	What is the mode of disinvestment (i.e. Trade sale, Management & Employees Buy Out, Mass privatization, Public auction, Flotation, Liquidation, Private placement)	No disinvestment is done during the period.
2)	What is the present stage of disinvestment process?	NOT APPLICABLE
3)	If the Company has been selected for disinvestment, please report	As informed to us, the company has not been selected for disinvestment.
a)	Has the Company accounted for all its assets (including intangible assets), liabilities, income, and expenditure as per the requirement of relevant Accounting Standards and nothing is left out of books?	NOT APPLICABLE
b)	Whether the assets of the Company, especially land, valued nominal cost has been revalued keeping in view the fair market rate for consideration of the net worth of the Company for the purpose of sale?	NOT APPLICABLE
c)	Whether the committed reserves and general reserves created over the years are disclosed distinctly? If utilization of general reserves is substantial, specify the conditions of utilization and whether these conditions are covered under the byelaws/articles of the Company and provisions of the Companies Act, 2013?	NOT APPLICABLE
d)	Whether any investment was made by the Company during the process of Disinvestment? if so, whether such investments of the Company or did they have the effect of extending undue advantage to the Bidders?	NOT APPLICABLE





II. Waiver/write off of debts/loans/interest:

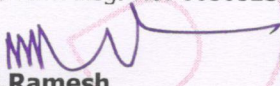
Please report whether debts/loans/interest etc., amount involved there are any cases of waiver of if yes, the reasons therefore and the amount involved.	There is a no debts charged to Statement of Profit and Loss.
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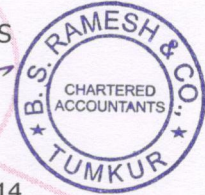
III. Maintenance of proper records relating to Inventory:

Whether proper records are maintained for inventories lying with third parties & assets received as gift from Govt. or other authorities?	There is neither any inventories lying with third parties nor any assets received as gift from Government or other Authorities.
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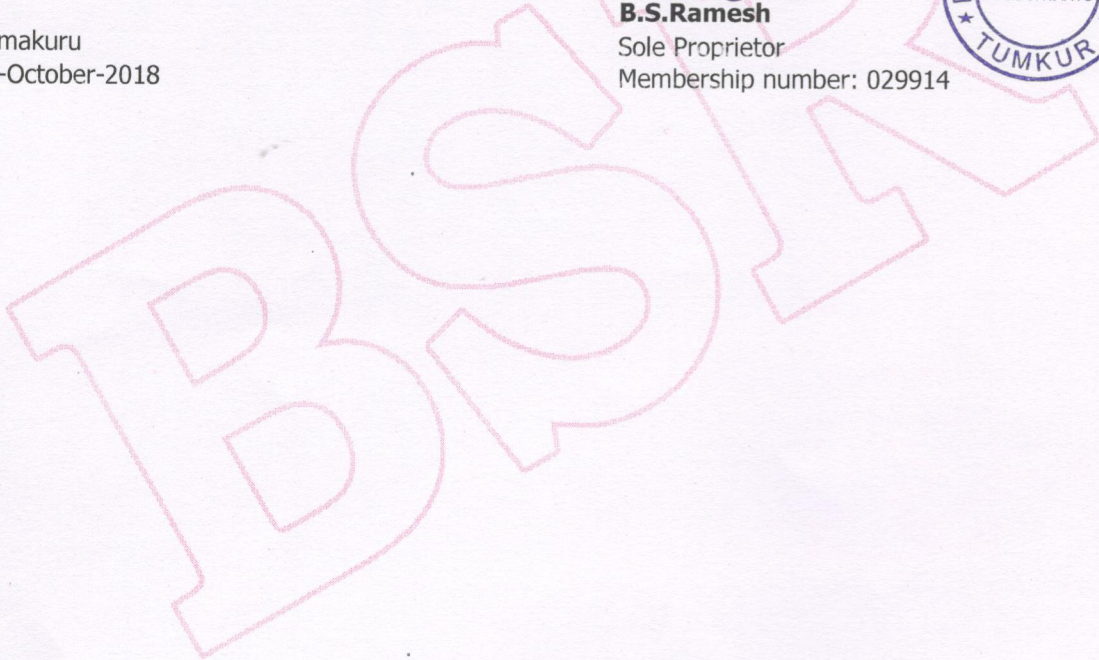
IV. Details of cases pending as on 31-03-2018 - There were no legal cases pending by/against the Company as on March 31, 2018.

For B.S.Ramesh & Co.,
Chartered Accountants
ICAI Firm Reg. No: 005052S


B.S.Ramesh
Sole Proprietor
Membership number: 029914



Place: Tumakuru
Date: 04-October-2018





ANNEXURE TO INDEPENDENT AUDITORS' REPORT

[Referred to in Paragraph 6 of our Report of even date on the accounts of M/s.TUMAKURU SMARTCITY LIMITED on the Ind AS Financial Statements for the year ended March 31, 2018.]

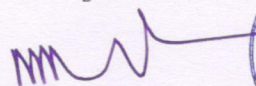
- i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Fixed Assets of the Company have been physically verified by the Management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
- (c) The company does not have any immovable property.
- ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order is not applicable to the Company.
- iii) The Company has not granted loans to bodies corporate covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- iv) In our opinion and according to the information and explanations given to us, the Company has not given loans, investments, guarantees and securities during the year accordingly provisions of section 185 and 186 of the Act, is not applicable.
- v) According to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of section 73 to 76 of the Act and the rules framed thereunder. Therefore, the provision of the clause 3(v) is not applicable to the company.
- vi) According to the information and explanations given to us the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of the activities carried out by the Company.
- vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

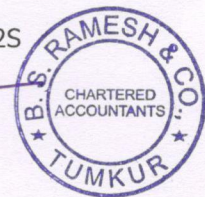




- ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the Management.
- xi) 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;
- xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- xiii) In our opinion and according to the information and explanations provided to us, transactions with the related parties are in compliance with section 188 of the Companies Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards. Section 177 is not applicable to Company.
- xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, the provisions of Clause 3(xvi) of the Order are not applicable to the Company.

For B.S.Ramesh & Co.,
Chartered Accountants
ICAI Firm Reg. No: 005052S


B.S.Ramesh
Sole Proprietor
Membership number: 029914



Place: Tumakuru
Date: 04-October-2018



Tumakuru Smart City Limited, Tumakuru.

Sri Mahalakshmi Arcade, S.S.Puram Main Road, Coffee Board Colony, Tumakuru-572102

Website: www.smartcitytumakuru.in

Phone: 0816-2278190

e-mail : office@smartcitytumakuru.in

CIN : U74999KA2017PLC099774

BALANCE SHEET FOR THE YEAR ENDED MARCH 31, 2018

ASSETS	Note	As at 31-Mar-18 Rs.
NON-CURRENT ASSETS		
Property, Plant and Equipment	2	3,567,902
Other Intangible assets	2	4,536,153
		<hr/>
		8,104,055
Financial Assets		
- Loans and advances	3	2,091
Deferred tax assets (Net)	4	3,347,794
		<hr/>
TOTAL NON-CURRENT ASSETS		11,453,940
CURRENT ASSETS		
Financial assets		
- Cash and Cash Equivalents	5	2,136,940,044
- Loans and advances	6	6,739,491
- Other financial assets	7	13,039,269
		<hr/>
TOTAL CURRENT ASSETS		2,156,718,804
		<hr/>
TOTAL ASSETS		2,168,172,744
		<hr/> <hr/>

Significant accounting policies 1

The notes referred to above form an integral part of the financial statements
As per our report of even date

For B.S.Ramesh & Co.,

Chartered Accountants

ICAI Firm Reg. No: 005052S

Sd/-

B.S.Ramesh

Sole Proprietor

Membership number: 029914

Place: Tumakuru

Date: 02.08.2018

For and on behalf of the Board of Directors

Sd/-

Dr. Shalini Rajneesh IAS

Chairperson

DIN: 05174456

Sd/-

Akansha Mittal

Company Secretary

Date: 26.07.2018

Sd/-

Manjunath Swamy.L KMAS

Managing Director

DIN: 07968295

Sd/-

K.A. Srinivasa

Chief Finance Officer



Tumakuru Smart City Limited, Tumakuru.

Sri Mahalakshmi Arcade, S.S.Puram Main Road, Coffee Board Colony, Tumakuru-572102

Website: www.smartcitytumakuru.in

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CIN : U74999KA2017PLC099774

BALANCE SHEET FOR THE YEAR ENDED MARCH 31, 2018

EQUITY AND LIABILITIES

	Note	As at 31-Mar-18 Rs.
Equity		
Equity share capital	8	1,000,000
Other Equity	9	2,162,684,171
Total Equity		2,163,684,171
Liabilities		
Other Non Current Liabilities	10	374,330
Sub Total		374,330
Current liabilities		
Financial liabilities		
- Trade and other Payables	11	3,881,699
Other current Liabilities	12	232,544
Sub Total		4,114,243
TOTAL EQUITY AND LIABILITIES		2,168,172,744

Significant accounting policies

1

The notes referred to above form an integral part of the financial statements
As per our report of even date.

For and on behalf of the Board of Directors

For B.S.Ramesh & Co.,
Chartered Accountants
ICAI Firm Reg. No: 005052S

Sd/-
B.S.Ramesh
Sole Proprietor
Membership number: 029914

Place: Tumakuru
Date: 02.08.2018

Sd/-
Dr. Shalini Rajneesh, IAS
Chairperson
DIN: 05174456

Sd/-
Akansha Mittal
Company Secretary
Date: 26.07.2018

Sd/-
Manjunath Swamy.L, KMAS
Managing Director
DIN: 07968295

Sd/-
K.A.Srinivasa
Chief Finance Officer



Tumakuru Smart City Limited, Tumakuru.

Sri Mahalakshmi Arcade, S.S.Puram Main Road, Coffee Board Colony, Tumakuru-572102

Website: www.smartcitytumakuru.in

Phone: 0816-2278190

e-mail : office@smartcitytumakuru.in

CIN : U74999KA2017PLC099774

STATEMENT OF CHANGES IN EQUITY

(A) Equity share capital	No. of shares	Amount
Issue of Share Capital	10,000	1,000,000
As at 31st March, 2018	10,000	1,000,000

(B) other equity

in Rs.

	Retained earnings	Capital Grants	Other Comprehensive Income	Total other equity
Capital Grants Received during the period				
- Government of India	-	1,070,000,000	-	1,070,000,000
- Government of Karnataka	-	1,050,000,000	-	1,050,000,000
Interest Income Transferred to respective capital grants [Refer Note - 9]	-	55,682,251	-	55,682,251
Loss for the period	(11,998,080)		-	(11,998,080)
Balance as at 31 March, 2018	(11,998,080)	2,175,682,251	-	2,163,684,171

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For B.S.Ramesh & Co.,

Chartered Accountants

ICAI Firm Reg. No: 005052S

For and on behalf of the Board of Directors

Sd/-

B.S.Ramesh

Sole Proprietor

Membership number: 029914

Sd/-

Dr. Shalini Rajneesh, IAS

Chairperson

DIN: 05174456

Sd/-

Manjunath Swamy.L, KMAS

Managing Director

DIN: 07968295

Sd/-

Akansha Mittal

Company Secretary

Date: 26.07.2018

Sd/-

K.A.Srinivasa

Chief Finance Officer

Place: Tumakuru

Date: 02.08.2018



Tumakuru Smart City Limited, Tumakuru.

Sri Mahalakshmi Arcade, S.S.Puram Main Road, Coffee Board Colony, Tumakuru-572102

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Phone: 0816-2278190

e-mail : office@smartcitytumakuru.in

CIN : U74999KA2017PLC099774

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

PARTICULARS	31-Mar-18 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES	
Loss after tax	(11,998,080)
Adjustments for:	
Depreciation and Amortisation	1,922,126
Deferred Tax Charge/(Credit)	(3,347,794)
Interest Income	(98,783)
Operating profit/(loss) before working capital changes	(13,522,531)
Changes in working capital:	
Adjustments for:	
Short Term Loans & Advances	(6,739,491)
Long Term Loans & Advances	(2,091)
Trade Payables	3,881,699
Other Current Liabilities	232,544
Other Non-Current Liabilities	374,330
Operating profit / (loss) after working capital changes	(15,775,540)
Cash flow from extraordinary items	-
Cash generated from operations	(15,775,540)
Net Income Tax paid	-
Net cash flow from/(used in) operating activities [A]	(15,775,540)
B. CASH FLOW FROM INVESTING ACTIVITIES	
Capital Expenditure on Fixed Assets	(10,026,181)
Interest received	98,783
Net Cash (used in) Investing Activities [B]	(9,927,398)
C. CASH FLOW FROM FINANCING ACTIVITIES	
Issue of Share Capital	1,000,000
Receipt of Capital Grant	2,119,000,000
Interest on Capital Grant	42,642,982
Net Cash from Financing Activities [C]	2,162,642,982
Net Increase/(Decrease) in Cash & Cash Equivalents [A+B+C]	2,136,940,044
Cash & Cash Equivalents Opening Balance	-
Cash & Cash Equivalents Closing Balance*	2,136,940,044
	2,136,940,044



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e-mail : office@smartcitytumakuru.in

CIN : U74999KA2017PLC099774

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

PARTICULARS	31-Mar-18 Rs.
* Comprises:	
(a) Cash on hand	-
(b) Balances with banks	
(i) In current and SB accounts	636,940,044
(ii) In fixed deposit accounts	1,500,000,000
	2,136,940,044

Notes:

1. The above Cash Flow Statement has been compiled from and is based on the Balance Sheet as at March 31, 2018 and the relative Statement of Profit and Loss for the year ended on that date.

2. The above Cash Flow Statement has been prepared in consonance with the requirements of Indian Accounting Standard (IND AS) - 7 on Cash Flow Statements issued by the Institute of Chartered Accountants of India and the reallocations required for the purpose are as made by the Company.

This is the Cash Flow Statement referred to in our report of even date.

For B.S.Ramesh & Co.,

Chartered Accountants

ICAI Firm Reg. No: 005052S

Sd/-

B.S.Ramesh

Sole Proprietor

Membership number: 029914

Place: Tumakuru

Date: 02.08.2018

For and on behalf of the Board of Directors

Sd/-

Dr. Shalini Rajneesh, IAS

Chairperson
DIN: 05174456

Sd/-

Akansha Mittal
Company Secretary

Date: 26.07.2018

Sd/-

Manjunath Swamy.L, KMAS

Managing Director
DIN: 07968295

Sd/-

K.A.Srinivasa
Chief Finance Officer



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STATEMENT OF PROFIT AND LOSS FOR THE PERIOD FEB 06, 2017 to MAR 31, 2018.

	Note	For the year ended 31 March 2018 Rs.
INCOME		
Revenue from Operations	13	-
Other income	14	40,098,783
TOTAL INCOME		40,098,783
EXPENSES		
Employee benefit expense	15	11,054,989
Other expenses	16	42,467,542
Depreciation & Amortization Expenses	2	1,922,126
TOTAL EXPENSES		55,444,657
		(15,345,874)
Exceptional Item (Net of Tax)		-
Loss before tax		(15,345,874)
Tax expense:		
- Current tax		-
- Deferred tax charge / (credit)		(3,347,794)
Total Tax Expenses		(3,347,794)
Loss for the year		(11,998,080)
Earnings per Equity Share:		
Equity Shares of par value Rs.10/- each		
- basic		(1,200)
- diluted		(1,200)
Number of shares used in computing earnings per share		
Basic		10,000
Diluted		10,000

Significant accounting policies 1

The notes referred to above form an integral part of the financial statements
As per our report of even date attached

For B.S.Ramesh & Co.,

Chartered Accountants

ICAI Firm Reg. No: 005052S

Sd/-

B.S.Ramesh

Sole Proprietor

Membership number: 029914

Place: Tumakuru

Date: 02.08.2018

For and on behalf of the Board of Directors

Sd/-
Dr. Shalini Rajneesh,
IAS

Chairperson
DIN: 05174456

Sd/-
Manjunath Swamy.L,KMAS

Managing Director
DIN: 07968295

Sd/-
Akansha Mittal
Company Secretary

Date: 26.07.2018

Sd/-
K.A.Srinivasa
Chief Finance Officer



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Notes to Accounts

2 Property, Plant & Equipment and Other Intangible Assets

The changes in carrying value of Property, Plant and Equipment for the year ended March 31, 2018 are as follows:

in Rs.

Description				Total (A)	Other Intangible Assets (B)	Total (B)	Total (A + B)
	Furniture & Fixtures	Computers	Office Equipment				
Additions	1,086,226	1,746,559	1,276,087	4,108,872	5,917,309	5,917,309	10,026,181
Disposals	-	-	-	-	-	-	-
Gross carrying value as at March 31, 2018	1,086,226	1,746,559	1,276,087	4,108,872	5,917,309	5,917,309	10,026,181
Additions	69,519	303,693	167,758	540,970	1,381,156	1,381,156	1,922,126
Disposals	-	-	-	-	-	-	-
Accumulated Depreciation as at March 31, 2018	69,519	303,693	167,758	540,970	1,381,156	1,381,156	1,922,126
Carrying value as at March 31, 2018	1,016,707	1,442,866	1,108,329	3,567,902	4,536,153	4,536,153	8,104,055



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SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

CORPORATE INFORMATION

Tumakuru Smart City Limited [CIN - U74999KA2017PLC099774](TSCL or the company) is a public limited company domiciled and incorporated in India under the Companies Act, 2013 ('the Act'). The registered office of the company is situated at Mahalakshmi Arcade, S.S. Puram Main Road, Coffee Board Colony, Tumakuru- 572102. TSCL is Special Purpose Vehicle (SPV) formed under Smart City Mission of the Government of India for implementation of smart city project in Tumakuru. The core objective of Tumakuru Smart City is to provide Area based development, quality based life of Tumakuru citizens with clean and sustainable environment and get advanced version of living standard.

TSCL was incorporated on February 06, 2017. The first IND AS financial statements of the company are presented for the period 2017 to 2018

1. Significant Accounting Policies

The company is a Public Limited Company set up with the specific task of implementing the projects of Smart city projects of union government in Tumkur city. The companies' Office maintenance and Administration costs are met by the grant received from Government of India (UNION) and Government of Karnataka (State) as Administration & Office Expenses Grants. The Financial statements are prepared on a going concern basis.

i) Basis of preparation and presentation

Financial statements have been prepared under historical cost convention basis in accordance with Generally accepted Accounting principles (GAAP) in India and to comply with the Indian Accounting standards notified under section 133 of the companies Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended by companies (Indian Accounting Standards) (Amendments) Rules 2016, and rule 7 of the Companies Account Rules, 2014. All items of Income and Expenditure that have material bearing on the financial statements are recognized on accrual basis unless otherwise stated.

ii) Use of Estimates:

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosure relating to contingent assets and liabilities as at the date of the financial statements and reported amount of revenues and expenses during the period. The estimates and assumptions used in the financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of financial statements. Actual results could differ from those estimates. Any revision to accounting estimated is recognized prospectively in current and future periods.

iii) Revenue Recognition

The Government grant that is received/receivable as compensation for expenses or losses incurred in a previous financial year or for the purpose of giving immediate financial support to the person with no further related costs, shall be recognized as income of the period in which it is receivable.



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SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

iv) 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 period in which the company recognizes as expenses the related costs for which grants 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 of the nature of promoters 'contribution should be credited to capital reserve and treated as a part of shareholder's funds.

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.

v) Employee Benefits:

a) Short-term Employee Benefits

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

b) Post-Employment and Other Long-term employee benefits

The employees working in the company are either on deputation from Government or on contract /outsource basis and accordingly the Company does not provide and nor expect to provide any post-employment and other long-term employee benefits to employees.

vi) Taxation

Income tax comprises current and deferred tax. Income tax expense is recognized in the statements of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

a) Current Income Tax

Current income tax for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities based on the taxable income for the period. The tax rates and tax laws used to compute the current tax amount are those that are enacted or substantively enacted by the reporting date and applicable for the period. The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.



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SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

b) Deferred income tax

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements, except when the deferred income tax arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and affects neither accounting nor taxable profits or loss at the time of transaction. Deferred income tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred income tax liabilities are recognized for the taxable temporary differences. Then carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates/ tax laws that have been enacted or substantively enacted at the reporting date.

vii) Property, Plant & Equipment and Depreciation

Property, plant and equipment are stated at the cost of acquisition or construction less accumulated depreciation and write down for, impairment if any. Direct costs are capitalised until the assets are ready to be put to use. When significant parts of

- (i) Plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred. Property, plant and equipment purchased in foreign currency are recorded at cost, based on the exchange rate on the date of purchase.

The Company identifies and determines cost of each component/ part of Property, plant and equipment separately, if the component/ part has a cost which is significant to the total cost of the Property, plant and equipment and has useful life that is materially different from that of the remaining asset

An intangible asset is an identifiable non-monetary asset, without physical substance, held for use in rendering of services or for administrative purposes. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost less accumulated amortization and impairment losses, if any.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'. Subsequent expenditures relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognized in net profit in the statement of profit and loss when incurred. The cost and related accumulated depreciation are eliminated from the financial statements upon sale or retirement of the asset and the resultant gains or losses are recognized in the statement of profit and loss. Assets to be disposed off are reported at the lower of the carrying value or the fair value less cost to sell.

Depreciation is provided based on the estimated useful life of the assets as prescribed in Schedule II of Companies Act, 2013 or as estimated by the Management, whichever is lower based on technical assessment.

Asset Block	% of Salvage value estimated	Estimated Useful life (in years)
Furniture & Fittings	5%	10
Computers Hardware & Software	5%	3
Office Equipment's	5%	5



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SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

viii) Impairment

At each Balance Sheet date the Company assesses whether there is any indication that an asset may be impaired. If any such indication exists the Company estimates the recoverable amount. If the carrying amount of the asset exceeds its recoverable amount an impairment loss is recognized in the profit and loss account to the extent the carrying amount exceeds recoverable amount.

ix) Cash and Cash Equivalents:

Cash and Cash Equivalents in the balance sheet comprise cash at bank and on hand and short term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

x) Lease:

Operating Lease: Lease payments (excluding cost for services, such as insurance and maintenance) are recognised as an expense in the statement of profit and loss on a straight line basis over the lease term. The lease term is the non- cancellable period for which the lessee has agreed to take on lease the asset together with any further periods for which the lessee has the option to continue the lease of the asset, with or without further payment, which option at the inception of the lease it is reasonably certain that the lessee will exercise.

Finance Lease: Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. Such assets are capitalised at fair value of the asset or present value of the minimum lease payments at the inception of the lease, whichever is lower. Such leased assets are depreciated over the lower of estimated useful life of the asset or the lease period.

xi) Provisions & Contingent Liabilities:

A provision is recognised when the company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (Excluding retirement benefits) are discounted to their present value and are determined based on the best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimate.

Contingent liabilities are disclosed in the notes. Contingent liabilities are disclosed for:

- Possible obligation which will be confirmed only by future events not wholly within the control of the company or
- Present obligation arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the financial statements.

xii) Earnings Per Share:

In determining the Earnings per share, the Company considers the net profit after tax. The number of shares used in computing Basic Earnings per share is the weighted average number of equity shares outstanding during the year. The number of shares used in computing Diluted Earnings per share comprises the weighted average number of equity shares considered for deriving Basic earnings per share and also the weighted average number of equity shares that could have been issued on conversion of all dilutive potential equity shares. Dilutive potential equity shares are deemed converted as of the beginning of the year unless issued at a later date.



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SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

xiii) 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 twelve 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 twelve months after

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
- 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.



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SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

3 Loans and Advances

Particulars	As at 31 March, 2018
Security Deposits	
Unsecured & considered good	
- Telephone Deposit	2,091
	2,091

4 Taxes

Particulars	As at 31 March, 2018
Current Taxes	-
Deferred Taxes	(3,347,794)
Income Tax Expense	(3,347,794)

Deferred tax charge / (credit) to Statement of Profit & Loss	As at 31 March 2018
(i) Difference between book depreciation and depreciation under Income Tax Act	317,895
(iii) Amount disallowed u/s 40(a) (ia)	(271,286)
(iii) Preliminary Expenses	(7,725)
(iv) Business Loss and Unabsorbed Depreciation	(3,386,678)
	(3,347,794)

The tax effects of significant temporary differences that resulted in deferred tax assets and liabilities are as follows:

Deferred Tax Asset / (Liability)	As at 31 March, 2018
(i) Difference between book depreciation and depreciation under Income Tax Act	(317,895)
(iii) Amount disallowed u/s 40(a) (ia)	271,286
(iii) Preliminary Expenses	7,725
(iv) Business Loss and Unabsorbed Depreciation	3,386,678
	3,347,794



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SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

5 Cash and Cash Equivalents

Particulars	As at 31 March, 2018
Balances with banks	
- in current, SB and deposit accounts*	2,136,940,044
	2,136,940,044

*The Details of balances with banks are as follows:-

	As at 31 March, 2018
-State Bank of India- current account	491,903
-Union Bank of India- SB account	636,448,141
In Flexi Deposits-	
Union Bank of India	1,500,000,000
	2,136,940,044

6 Loans and advances

Particulars	As at 31 March, 2018
Advance to Suppliers	1,758,591
Advances for Capital Projects	4,980,900
	6,739,491

7 Other Financial Assets

Particulars	As at 31 March, 2018
Interest accrued on Fixed deposits	13,039,269
	13,039,269



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SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

8 Share capital

Particulars	As at 31 March, 2018	
	No. of shares	Amount
Authorised capital		
20,000,000 Equity Shares of Rs.100 each	20,000,000	2,000,000,000
	20,000,000	2,000,000,000
Issued, subscribed and paid up capital		
10,000 Equity Shares of Rs.100 each*	10,000	1,000,000
	10,000	1,000,000

*At the time of incorporation the paid up capital of the Company is of Rs.10 lakh, out of which Rs.5.00 lakh will be from Government of Karnataka (GOK) and Rs.5.00 lakh from the Urban Local Bodies (ULB) concerned. As per Smart City Mission Guideline Urban Local bodies holds the equity holding on behalf of Government of India (GOI). Accordingly, Rs.5.00 lakh each transferred from GOI & GOK grants towards equity capital of ULB (Tumkur City Corporation) and GOK respectively.

(a) Shareholders holding more than 5 percent of shares in the Company :

Name of the share holder	As at 31 March, 2018	
	No. of shares	% holding
Equity shares		
Hon'ble Governor, Government of Karnataka	4,997	49.97%
Tumakuru City Corporation	4,997	49.97%
Others*	6	0.06%
	10,000	100%

*Others

Ponnuraj veluswamy, IAS [Nominee for Government of Karnataka]	1
Dr. Ravishankar Jayaram, IAS [Nominee for Government of Karnataka]	1
Paulchamy Rajendran Cholan [Nominee for Government of Karnataka]	1
Yashodamma [Nominee for Tumakuru City Corporation]	1
Tumkur Ramanna Nagaraj [Nominee for Tumakuru City Corporation]	1
Mohanraj Kamalamma Paliniswamy [Nominee for Tumakuru City Corporation]	1

The above listed shares has been held by the aforesaid person as registered holders, however beneficial owner would be Government of Karnataka and Tumakuru City Corporation and all regulatory formalities has been duly complied.

(b) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year is as given below:

Particulars	As at 31 March, 2018	
	No. of shares	Amount (Rs)
Number of equity shares at the beginning of the year	-	-
Number of equity shares issued during the year	10,000	1,000,000
Number of equity shares outstanding at the end of the year	10,000	1,000,000



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SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

(c) The Company has only one class of shares referred to as equity shares having a par value of Rs.100/-. Each holder of equity shares is entitled to one vote per share.

Particulars	Year (Aggregate No. of Shares)
	2017-18
Equity Shares:	
Fully paid up pursuant to contract(s) without payment being received in cash	Nil
Fully paid up by way of bonus shares	Nil
Shares bought back	Nil

9 Other Equity

Particulars	As at 31 March, 2018
Capital Grants Received during the year	
- Government of India	1,070,000,000
- Government of Karnataka	1,050,000,000
Less: Equity Capital [Refer Note - 08]	1,000,000
Capital Grant for Projects	2,119,000,000
Add: Interest Income Transferred to respective capital grants*	55,682,251
Less: Loss for the period	(11,998,080)
	2,162,684,171

*In absence of specific instruction/Mission Guideline for utilization of interest earned on Grant balances held in bank, the same has been accounted as separate fund in the books of account and recorded under other equity in the financial statement of the company.

10 Other Non Current Liabilities

Particulars	As at 31 March, 2018
Deposits	
Earnest Money Deposit	374,330
	374,330



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SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

11 Trade Payables

Particulars	As at 31 March, 2018
- Trade Payables	3,881,699
- MSMED/SSI Undertakings	-
	3,881,699

There are no Micro, Small & Medium Enterprises to whom the company owes dues, which are outstanding for more than 45 days at the Balance Sheet date other than those disclosed below. The Micro, Small & Medium Enterprises have been identified on the basis of information available with the company. This has been relied upon by the auditors.

a. Principal amount due to suppliers under MSMED Act,2006	Nil	Nil	Nil
b. Interest accrued & due to suppliers under MSMED Act, on the above amount	Nil	Nil	Nil
c. Payment made to suppliers (other than interest) beyond the appointed day, during the year	Nil	Nil	Nil
d. Interest paid to suppliers under MSMED Act, (other than Sec 16)	Nil	Nil	Nil
e. Interest paid to suppliers under MSMED Act, (Section 16)	Nil	Nil	Nil
f. Interest due & payable to suppliers under MSMED Act, for payments already made	Nil	Nil	Nil
g. Interest accrued & remaining unpaid at the end of the year to suppliers under MSMED Act.	Nil	Nil	Nil

12 Other Current Liabilities

Particulars	As at 31 March, 2018
(i) Statutory remittances	
- Employees Provident Fund	72,000
(ii) National Pension Scheme	160,544
	232,544



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SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

13 Revenue from Operations

Particulars	For the year ended 31 March 2018
Revenue from Operations	-
	-

14 Other Income

Particulars	For the year ended 31 March 2018
(a) Interest Income	55,781,034
Less: Transferred to respective capital grants [Refer Note - 9]	55,682,251
	98,783
(b) Revenue Grant Transferred to Income	
Revenue grant received during the year for Admin and Operating Expenses	20,000,000
Share of MoUD for preparation of Smart City Plan[SMC] (pre - incorporation) expenditure incurred by Tumakuru City Corporation[TCC]	20,000,000
Total Other Income	40,098,783

15 Employee Benefit Expenses

Particulars	For the year ended 31 March 2018
Salaries, Wages & Other Benefits*	10,410,799
Contributions to Provident Fund & Other Funds	
-Provident Fund	355,051
-National Pension Scheme	80,272
-Leave encashment and Pension	202,867
Staff Welfare Expenses	6,000
	11,054,989

* The Company has deputation/contract employees for which Tax Deducted at Source is done under section 192A/192B of Income Tax Act, 1961 respectively.



Tumakuru Smart City Limited, Tumakuru.

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CIN : U74999KA2017PLC099774

SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

16 Other expenses

Particulars	For the year ended 31 March 2018
Power,fuel & water	216,141
Rent including lease rentals	1,289,192
Repairs and maintenance	1,444,986
Preliminary / Pre - incorporation expenditure incurred by Tumakuru City Corporation [TCC]	22,394,732
Project Management consultancy (Fee) Charges	14,872,256
Communication	91,576
Travelling and conveyance	202,788
Printing and stationery	156,799
Project / Business promotion and Development expenses	942,864
Legal and professional charges*	272,810
Director Sitting fees	62,000
Sitting fees-Others [Technical Committee]	54,000
General Office expenses	467,398
	42,467,542

For the year ended
31 March 2018

Note (a): Auditors' Remuneration (Excluding taxes)

Statutory Audit	50,000
	50,000



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SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

Note (b): Operating Lease

31-Mar-18

Minimum lease payments for renting of equipments

1,289,192

The Company has entered into operating lease arrangements for Office premises, which are not terminable in nature. Such leases are generally for a period of 60 months having escalation clause of 6% every year

At the balance sheet date, the commitments of operating leases were as follows:

Not later than one year (excluding taxes)

1,350,864

Later than one year, not later than five years (excluding taxes)

4,558,648

More than five years (excluding taxes)

-

17 Expenditure & Earning in Foreign Exchange

For the year ended
31 March 2018

Expenditure & Earning in Foreign Exchange

NIL

18 Earnings Per Share

For the year ended
31 March 2018

(a) Basic

Net profit / (loss) for the year from operations attributable to the equity shareholders

(11,998,080)

Weighted average number of equity shares

10,000

Par value per share

100

Earnings per share from operations - Basic

(1,200)

(b) Diluted

(1,200)

19 Commitments and contingent liabilities

in Rs.

Particulars

As at
31 March, 2018

Capital commitments - Projects

56,124,100



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SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

20 Related Party Transactions

Particulars	Relationship	For the year ended
		31 March 2018
		Rs.
A Summary of transactions with related parties, during the year, is as follows:		
Nature of transaction		
Remuneration Paid		
Key Management Personnel	B (a)	
Mr.K A Srinivasa [from 14th August 2017]		566,221
Ms.Akansha Mittal [from 21st August 2017]		432,549
Mr.Anirudh Sravan P [upto December 2017]		822,960

B Names of related parties & description of relationship:

Ref	Description of relatio	Names of related parties
a.	Key Management Personnel	
	Mr.Manjunath Swamy.L	Managing Director
	Mr.K A Srinivasa [from 14th August 2017]	Chief Finance Officer
	Ms.Akansha Mittal [from 21st August 2017]	Company Secretary
	Mr.Anirudh Sravan P [upto December 2017]	Managing Director

21 Government Grant as required under Ind AS 20

During the year, the Company has received grant from Government of India and Government of Karnataka as per Below table:

Particulars	Capital Grant	Revenue Grant	Total
Grant Received -			
Government of India [letter dated 11.07.2017 Ref No. 1629 and 29.08.17 Ref. 2529]	1,070,000,000	40,000,000	1,110,000,000
Government of Karnataka [letter dated 11.07.2017 Ref No. 1629 and 29.08.17 Ref. 2529]	1,050,000,000	-	1,050,000,000
<u>Less:</u>			
Paid by MoUD for preparation of Smart City Plan (pre - incorporation) expenditure incurred by KUIDFC and TMC.	-	20,000,000	20,000,000
Utilization for Admin & Operating expenses	-	20,000,000	20,000,000
<u>Add:</u>			
Interest Income Transferred to respective capital grants [Refer Note - 9]	55,682,251	-	55,682,251
Closing Balance	2,175,682,251	-	2,175,682,251



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SIGNIFICANT ACCOUNTING POLICIES & NOTES TO ACCOUNTS

- 22** In accordance with the notification issued by a ministry of corporate affairs the company has adopted Indian accounting standard (referred to as "Ind AS") notified under the companies (Indian Accounting Standards) Rules 2015.
- 23** The Company is incorporated on February 06, 2017 and started its operation since March 07, 2017. So the Company does not have any previous year balances.

For and on behalf of the Board of Directors

For B.S.Ramesh & Co.,

Chartered Accountants
ICAI Firm Reg. No: 005052S

Sd/-

B.S.Ramesh

Sole Proprietor
Membership number: 029914

Place: Tumakuru
Date: 02.08.2018

Sd/-

Dr. Shalini Rajneesh, IAS

Chairperson
DIN: 05174456

Sd/-

Akansha Mittal

Company Secretary
Date: 26.07.2018

Sd/-

Manjunath Swamy.L KMAS

Managing Director
DIN: 07968295

Sd/-

K.A.Srinivasa

Chief Finance Officer