

NATVARLAL VEPARI & CO.

Chartered Accountants

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INDEPENDENT AUDITOR'S REPORT

To the Members of Surat Smart City Development Limited.

Opinion

We have audited the accompanying standalone financial statements of **Surat Smart City Development Limited** ("the Company"), which comprise the the Balance Sheet as at March 31, 2023 and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the Significant Accounting Policies and other explanatory information (hereinafter referred to as "Ind AS Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its Profit, Changes in Equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, but does not include the Financial Statement and our auditor's report thereon.



Our opinion on financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, and in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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



Auditor's Responsibilities for the Audit of the Financial Statements

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

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our



auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account
 - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended.
 - e. On the basis of the written representations received from the directors as on 31st March, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2023 from being appointed as a director in terms of Section 164 (2) of the Act.



- f. Since the Company's turnover as per last audited financial statements is less than Rs.50 Crores and its borrowings from banks and financial institutions at any time during the year is less than Rs.25 Crores, the Company is exempted from getting an audit opinion with respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls vide notification dated June 13, 2017.
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 14 to the financial statements.
 - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv) 1. The Management has represented that, to the best of it's knowledge and belief no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 2. The Management has represented, that, to the best of it's knowledge and belief no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
 3. Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material mis-statement.



- v) No dividend is declared or paid during the year, accordingly Rule 11(f) is not applicable.
- vi) Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

Forming an Opinion and Reporting on Financial Statements

Place : SURAT

Date :

30 SEP 2023



For Natvarlal Vepari & Co.

Chartered Accountants

FRN:123626W

A handwritten signature in black ink, appearing to read "Hiren R. Vepari".

Hiren R. Vepari
(Partner)

Membership No. 102680

UDIN - 23102680GHANKB8081

(As referred to in our Report of even date)

- (i) (a) The Company has maintained proper records showing full particulars and situation of Property, Plant and Equipment.
- (b) The Company has maintained proper records showing full particulars of intangible assets.
- (c) Property, Plant and Equipment have been physically verified by the management at reasonable intervals during the year and no material discrepancies were identified on such verification.
- (d) According to the information and explanations given to us, there are no immovable properties, and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (e) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
- (f) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.
- (ii) (a) There being no inventories, the provisions stated in paragraph 3(ii) (a) of the Order are not applicable to the Company.
- (b) According to the information and explanations provided to us, the Company has not been sanctioned working capital limits. Accordingly, the requirements under paragraph 3(ii)(b) of the Order is not applicable to the Company.
- (iii) According to the information explanation provided to us, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties. Hence, the requirements under paragraph 3(iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has not either directly or indirectly, granted any loan to any of its directors or to any other person in whom the director is interested, in



accordance with the provisions of section 185 of the Act and the Company has not made investments through more than two layers of investment companies in accordance with the provisions of section 186 of the Act. Accordingly, provisions stated in paragraph 3(iv) of the Order are not applicable to the Company.

- (v)** The Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of Sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014. Consequently, the clause 3 (v) is not applicable to the Company.
- (vi)** The provisions of sub-section (1) of section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3 (vi) of the Order are not applicable to the Company.
- (vii) (a)** According to the information and explanations given to us and according to the books and records as produced and examined by us, the Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues wherever applicable to it. Based on our audit procedures and according to the information and explanations given to us, there are no arrears of undisputed statutory dues which remained outstanding as at 31st March 2023 for a period of more than six months from the date they became payable.
- (b)** According to the records made available to us and the information and explanation given by the management, there are no disputed statutory dues on account of income tax or service tax or duty of customs or duty of excise or value added tax that have not been deposited on account of matters pending before appropriate authorities are as follows:
- (viii)** According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessment of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.



- (ix) (a) The Company does not have any loans or borrowings and repayment to lenders during the year. Accordingly, the provision stated in paragraph 3(ix) (a) to (c) and sub clause (e) and (f)) of the Order is not applicable to the Company.
- (b) In our opinion, according to the information explanation provided to us, there are no funds raised on short term basis. Accordingly, the provision stated in paragraph 3(ix)(d) of the Order is not applicable to the Company.
- (x) (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.
- (b) 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, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.
- (xi) (a) During the course of our audit, 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 by the Company nor on the Company.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the company during the year
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.
- (xiii) 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 transactions with the related parties as stated in the provisions of the sections 177 and 188 of the Act. Accordingly, provisions stated in paragraph 3(xiii) of the Order are not applicable to the Company.
- (xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.



- (b) We have considered internal audit reports issued by internal auditors during our audit.
- (xv) According to the information and explanations given to us, in our opinion during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to company. Accordingly, the provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- (xvi) (a) In our opinion, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph clause 3 (xvi)(a) of the Order are not applicable to the Company.
- (b) In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities without any valid Certificate of Registration from Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(b) of the Order are not applicable to the Company
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph clause 3 (xvi)(c) of the Order are not applicable to the Company.
- (d) The Company does not have any CIC as part of its group. Hence the provisions stated in paragraph clause 3 (xvi) (d) of the order are not applicable to the company
- (xvii) Based on the overall review of financial statements, the Company has incurred cash losses amounting to Rs 437.09 lakhs in FY 2022-23 .
- (xviii) During the year, previous statutory auditor of the company has resigned due to the appointment of new Statutory Auditors of the company by the process of Open Tender Bid System. There has not been any issue, concerns or objections raised by the said outgoing statutory auditors of the company.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance



sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- (xx) According to the information and explanations given to us, the provisions of section 135 of the Act are applicable to the Company. The Company has made the required contributions during the year and there are no unspent amounts which are required to be transferred either to a Fund or to a Special Account as per the provisions of section 135 of the act read with schedule VII. Accordingly, reporting under clause 3(xx)(a) and clause 3(xx)(b) of the Order is not applicable to the Company.
- (xxi) The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of the said clause has been included in the report.

**Forming an Opinion and Reporting on Financial Statements
For Natvarlal Vepari & Co.
Chartered Accountants**

FRN:123626W

Place : SURAT

Date :

30 SEP 2023



A handwritten signature in black ink, appearing to read "Hiren R. Vepari".

Hiren R. Vepari
(Partner)

Membership No. 102680

UDIN : 23102680BHANKB8081

ANNEXURE 'B' TO AUDITOR'S REPORT YEAR ENDED 31-3-2023**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Surat Sitilink Ltd. as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included



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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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



Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

**Forming an Opinion and Reporting on Financial Statements
For Natvarlal Vepari & Co.
Chartered Accountants
FRN:123626W**

Place : SURAT

Date :

30 SEP 2023



A handwritten signature in black ink, appearing to read "Hiren R. Vepari".

**Hiren R.Vepari
(Partner)**

Membership No. 102680

UDIN : 23102680BHANKB8081

SURAT SMART CITY DEVELOPMENT LIMITED

BALANCE SHEET AS ON 31st MARCH, 2023

(Rs in Lakhs)

Particulars	Note no.	As at 31st March, 2023	As at 31st March, 2022	As at 1st April, 2021
ASSETS				
Non-current assets				
Property, plant and equipment	2	36.83	47.79	63.14
Capital work-in-progress	3	43727.92	37142.21	55146.39
Financial Asset-Investments	4	182.00	182.00	182.00
		43946.75	37372.00	55391.53
Current assets				
Financial assets				
- Trade and other receivables	5	1628.26	618.17	762.93
- Cash and cash equivalents	6	23289.16	28209.20	29728.04
- Loans and Advances	7	204.20	116.18	5058.62
- Other Financial Assets	8	80.42	63.01	17.81
- Deferred Operation & Maintenance	G-9	11145.38	8372.08	
		36347.41	37378.63	35567.41
Total Assets		80294.16	74750.63	90958.94
EQUITY AND LIABILITIES				
Equity Share Capital	9	20000.00	20000.00	20000.00
Other Equity	9.1	4697.14	5337.38	5315.40
Share application money pending allotment		-	-	-
Equity attributable to owners of the Company		24697.14	25337.38	25315.40
Non-current liabilities				
Other non-current liabilities	10	51506.57	46145.48	61428.68
		51506.57	46145.48	61428.68
Current liabilities				
Financial liabilities				
- Trade and other payables	11	-	-	-
Total Outstanding dues to Micro and Small Enterprises		-	-	-
Total Outstanding of creditors other than Micro and Small Enterprises		50.36	56.82	52.35
Other current liabilities	12	4040.09	3210.95	3768.66
Total Liabilities		4090.45	3267.77	4214.86
TOTAL EQUITY AND LIABILITIES		80294.16	74750.63	90958.94
Significant Accounting Policies	1			
Notes forming an integral part of Financial Statements	1-25			

As per our report of even date
For Natvarlal Vepari & Co.
Chartered Accountants,
Firm Reg. No. 123626W



Hiren R. Vepari
Partner
Mem No: 102680
Date: 13 0 SEP 2023
Place: SURAT

For and on behalf of Surat Smart City Development Ltd.

Swati Pareshkumar Desai
(DIN : 09562103)
Director & CEO

Tejas Ariwala
I/c CFO

Akshay J. Pandya
(DIN : 09614332)
Director

CS Shweta Chintan Shah
Company Secretary

SURAT SMART CITY DEVELOPMENT LIMITED

PROFIT & LOSS ACCOUNT For Year Ended 31ST MARCH 2023

Particulars	Note no.	2022-2023 (Rs in Lakhs)	2021-2022 (Rs in Lakhs)
Income			
Revenue from operations		-	-
Other income	13	2368.55	1708.57
Total revenue		2368.55	1708.57
Expenses			
Project Management Consultant Fee	14	126.48	56.37
Operation and Maintenance Charges	15	1092.15	1458.83
Employee Benefit Expense	16	28.62	34.62
Finance Cost	17	1569.43	0.02
Depreciation and Amortisation Expense	18	10.95	15.35
Other Expenses	19	120.38	48.91
Total expenses		2948.01	1614.10
Profit/ (loss) before exceptional items and tax		(579.46)	94.47
Exceptional items		-	-
Profit/ (loss) before tax		(579.46)	94.47
Tax Expense			
a) Current tax			
b) Deferred tax			
Profit/ (loss) for the period from continuing operations		(579.46)	94.47
Profit/ (loss) from discontinued operations		-	-
Tax Expense of discontinued operations		-	-
Profit/ (loss) from continuing operations (after tax)		(579.46)	94.47
Profit/ (loss) for the period		(579.46)	94.47
Other comprehensive income			
- Items that will not be reclassified to profit or loss		-	-
- Income tax relating to items that will not be reclassified to profit or loss		-	-
- Items that will be reclassified to profit or loss		-	-
- Income tax relating to items that will be reclassified to profit or loss		-	-
Total comprehensive income for the period		(579.46)	94.47



SURAT SMART CITY DEVELOPMENT LIMITED

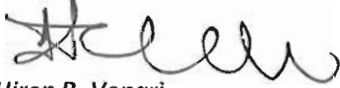
PROFIT & LOSS ACCOUNT For Year Ended 31ST MARCH 2023

Particulars	Note no.	2022-2023 (Rs in Lakhs)	2021-2022 (Rs in Lakhs)
(Profit/ loss + other comprehensive income)			
Earnings per equity share (for continuing operations)			
a) Basic, computed on the basis of profit from continuing operations attributable to the equity holders of the company		-0.29	0.05
b) Diluted, computed on the basis of profit from continuing operations attributable to the equity holders of the company		-0.29	0.05
Earnings per equity share (for discontinued operations)			
a) Basic		-	-
b) Diluted		-	-
Earnings per equity share (for discontinued & continuing operations)			
a) Basic		(0.29)	0.05
b) Diluted		(0.29)	0.05
<i>Notes forming a part of Financial Statements</i>	1-25		

As per our report of even date

For and on behalf of Surat Smart City Development Ltd.


For Natvarlal Vepari & Co.
Chartered Accountants.
Firm Reg. No. 123626W




Hiren R. Vepari
Partner
Mem No: 102680
Date :

30 SEP 2023




Swati Pareshkumar Desai
(DIN : 09562103)
Director & CEO


Akshay J. Pandya
(DIN : 09614332)
Director


Tejas Ariwala
I/c CFO


CS Shweta Chintan Shah
Company Secretary

Date: 30 SEP 2023
Place: SURAT

Date: 30 SEP 2023
Place: SURAT

Surat Smart City Development Limited

Note 1 to the Financial Statements for the financial year 2022-2023

1. Corporate Information:

Surat Smart City Development Limited (herein referred to as “the Company”) is a public company domiciled and incorporated in India under the Companies Act, 2013 (‘the Act’). The registered office of the company is at First floor, South Zone Office of Surat Municipal Corporation, Udhna, Surat. The company has been formed as a Special Purpose Vehicle under Smart City Mission of the Government of India for implementation of smart city projects in Surat. The Company was incorporated on March 31, 2016.

2. Changes due to Prior period Errors:

As per para 42 Ind AS 8-Accounting policies ,changes in accounting estimates and errors,an entity shall correct material prior period errors retrospectively in the first set of financials approved for issue after discovery by:

- a) restating the comparative amounts for the prior period(s) presented in which the errors occurred
- b) if the error occurred before the earliest prior period presented, restating the opening balances of assets ,liabilities and equity for the earliest period presented.

During the pervious Financial year 21-22 & 20-21 ,there was an error in calculating depreciation of Fixed assets. Hence to give effect to such prior period errors comparative is given for 1St April 2021 correcting such errors, the effect of which is adjusted in opening reserves on this date.

3. In FY 2021-22.The company has registered itself for 12AA section under the Income Tax Act. Since the same is not valid, in the current year Financials are made without considering the said registration.

4. Significant accounting policies:

Significant accounting policies adopted in preparation and presentation of the accounts are as under:

(A) Statement of Compliance and Basis of Accounting:

(i) Statement of Compliance with Ind AS

The financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies



Surat Smart City Development Limited

Note 1 to the Financial Statements for the financial year 2022-2023

Act, 2013 (the 'Act') read with Companies (Indian Accounting Standards) Rules, 2015; and the other relevant provisions of the Act and Rules thereunder.

(ii) Historical Cost Convention

The financial statements have been prepared on historical cost basis, except for the certain financial assets and liabilities which are measured at fair values at the end of each reporting period. Historical cost is generally based on the fair value of consideration given in exchange for goods or services.

(B) Subsidiary Company – AIC SURATI iLAB FOUNDATION:

AIC SURATI iLAB FOUNDATION, a fully owned subsidiary of Surat Smart City Development Limited, has been incorporated as a Section 8 licensed company under the Companies Act, 2013 for establishing Atal Incubation Centre (AIC). The main objective is to set up and implement Atal Incubation Centre in partnership with Atal Innovation Mission, NITI Aayog, with an objective of supporting innovative technology based start-up enterprises in India. The AIC shall endeavour to implement the following:

- i) Establish a high class incubation facility, including but not limited to a suitable physical infrastructure and operating facilities and affiliations with the sectoral experts.
- ii) Enable support ecosystem for incubated start-ups, including but not limited to mentoring, planning, organizing events, lab facilities, regulatory guidance, etc.
- iii) Provide preference in support to start-ups or innovators that have applications/impact in the core sectors of the economy.
- iv) Encourage innovation in the Indian ecosystem, through activities such as, but not limited to awareness workshops, training and capacity building, mentoring support to early stage start-up enterprises.
- v) Encourage creation of new technologies and intellectual property.
- vi) To support and carry out any other activity relevant to promotion and incubation of start-ups in the country.



Surat Smart City Development Limited

Note 1 to the Financial Statements for the financial year 2022-2023

As per IND AS 110-Consolidated Financial Statements, subsidiaries are all the entities (including structured entities) over which the company has control. The company controls an entity if and only if the company has all of the following:

- (a) Power over the entity;
- (b) Exposure or rights to variable returns from its involvement with the entity;
and
- (c) The ability to use its power over the entity to affect the amount of company's returns.

SURATi iLAB Foundation has one of its prime objective that *"the profit, if any or other income and property of the said company, whenever derived, shall be applied solely for the promotion of the objects as set forth in the Memorandum of Association of the company and that no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise by way of profit, to persons who at any time are or have been members of the said company or to any of them or to any person claiming through any one or more of them."* Considering the said prime objective of the subsidiary company incorporated as a Section 8 licensed company, the company cannot have any exposure or right to variable returns earned by such subsidiary company due to restriction of use of such earned profits for its set objective as mentioned in Memorandum of Association and hence, the criteria as mentioned in (B) (b) and (B) (c) is not fulfilled. Since only the condition mentioned in (B) (a) is satisfied, it cannot be said that the company has any control over its subsidiary company as per these standards and hence the consolidation of financials is not required to be done.

(C) Other Income:

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



Surat Smart City Development Limited

Note 1 to the Financial Statements for the financial year 2022-2023

expected life of the financial asset to that asset's net carrying amount on initial recognition.

(D) Use of Estimates

The preparation of Financial Statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, current assets, non-current assets, current liabilities, non-current liabilities, and the disclosure of the contingent liabilities on the date of the preparation of Financial Statements. Such estimates are on a reasonable and prudent basis considering all available information, however due to uncertainties about these judgments, estimates and assumptions, the actual results could differ from those estimates. Information about each of these estimates and judgments is included in relevant notes. Any revision to accounting estimates is recognized prospectively in current and future periods.

(E) Going Concern:

There are no significant instructions or order passed by the relevant authorities which would impact the going concern status of the Company and its future operations.

(F) Fair Value Measurement:

The Company measures certain financial instruments at fair value at each balance sheet date. Certain accounting policies and disclosures require the measurement of fair values, for both financial and nonfinancial assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The best estimate of the fair value of a financial instrument on initial recognition is normally the transaction price – i.e. the fair value of the consideration given or received. If the Company determines that the fair value on initial recognition differs from the transaction price and the fair value is evidenced neither by a quoted price in an active market for an identical asset or liability nor based on a



Surat Smart City Development Limited

Note 1 to the Financial Statements for the financial year 2022-2023

valuation technique that uses only data from observable markets, then the financial instrument is initially measured at fair value, adjusted to defer the difference between the fair value on initial recognition and the transaction price. Subsequently that difference is recognised in Statement of Profit and Loss on an appropriate basis over the life of the instrument but no later than when the valuation is wholly supported by observable market data or the transaction is closed out.

The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability or;
- In the absence of a principal market, in the most advantageous market for the asset or liability.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy that categorizes into three levels, described as follows, being the inputs to valuation techniques used to measure value. The fair value hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 — quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly

Level 3 — inputs that are unobservable for the asset or liability

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

(G) Financial Instruments:

A Company recognizes financial assets and financial liabilities when it becomes party to the contractual provision of the instrument



Surat Smart City Development Limited

Note 1 to the Financial Statements for the financial year 2022-2023

(i) Financial Assets:

a) Initial recognition and measurement:

Financial assets are initially measured at its fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets (other than financial assets at Fair Value Through Statement of Profit and Loss Account) are added to or deducted from the fair value of the concerned financial assets, as appropriate, on initial recognition. Transaction costs directly attributable to acquisition of financial assets at fair value through Statement of Profit and Loss are recognized immediately in Statement of Profit and Loss.

However, trade receivable that do not contain a significant financing component are measured at transaction price.

b) Subsequent measurement:

For subsequent measurement, the company classifies financial asset in following broad categories:

- Financial asset carried at amortized cost.
- Financial asset carried at Fair Value Through Other Comprehensive Income (FVTOCI)
- Financial asset carried at Fair Value Through Profit and Loss (FVTPL)

Financial asset carried at amortized cost (net of any write down for impairment, if any):

Financial assets are measured at amortized cost when asset is held within a business model, whose objective is to hold assets for collecting contractual cash flows and contractual terms of the asset giving rise on specified dates to cash flows that are solely payments of principal and interest. Such financial assets are subsequently measured at amortized costs using Effective Interest Rate (EIR) method less impairment, if any. The losses arising from impairment are recognized in the Statement of Profit and Loss. Cash and bank



Surat Smart City Development Limited

Note 1 to the Financial Statements for the financial year 2022-2023

balances, trade receivables, loans and other financial asset of the company are covered under this category.

Under the EIR method, the future cash receipts are discounted to the initial recognition value using EIR. The cumulative amortization using the EIR method of the difference between the initial recognition amount and maturity amount is added to the initial recognition value (net of principal repayments, if any) of the financial asset over the relevant period of the financial asset to arrive at amortized cost at each reporting date. The corresponding effect of the amortization under EIR method is recognized as interest income over the relevant period of the financial asset. The same is included under "other income" in the Statement of Profit and Loss. The amortized cost of the financial asset is also adjusted for loss allowance, if any.

Financial asset carried at FVTOCI:

Financial asset under this category is measured initially as well as at each reporting date at fair value, when asset is held with a business model whose objective is to hold asset for both collecting contractual cash flows and selling financial assets. Fair value movements are recognized in the Other Comprehensive Income.

Financial asset carried at FVTPL:

Financial asset under this category are measured initially as well as at each reporting date at fair value. Changes in fair value are recognized in the Statement of Profit and Loss.

c) De-recognition:

A financial asset is primarily derecognized when rights to receive cash flows from the asset have expired or the Company has transferred its contractual rights to receive cash flows of the financial asset and has substantially transferred all the risk and reward of the ownership of the financial asset.



Surat Smart City Development Limited

Note 1 to the Financial Statements for the financial year 2022-2023

d) Impairment of Financial Assets:

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model for evaluating impairment of financial assets other than those measured at Fair Value Through Profit and Loss (FVTPL).

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original Effective Interest Rate.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'

(ii) Financial Liabilities:

a) Initial recognition and Measurement:

The Company recognizes a financial liability in its Balance Sheet when it becomes party to the contractual provisions of the instrument. Company classifies all financial liabilities as subsequently measured at amortised cost or at FVTPL



Surat Smart City Development Limited

Note 1 to the Financial Statements for the financial year 2022-2023

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

b) Subsequent Measurement:

Financial liabilities at Fair Value Through Profit and Loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at Fair Value Through Profit and Loss. Interest-bearing loans and borrowings are subsequently measured at amortized cost using the Effective Interest Rate (EIR) method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

The EIR amortization is included as finance costs in the Statement of Profit and Loss.

c) De-recognition of Financial Liabilities:

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

(iii) Offsetting of Financial Instruments:

Financial assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right



Surat Smart City Development Limited

Note 1 to the Financial Statements for the financial year 2022-2023

to offset the recognised amounts and an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

(iv) Derivative Financial Instruments:

Derivative Financial Instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value at each reporting date. Gain or loss arising from changes in the fair value of heading instrument is recognized in the Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

(H) Operating Segment and its reporting:

Reporting is made to the Chief Operating Decision Makers ('Shareholders' being the local body and the State Government) for the purpose of resource allocation and assessment of segment focuses on the types of public welfare projects undertaken by the Company. The Company undertakes various projects for the public welfare as per the Smart City Mission Statement and Guidelines, which in the context of Indian Accounting Standard 108 'Segment Information' represents single reportable segment.

(I) Accounting for Government Grants:

Grants related to assets are Government Grants whose primary condition is that an entity qualifying for them should purchase, construct or acquire long-term assets. Grants related to income are government grants other than those related to assets. As per Ind AS 20 (Revised) "Accounting for Government Grants and Disclosure for Government Assistance" accounting of the Government grants has been done in following manner:

(i) Grants related to Assets (Capital Grants):

Grants related to purchase, construction or acquisition of long term assets are recognised only when the same are received and conditions related to the same are fulfilled. Till the financial year 2017-18, grants were recognised as 'non-current liabilities' under the head 'Capital Grants' at fair value. The



Surat Smart City Development Limited

Note 1 to the Financial Statements for the financial year 2022-2023

said grants related to purchase, construction or acquisition of long term depreciable assets were to be recognised in Statement of Profit and Loss as 'Deferred Income' over the periods and in the proportions in which depreciation expense on those assets is recognised.

However, as per notification issued by the Ministry of Corporate Affairs dated September, 20, 2018, in paragraph 23-28 of IND AS 20, the following has been amended:

"Government Grants related to assets, including non-monetary assets at fair value, shall be presented in the balance sheet either by setting up the grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset."

(ii) Grants related to meet the revenue Expenses (Revenue Grants):

Government Grants, which are revenue in nature are recognised in Statement of Profit and Loss on a systematic basis over the period in which the entity recognises as expenses the related costs for which the grants are intended to compensate.

A Government grant that becomes receivable as compensation for expenses or losses already incurred or for the purpose of giving immediate financial support to the entity with no future related costs are recognised in Statement of Profit and Loss of the period in which it becomes receivable.

(J) **Taxation:**

Current Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in 'Other Comprehensive Income' or directly in the equity, in which case, the current tax is also recognised in 'Other comprehensive Income' or directly in the Statement of equity.

(K) **Cash and cash equivalents:**

Cash and cash equivalents includes cash on hand, other short term and highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to insignificant risk of changes in value. It consists of balances with bank which are unrestricted to withdrawals and usage.



Surat Smart City Development Limited

Note 1 to the Financial Statements for the financial year 2022-2023

(L) Particulars of Loan, Guarantees and Investments made by the Company:

The Company has invested Rs 1, 82, 00,000 in AIC SURAT iLAB FOUNDATION (its wholly owned subsidiary company). The Company has also borne the cost of building of infrastructural facilities along with its incorporation related expenses, being a part of one of the approved Smart City projects, identifiable as PAN 9_1 from the financial year 2018-2019.

(M) Property, Plant and Equipment's:

(i) Deemed Cost of assets on transition to Ind AS:

On transition to Ind AS, the company has elected to use the exemption available under Ind AS 101 to continue the carrying value for all of its PPE as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition (March 31, 2016).

(ii) Depreciation method, estimated useful lives and residual value:

Depreciation on the Fixed Assets is provided based on the useful life of the assets as provided under Schedule II to the Companies Act, 2013 after retaining the residual value of the asset. The useful life is determined based on the evaluation, taking into account the nature of assets, the operating conditions of the assets, technological changes, etc. The residual values are not more than 5% of the original cost of the assets. The assets residual values and useful lives are reviewed, and adjusted, if appropriate, at the end of each reporting period.

(iii) Capital work in progress and condition related to its conversion to the Property Plant and Equipment:

Capital work in progress (CWIP) comprises of cost of acquisition of assets, duties, levies and any cost directly attributable to bringing the asset to its working condition for the intended use. Expenditure incurred on project under implementation is treated as incidental expenditure incurred during construction and is allocated to the assets which is subsequently allocated / apportioned on completion of the entire project. The conversion of the any item of capital work in progress into assets is done only after receiving



Surat Smart City Development Limited

Note 1 to the Financial Statements for the financial year 2022-2023

confirmation related to the project completion (i.e. Completion certificates).

(N) Provisions and Contingent Liabilities and Contingent Assets:

a) Provisions:

Provisions are recognized when the company has present obligation (legal or constructive) as a result of past event and it is probable that outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. The expense related to a provision is presented in the Statement of Profit and Loss net of any reimbursement/contribution towards provision made.

If the effect of the time value of money is material, estimate for the provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provisions are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

b) Contingent Liability:

Contingent liability is disclosed in the case;

- When there is a possible obligation which could arise from past event and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or;
- A present obligation that arises from past events but is not recognized as expense because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or;
- The amount of the obligation cannot be measured with sufficient reliability.



Surat Smart City Development Limited

Note 1 to the Financial Statements for the financial year 2022-2023

c) Capital Commitments:

Commitments include the value of the contracts for the acquisition and construction of the assets.

d) Contingent Assets:

Contingent asset is disclosed in case a possible asset arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

(O) Earnings per share:

(i) Basic earnings per share:

As per Ind AS 33 "Earnings per share", basic earnings per share is calculated by dividing:

- The profit attributable to the owners of the company
- By the weighted average number of equity shares outstanding during the financial year.

(ii) Diluted earnings per share:

Diluted earnings per share adjusts the figure used in the determination of basic earnings per share to take into account:

- The after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- The weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.
- There being no portion of dilutive shares in the company, only Earnings per Share is calculated.

(P) Cash Flow Statement:

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transaction of non-cash nature, any deferrals or



Surat Smart City Development Limited

Note 1 to the Financial Statements for the financial year 2022-2023

accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

(Q) Current versus Non-Current Classification:

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

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

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

All other assets are classified as non-current.

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

- It is expected to be realized or intended to be sold or consumed in normal operating cycle.
- it is held primarily for the purpose of trading
- It is expected to be realized within 12 months after the date of reporting period, or
- 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.



Surat Smart City Development Limited

Note 1 to the Financial Statements for the financial year 2022-2023

5. Additional Information

1) Valuation of Property, Plant & Equipment

The Company has not revalued its property, plant and equipment during the current or previous year.

2) Loans or Advances

No loans or advances in nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013) either severally or jointly with any other persons.

3) Detail Benami property held

No proceedings have been initiated on or are against the Company for holding benami property under the Benami Transaction (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

4) Borrowing secured against current assets

The Company has no borrowings from banks and financial institutions.

5) Wilful defaulter

The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

6) Relationship with struck off companies

The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act 1956.

7) Registration of charges or satisfaction with Registrar of companies.

There are no charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

8) Companies with number of layers of companies

The Company does not have any subsidiary company, hence the requirements of this clause are not applicable.



Surat Smart City Development Limited

Note 1 to the Financial Statements for the financial year 2022-2023

9) Analytical Ratios

Analytical Ratios are disclosed in Note No. 21 of the financial statements.

10) Companies with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

11) Utilization of borrowed funds and share premium

The Company has not advanced or loaned or invested funds to any other person(s) or entity (ies), including foreign entities (Intermediaries), neither has not been recorded in the books of account.

12) Undisclosed income

There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax, 1961, that has not been recorded in the books of account.

13) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.



SURAT SMART CITY DEVELOPMENT LIMITED
 Note to Accounts FY 2022-23
 Note no. 2 - Fixed Assets

Particulars	(Rs. In Lakhs)					Total
	Computer Equipments	Office Equipments	Electronic Equipments	Electronic Installations & Equipments	Furniture & Fittings	
Gross carrying value						
As at April 01, 2022	118.35	0.04	151.23	3.51	32.55	305.69
Additions	-	-	-	-	-	-
Disposals (Write off)	-	-	-	-	-	-
Disposals (Sales)	-	-	-	-	-	-
Transfers from Capital Work in Progress	-	-	-	-	-	-
As at March 31, 2023	118.35	0.04	151.23	3.51	32.55	305.69
Accumulated depreciation						
As at April 01, 2022	112.28	0.04	117.55	2.73	25.30	257.90
Depreciation for the year	0.16	-	8.72	0.20	1.88	10.95
Deductions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2023	112.44	0.04	126.27	2.93	27.17	268.86
Carrying value as at March 31, 2023	5.92	0.00	24.96	0.58	5.38	36.83
Carrying value as at March 31, 2022	6.07	0.00	33.68	0.78	7.26	47.79
Particulars	Computer Equipments	Office Equipments	Electronic Equipments	Electronic Installations & Equipments	Furniture & Fittings	Total
Gross carrying value						
As at April 01, 2021	118.35	0.04	151.23	3.51	32.55	305.69
Changes due to Prior Period adjustments	-	-	-	-	-	-
As at April 01, 2021	118.35	0.04	151.23	3.51	32.55	305.69
Additions	-	-	-	-	-	-
Disposals (Write off)	-	-	-	-	-	-
Disposals (Sales)	-	-	-	-	-	-
Transfers from Capital Work in Progress	-	-	-	-	-	-
As at March 31, 2022	118.35	0.04	151.23	3.51	32.55	305.69
Accumulated depreciation						
As at April 01, 2021	104.90	0.04	121.34	2.66	24.27	253.21
Changes due to Prior Period adjustments	6.60	-	(15.55)	(0.20)	(1.50)	(10.66)
As at April 01, 2021	111.51	0.04	105.79	2.46	22.76	242.55
Depreciation for the year	0.78	0.00	11.76	0.27	2.53	15.35
Deductions	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-
As at March 31, 2022	112.28	0.04	117.55	2.73	25.30	257.90
Carrying value as at March 31, 2022	6.07	0.00	33.68	0.78	7.26	47.79
Carrying value as at March 31, 2021	6.85	0.00	45.44	1.05	9.79	63.14



Property, Plant and Equipment (Capital Assets)				(Rs in Lakhs)
Particulars	HWW ABD-1b_4	Hydraulic ABD-1c_1	Total	
Gross Block:				
As at March 31, 2022	-	-	-	
Add: Addition	236.75	212.31	656.50	
Less: Grant related to the asset	236.75	212.31	656.50	
As at March 31, 2023	-	-	-	
(Refer Note no. 10.1 and 25)				
Accumulated Depreciation:				
As at March 31, 2022	-	-	-	
Add: Charge for the year	-	-	-	
Less: Disposals	-	-	-	
As at March 31, 2023	-	-	-	
Net carrying amount:				
As at March 31, 2022	-	-	-	
As at March 31, 2023	-	-	-	



SURAT SITILINK LIMITED

Note No-03

CWIP/Intangible Assets under Development Aging Schedule

(Rs in Lakhs)

Sr No.	CWIP	Amount in CWIP for a period of				Total
		Less Than 1 Year	1-2 Years	2-3 Years	More than 3 years	
[A]	Projects in Progress:-					
1	Water Tank	22.34	-	-	4871.78	4894.12
3	Other Building	1133.04	-	-	2589.46	3722.50
4	Restoration & Development of Fort	294.45	-	-	2956.17	3250.62
5	Roads, Streets & Pavements	-	-	-	12289.97	12289.97
6	Waterlines	76.87	-	-	3617.07	3693.94
7	Hydraulic Plant & Machinery	457.58	-	-	3244.35	3701.93
9	Computer Equipments	-	-	-	61.70	61.70
10	Electronic Equipments	4206.08	-	-	4966.62	9172.71
11	Software	224.45	-	-	1454.71	1679.16
12	Air & Water quality management system	-	-	-	106.11	106.11
13	Other fixed assets (Intangible asset)	-	-	-	8.97	8.97
14	Electrical Equipments	-	-	-	318.79	318.79
15	Citiis Project	827.40	-	-	-	827.40
	Sub Total	7242.21	-	-	36485.71	43727.92
	[B] Projects Temporarily Suspended:-					
	Total	7242.21	-	-	36485.71	43727.92



SURAT SMART CITY DEVELOPMENT LIMITED

Note to Accounts FY 2022-23

(Rs in Lakhs)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

3	Capital Work-in-progress	As at 31st March 2023	As at 31 st March 2022
		Water Tank	4894.12
Other Building	3722.50	2589.46	
Restoration & Development of Fort	3250.62	3163.62	
Roads, Streets & Pavements	12289.97	12289.97	
Waterlines	3693.94	3617.07	
Hydraulic Plant & Machinery	3701.93	3481.10	
Computer Equipments	61.70	61.70	
Electronic Equipments	9172.71	4966.62	
Software	1679.16	1454.71	
Air & Water quality management system	106.11	106.11	
Other fixed assets (Intangible asset)	8.97	8.97	
Electrical Equipments	318.79	318.79	
Cittis(Biodiversity Park Project)	827.40	-	
Total	43727.92	37142.21	

4	Financial Asset-Investments	As at 31st March 2023	As at 31st March 2022
		Investment in subsidiary company (Refer note 4.1)	182.00
Total	182.00	182.00	

4.1 Surat Smart City Development Limited has subscribed 18.20 Lacs shares of Rs 10/- each of AIC SURATI iLAB FOUNDATION (a venture as Atal Incubation Centre formed under Atal Innovation Mission of Government of India) making it its wholly owned subsidiary company. As per the requirement of one of the condition of Atal Innovation Mission for setting up Atal Incubation Centre, Surat Smart City Development Limited who is the promotor company, shall provide matching contribution to its wholly owned subsidiary company every year of amount decided by the Management of the Company and subsidiary company.

5	Trade & Other receivables	As at 31st March 2023	As at 31st March 2022
		Interest Accrued on Fixed Deposits	263.80
TDS Receivable	207.10	134.69	
Indirect Taxes Receivable	30.70	30.94	
Advance Income Tax	142.67	142.67	
Receivable from GOI	983.99	-	
Total	1628.26	618.17	

6	Cash and Bank Balances	As at 31st March 2023	As at 31st March 2022
		Current Cash and Bank Balance	
Imprest (Petty) cash in hand	0.25	0.25	
Balance in Current Accounts with Scheduled Bank	2.18	1437.43	
Balances with banks in fixed deposit accounts with original maturity of less than 12 months	5787.11	20700.00	
Other Bank Balances			
Balance with scheduled banks in savings account	17499.61	6071.52	
Total	23289.16	28209.20	

7	Loans and Advances	As at 31st March 2023	As at 31st March 2022
		Loans and Advance given to Subsidiary Company	-
Advance for Expenses	203.93	112.65	
Advance to Suppliers	0.27	0.27	
Total	204.20	116.18	

7.1 The Company has created Deferred Operation & Maintenance expenses account from Grant Account. This account will be cleared in subsequent

8	Other Financial Assets	As at 31st March 2023	As at 31st March 2022
		Electricity Deposit	80.42
Total	80.42	63.01	

9	Equity Share Capital	As at 31st March 2023	As at 31st March 2022
		Equity Share Capital	
Authorised Share capital (20,00,00,000 shares of Rs 10/- each)	20000.00	20000.00	
Issued Share capital (20,00,00,000 shares (P.Y 20,00,00,000) of Rs 10/- each)	20000.00	20000.00	
Subscribed & Fully Paid up capital (20,00,00,000 (P.Y 20,00,00,000) shares of Rs 10/- each)	20000.00	20000.00	
Total	20000.00	20000.00	



SURAT SMART CITY DEVELOPMENT LIMITED

NOTE 9.1 TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

(Rs in lakhs)

Particulars	Reserve and Surplus	Items of Other Comprehensive Income	Other Equity-Citiis Fund	Total Impact on Other Equity
	Retained Earnings			
As on 31st March 2023				
Balance as at 01.04.2022	4806.67	-	530.71	5337.38
Changes in accounting policy or prior period errors	-	-	-	-
Restated balance at the beginning of the reporting period		-	-	-
Total comprehensive income for the year	(579.46)	-	-	(579.46)
Any other change (to be specified)	-	-	-	-
Amportisation of funds			(60.78)	(60.78)
Balance at the end of the reporting period 31.03.2023	4227.21	-	469.93	4697.14

As on 31st March 2021	5199.93		104.81	5304.74
Changes due to prior periods	10.66		-	
Balance as at 01.04.2021	5210.59	-	104.81	5315.40
Changes in accounting policy or prior period errors	(58.08)	-	-	(58.08)
Total comprehensive income for the year	94.47	-	-	94.47
Any other change (to be specified)				
Amportisation of funds	-	-	(14.40)	(14.40)
Addition/(Transfer) to Citiis Fund	(440.30)	-	440.30	-
Balance at the end of the reporting period 31.03.2022	4806.67	-	530.71	5337.38

Statement of Changes in Equity

Equity Share Capital(Note No 9)

(Rs. In Lakh)

Particulars	Amount
Balance at the Beginning Of the Reporting Period 01-04-22	2000.00
Change in Equity Share Capital during the year	-
Balance at the end Of the Reporting Period 31-03-23	2000.00
Particulars	Amount
Balance at the Beginning Of the Reporting Period 01-04-21	2000.00
Change in Equity Share Capital during the year	-
Balance at the end Of the Reporting Period 31-03-22	2000.00



a) During the current year there has been no movement in issued, paid up and subscribed equity shares of the Company.

b) Terms / rights attached to equity shares:

- i) The Company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share
- ii) In the event of the liquidation of the Company, the holder of equity shares will be entitled to receive remaining assets of the Company. The distribution will be in proportion of number of equity shares held by the company

c) Shares held by holding /ultimate holding and /or their subsidiaries/associates

	2022-23		2021-22	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
Surat Municipal Corporation	1000,00,000	10000,00,000	1000,00,000	10000,00,000
Government of Gujarat	1000,00,000	10000,00,000	1000,00,000	10000,00,000

The details of Shareholders holding 5% and above shares	As at 31st March 2023		As at 31st March 2022	
	Number of Shares	% held	Number of Shares	% held
Surat Municipal Corporation	1000,00,000	50%	1000,00,000	50%
Government of Gujarat	1000,00,000	50%	1000,00,000	50%

9.1 Other Equity (A) Reserve & Surplus	As at 31st March 2023		As at 31st March 2022	
Opening Balance		4806.67		5210.59
Refund FY 2019-20(Note 9.1)		-		0.95
Changes in accounting policy or prior period errors(Note 9.1)		-		(59.03)
Grant transferred for CITIIS Mission		-		(440.30)
Profit/(Loss) for the period		(579.46)		94.47
		4227.21		4806.67
(B) Other Equity (CITIIS Mission)				
Corpus For CITIIS Mission		530.71		104.81
CITIIS Mission Projects Own Fund Contribution		-		440.30
Total		530.71		545.11
Less :- Amount recognised in profit & loss to the extend of expenses incurred (Ref 9.2)		60.78		14.40
		469.93		530.71
Total		4697.14		5337.38

9.1 Prior period adjustments are made in amounting to Rs 59.03 lacs which are not identifiable hence no change is made in previous year for the same.

9.2 CITIIS Mission Project is a project which states about enhancing project preparation and strengthen the capacity of SPV through regular activities under the "CITIIS Expertise" program.Previous Year closing balance was Rs. 530.71 Lacs and during the financial year 2022-23 Expenses incurred of Rs 60.78 Lacs

9.3 The section 135 of the Companies Act, 2013 Board unanimously approved to transfer remaining CSR liability for the year 2022-23 amounting to Rs.18,80,000 (Rupees Eighteen Lakhs Eighty Thousand) to NGO named Trrayaam Foundaton for 'Cycles to Schools' initiative and to promote health benefits among students.

10 Other Non- Current Liabilities [A] Capital grant From GOI & GOG	As at 31st March 2023		As at 31st March 2022	
Opening Balance - Capital Grants received from Government of India. (Refer Note 10.1)		21743.26		45404.29
Opening Balance - Capital Grants received from Government of Gujart. (Refer Note 10.1)		14250.00		14250.00
Add: Grants received during the year from Central Government		-		-
Add: Capital Grants received from Government of Gujarat		-		-
		35993.26		59654.29
Less : A&OE grant pertaining to F.Y. 2022-23		-		-
Less : Assets capitalised during the year from grants received from GOI related to assets		656.50		23661.03
Closing Balance - Capital Grants received from Government of India. (Refer Note 10.1)		21086.76		21743.26
Closing Balance - Capital Grants received from Government of Gujart. (Refer Note 10.1)		14250.00		14250.00
Total		35336.76		35993.26
[B] Capital grant related to CITIIS Mission				
Capital grant related to CITIIS Mission (Refer Note 10.3)		800.00		800.00
Addition during the year		3200.00		-
		4000.00		800.00
[C] Gen. Grt. Contri. & Subsidy From Others (NIUA Grant Opening)				
		5.75		



	Gen. Grt. Contri. & Subsidy From Others (NIUA Grant Received)	4.91	6.74
	Less : Assets capitalised during the year from grants received related to assets	(10.61)	(0.99)
	Closing Balance - Gen. Grt. Contri. & Subsidy From Others (NIUA Grant)(Note 10.4)	0.05	5.75
[D]	Revenue Grant		
	A & OE Grant Received From GOI	974.39	974.39
	Add:- Own Fund Contribution During The Year	-	-
	Less :- Amount recognised in profit & loss to the extend of expenses incurred (Ref 10.2)	-	-
		974.39	974.39
[E]	New Grant received(EatSmart Cities Challenge)		
	Grant Received	50.00	-
	Less :- Amount recognised in profit & loss to the extend of expenses incurred (Note 10.5)	-	-
		50.00	-
[E]	Sundry Creditors(Deffered)	11145.38	8372.08
	Total	51506.57	46145.48

10.1 The Smart City Projects (SCPs) are segmented into various smaller project units for ease of administration. All the project units are integrated with each other and can be considered as functional in totality only after completion of the full project. A single segment of any project is not capitalised as a fixed asset till all the segmented parts of an entire project are completed. In the current financial year, the projects mentioned in Note 26 were completed in its entirety and hence the respective amount is transferred from the Capital Work in progress to the Property Plant and Equipment relating to the capital projects. Further, as per the notification issued by Ministry of Corporate Affairs dated 20th September, 2018, "Government Grants relating to assets, including non-monetary grants at fair value, shall be presented in the balance sheet by either setting up grant as deferred income or by deducting the grant in arriving at the carrying amount of the asset". Accordingly, the option of deducting grant in arriving at the carrying value of the asset has been opted in the current financial year for capitalising the completed project.

10.1 (a) Certain tenderd related to SCPs of the company requires the supplier of the the capital products to also include operation and maintenance expenses for an agreed period which are considered as part of the project expenditure under the projects. These operational & maintenance charges being revenue in nature does not result in creation of any asset and hence the same are charged to Profit and Loss Account. Since, the entire project is consider as composite one, these operational & maintenance expenses are also funded from the Capital Grants so approved. Hence, Captial Grants to the extent of these operational & maintenance expenses are credited to the Profit and Loss account.

10.2 As per IND AS 20-Accounting for Government Grants and Disclosure of Government Assistance, Government Grants which are revenue in nature are to be recognised in the Statement of Profit and Loss on a systematic basis over a period in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Accordingly, in the current financial year, the amount of revenue grant has been amortised in the Statement of Profit and Loss to the extent of costs were incurred against the amount of revenue grant received.

10.3 During the current financial year, the Company received an additional contribution of Rs 3200 lacs for the purpose of fulfilling the requirements of CITIIS Mission which states about enhancing project preparation and strengthen the capacity of SPV through regular activities under the "CITIIS Expertise" program. This phase should last approximately 12 months for each awarded project. The maturation phase shall end with the validation by the PMU of the Maturation Final Report, to trigger the implementation phase and its related financing. At national level, the completion of the maturation phase shall lead to the capitalization and dissemination of best practices through the SmartNet portal and events.

10.4 Gen. Grt. Contri. & Subsidy From Others (NIUA Grant Received) during the current financial year, the Company received grant for the purpose of fulfilling the requirements of Rs. 6.74 Lacs in previos year and further Rs 4.91 Lacs in current financial year & during the current financial year Expenses for as above of Rs. 10.61 Lacs.

10.5 Grant of Rs 50,00,000 was received for Eat Smart Cities Challenge which is to be expenses as per the guideline issued.

11	Trade and Other Payables	As at 31st March 2023	As at 31st March 2022
	Total Outstanding dues to Micro, Small and Medium Enterprises	-	-
	Total Outstanding of creditors other than Micro, Small and Medium Enterprises (Sundry Creditors)	50.36	56.82
	Total	50.36	56.82

12	Other Current Liabilities	As at 31st March 2023	As at 31st March 2022
	Security Deposit from Suppliers & Contractors	1310.33	1304.71
	Retention Money Deposit from Suppliers & Contractors	1958.09	1398.47
	Earnest money deposit from contractors	139.90	89.76
	Other Deposits	362.37	324.98
	TDS Payable	45.21	39.29
	GST TDS Payable	43.53	38.04
	Indirect Taxes Payable	2.43	2.78
	Grant Interest Payable	131.41	-
	Round off	0.00	0.00
	GST Deposit Hold	1.48	-
	Labour/Construction Cess	12.07	12.92
	Other Liabilities	33.28	-
	Total	4040.09	3210.95



SURAT SMART CITY DEVELOPMENT LIMITED
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON 31 MARCH, 2023

(Rs in Lakhs)

Note No	Particulars	As at 31st March 2023 (Rs in Lakhs)	As at 31st March 2022 (Rs in Lakhs)
11	Trade Payables.		
	Trade Payables.	50.36	56.82
	Total	50.36	56.82

Trade Payables. (Rs in Lakhs)

	As at 31st March 2023	As at 31st March 2022
(i) Outstanding dues of Micro and Small Enterprises	-	-
(ii) Outstanding dues of other creditors		
Others	50.36	56.82
Total	50.36	56.82

Disclosures relating to outstanding dues of Micro, Small and Medium Enterprises (MSME)	As at 31st March 2023	As at 31st March 2022
(a) the principal amount and the interest due thereon remaining unpaid to any MSME supplier at the end of accounting year	-	-
(b) the amount of interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the MSME supplier beyond the appointed day during the accounting year	-	-
(c) the amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006;	-	-
(d) the amount of interest accrued and remaining unpaid at the end of accounting year	-	-
(e) the amount of further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	-	-

(Rs in Lakhs)

Particulars	As at 31st March 2023				
	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME	-	-	-	-	
Others	5.33	-	11.27	33.76	50.36
Dispute dues-MSME	-	-	-	-	
Dispute dues	-	-	-	-	
Others	-	-	-	-	
Total	5.33	-	11.27	33.76	50.36

Particulars	As at 31st March 2022				
	Outstanding for following periods from due date of payment				
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
MSME					
Others	9.24	3.00	8.10	36.48	56.82
Dispute dues-MSME					
Dispute dues					
Others					
Total	9.24	3.00	8.10	36.48	56.82



13	Other Income	As at 31st March 2023	As at 31st March 2022
	Awards and Incentive	15.00	100.00
	Interest on fixed deposits with bank	890.96	1347.14
	Interest on Savings Account	247.97	50.80
	Collections of Tender Form Fees	5.91	2.21
	Amortisation of A & O E Fund (Refer Note 10.2)	-	-
	Amortisation of CITIIS MISSION Fund (Refer Note 9.2)	60.78	14.40
	Amortisation of NIUA Fund (Refer Note 10.4)	10.61	-
	Deposits Forfeited	1053.02	-
	Other Miscellaneous Income	0.10	0.00
	Performance related penalty from contractors	84.20	194.02
	Total	2368.55	1708.57

13.1 Smart city Award of RS 15 Lacs received during the current financial year included in Awards and Incentive

14	Project Management Consultant Fee	As at 31st March 2023	As at 31st March 2022
	Project Costs	126.48	56.37
	Total	126.48	56.37

15	Operation and Maintenance expense :-	As at 31st March 2023	As at 31st March 2022
	Operation & Maintenance Charge For Project of Water Supply Scheme (ABD-1C)	72.59	81.89
	Operation & Maintenance Charge For Project of SETC of Fire Fighting System at Fort, Chowk Bazarat Surat (PAN -10_4)	-	5.12
	Operation & Maintenance Charge For Project of Intelligent Transit Management System (PAN 1b_1)	125.28	211.55
	Operation & Maintenance Charge For Project of Additional ITMS Intelligent Transit Management System (PAN 1b_2)	30.01	33.46
	Operation & Maintenance Charge For Project of Automatic Fare collection system (PAN-2)	414.15	707.27
	Operation & Maintenance Charge For Project of SMAC Center (SMARt City Center) Part 2 - Smart Biometric Attendance System (PAN-4a_4)	2.95	-
	Operation & Maintenance Charge For Project of SMAC Center (SMARt City Center) Part 1 - Smart Solid Waste Management Vehicle Tracking & RFID (PAN-4a_3)	9.86	5.68
	Operation & Maintenance Charge For Project of My Surat.in (Active Citizen Engagement) Part-2 IT Vendor, Citizen Engagement Portal & Mob App (PAN-4b_2)	-	8.50
	Operation & Maintenance Charge For Project of Digital Media Agency for branding, content moderation and channel management for citizen engagement ecosystem for Surat City (PAN-4b_3)	-	85.95
	Operation & Maintenance Charge For Project of Connected Surat WiFi-Surat : FTH (Fibre to Home) Part 1 - Creation of OFC Network for BRTS corridor (PAN-6_1)	32.60	1.54
	Operation & Maintenance Charge For Project of Connected Surat WiFi-Surat : FTH (Fibre to Home) Part 2 - Leased Line/MPLS/Dark Fiber for SMC Locs (PAN-6_2)	386.58	292.39
	Operation & Maintenance Charge For Project of Other-	-	0.12
	Operation & Maintenance Charge For Project of other - (Over Bridge Palce Making work)	-	8.09
	Operation & Maintenance Charge For Project of other-(3D Painting Canal Road)	-	9.18
	Operation & Maintenance Charge For Project of other- (0.11	7.17
	Operation & Maintenance Charge For Project of other - MAC CENTER SIGNAGES WORK	15.27	0.94
	Operation & Maintenance Charge For Project of Sumne Eye (CCTV Network)-PAN 13	2.75	-
	Total	1092.15	1458.83

15.1 Certain tenderd related to SCPs of the company requires the supplier of the the capital products to also include operation and maintenance expenses for an agreed period which are considered as part of the project expenditure under the projects. These O & M charges being revenue in nature does not result in creation of any asset and hence the same are charged to Profit and Loss Account. These O & M expenses are funded from Own Capital.

16	Employee Benefit Expense	As at 31st March 2023	As at 31st March 2022
	Salary, wages, including bonus (Service Expenses /Labour)	28.62	34.62
	Total	28.62	34.62



17	Financial Costs	As at 31st March 2023	As at 31st March 2022
	Interest Reimbursed(Note 19.1)	1569.41	-
	Bank charges & Commission	0.02	0.02
	Total	1569.43	0.02
17.1	Interest Income on savings bank account of Grant of Govt. of India, is expensed in Note No 19, amounting to Rs.1569.40 Lacs, From which Rs 131.40 Lacs is standing payable in Note No.12		
18	Depreciation and Amortization Expense	As at 31st March 2023	As at 31st March 2022
	Depreciation for the year	10.95	15.35
	Total	10.95	15.35
19	Office Expenses	As at 31st March 2023	As at 31st March 2022
	Rent on vehicles hired	2.20	0.30
	Postage & Telegram Expense	0.07	0.04
	Telephone Expense	0.07	0.07
	Printing & Stationery Expense	0.30	0.42
	Local Conveyance Expense	0.14	0.18
	Travelling Allowance and Boarding expense	24.21	0.84
	Audit Fee	2.42	0.65
	Legal Fees	0.06	-
	Consultancy Fee	4.19	0.68
	Registration Charges	0.27	0.23
	Publicity & Advertisement	29.26	27.93
	Festival/Ceremonies	1.01	13.09
	Director Honoraium and Allowances	0.25	0.71
	Softwear & Game Purchases	0.24	0.72
	Seminar & Symposiums	15.41	0.49
	Subscription/Membership Fees	0.09	0.15
	Other Office Expense	1.23	2.43
	Books,Periodicals	8.94	-
	NIUA Project cost	10.61	-
	Corporate Social Responsibility Expenses	19.41	-
	Total	120.38	48.91



Analytical Ratios

20. The ratios for the years ended March 31, 2023 and March 31, 2022 are as follows

Particulars	Numerator	Denominator	31-03-2023	31-03-2022	Variance	Reason
Current Ratio	Current Assets	Current liabilities	8.89	11.44	-0.22	Not Applicable
Debt- Equity Ratio	Total Debt (Represents Lease Liabilities)	Shareholder's Equity	-	-	-	Not Applicable
Debt Service Ratio	Earnings available for Debt Service	Debt Service	-	-	-	Not Applicable
Return on Equity (ROE)	Net Profits after taxes	Shareholder's Equity	(0.02)	0.00	-7.29	Profit has decreased during the year.
Inventory Turnover	Sales	Average Inventory	-	-	-	Not Applicable
Trade Receivable Turnover Ratio	Revenue	Average Trade Receivable	-	-	-	Not Applicable
Trade Payables Turnover Ratio	Purchases of Goods, Services and other Expenses	Average Trade payable	-	-	-	Not Applicable
Net Capital Turnover ratio	Revenue	Working Capital	0.07	0.05	0.47	Revenue decreased
Net Profit Ratio	Net Profit	Revenue	-0.24	0.06	-5.42	Profit has decreased during the year.
Return on Capital Employed (ROCE)	Earning before interest and taxes	Capital Employed	(0.02)	0.06	-1.42	Profit has decreased during the year.
Return on Investment (ROI)	Income Generated from Investments.	Time Weighted average investments	-	-	-	-

Inventory only include Stores and Spares. Hence, Inventory Turnover Ratio has not been given.



Surat Smart City Development Limited
Operation & Maintenance Expenses 2022-23
Note 21

Projects code	Projects Name	Gross	Credit	(Rs in Lakhs)
				Net Amount
PAN-1b_1	Intelligent Transit Management System	89.88	-	89.88
PAN-1b_1	Intelligent Transit Management System	35.40	-	35.40
PAN-1b_2	Additional ITMS Intelligent Transit Management System	30.17	0.16	30.01
PAN-4a_4	SMAC Center (SMARt City Center) Part 2 - Smart Biometric Attendance System	2.95	-	2.95
PAN-6_1	Connected Surat WiFi-Surat : FTH (Fibre to Home) Part 1 - Creation of OFC Network for BRTS corridor	32.60	-	32.60
PAN-6_2	Connected Surat WiFi-Surat : FTH (Fibre to Home) Part 2 - Leased Line/MPLS/Dark Fiber for SMC Locs	381.07	0.07	381.00
PAN-6_2	Connected Surat WiFi-Surat : FTH (Fibre to Home) Part 2 - Leased Line/MPLS/Dark Fiber for SMC Locs	5.58	-	5.58
ABD-1C	Water Supply Scheme	72.59	-	72.59
PAN-2	Automatic Fare collection system	415.88	1.73	414.15
PAN-13	Sumne Eye (CCTV Network)	2.75	-	2.75
PAN-4a_3	Smart Solid Waste Management Vehicle Tracking & RFID	9.86	-	9.86
PAN-1a	IT MAC CENTER SIGNAGES WORK	15.27	-	15.27
	other-(Painting)	0.11	-	0.11
		1094.11	1.96	1092.15



SURAT SMART CITY DEVELOPMENT LIMITED

FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2023

22 As per the information and returns provided by the management of the Company, we have been informed that there are no Micro and Small Enterprises, to whom the company owes dues as at 31st March, 2023. This information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the company.

23 **Related Party Disclosures**

23.1	List of related parties with relationships:	For The Current reporting period	For The Previous reporting period
	Relationships	Name of Related Parties	Name of Related Parties
	Wholly owned Subsidiary Company	AIC SURATI iLAB FOUNDATION	AIC SURATI iLAB FOUNDATION
<i>Note: Related party relationship is as identified by the Company and relied upon by the Auditors.</i>			

23.2	Transactions during the year with Related Parties:	Figures for the Current reporting period	Figures for the Previous reporting period
	Nature of Transactions	Amount	Amount
	Subscription to Share Capital of wholly owned subsidiary company	182.00	182.00
	Advance Recovered during the year	3.26	-
	Advance for expenses	-	3.26

24	Earning Per Share	Figures for the Current reporting period	Figures for the Previous reporting period
	Particulars		
	Net Profit after Tax as per the Statement of Profit and Loss attributable to the Equity Shareholders	(579.46)	94.47
	Number of Equity shares used as denominator for calculating EPS	2000.00	2000.00
	Basic Earning Per Share (EPS)	-0.29	0.05
	Face Value per Equity share	Rs 10/-	Rs 10/-

25 **Detail of Project capitalised / expensed out during the Current year :**

Sr No.	Project Name	Project Number	Project amount (in Rs)	Amount	Funded from:	Department
1	Supplying / Providing, fixing and erection of Furniture / Interior work and Artifacts in the fort precinct, Surat.	Pan-10_2	207.45	207.45	Grant fund	Heritage
2	Electrical works for 60 lacs Ltr. UGSR at Sarthana Water Works	ABD-1b_4	236.75	236.75	Grant fund	HWW
3	24x7 water supply scheme under smart city area- 21L Ltr ESR at Anjana in Limbayat area	ABD-1c_1	212.31	212.31	Grant fund	Hydraulic
		TOTAL	656.50	656.50		

Detail of Project capitalised / expensed out during the Previous year :

Sr No.	Project Name	Project Number	Project amount (in Rs)	Amount capitalised as Fixed Asset	Funded from: Own capital/Grant Fund	Department
1	Common transmission main from Sarthana Water works to WDS - Labour work	ABD-1b_1	1277.02	1277.02	Grant fund	OFFICE BUIDLING
2	Incubation centre	PAN -9_1	230.98	230.98	Grant fund	WATERLINE
3	Civil works for 60 lacs Ltr. UGSR at Sarthana Water Works	ABD-1b_2	1988.15	1988.15	Grant fund	WELLS/WATER TANKS
4	Intelligent Transit Management System Part of	PAN-1b_1	177.00	177.00	Grant fund	SOFTWEAR
5	Novation of STPs with SCADA & Energy Generation @ Aajana STP	ABD-6a	2789.62	2789.62	Grant fund	WELLS/WATER TANKS



6	Novation of STPs with SCADA & Energy Generation @ Dindoli STP and Recycling/ Reuse of Waste Water	ABD-6b&7	15200.00	15200.00	Grant fund	SOFTWARE
7	Wells/Water Tanks(Construction od 60 Lacs Litre Capacity RCC Under ground storage Reservoir with Booster House and Electric Room at Sarthana Water Works in East Zone	ABD-1b_3	8.16	8.16	Grant fund	WELLS/WATER TANKS
8	Restoration, Re-Use & Development of Surat Castle under Development of Heritage Square at Chowk(Part-A)	PAN-10_1	1990.09	1990.09	Grant fund	Heritage
		TOTAL	23661.03	23661.03		

As per our report of even date

For and on behalf of Surat Smart City Development Ltd.

For Natvarlal Vepari & Co.
Chartered Accountants
Firm Reg. No. 123626W

Hiren R. Vepari
Partner

Mem No: 102680
Date: 13 0 SEP 2023

Date: 13 0 SEP 2023
Place: Surat

Swati Pareshkumar Desai
(DIN : 09562103)
Director & CEO

Tejas Arlwala
I/c CFO

Date: 13 0 SEP 2023
Place: Surat

Akshay J. Pandya
(DIN : 09614332)
Director

CS Shweta Chintan Shah
Company Secretary



SURAT SMART CITY DEVELOPMENT LIMITED

Cash Flow Statement for the year ended 31st March, 2023

(Rs in Lakhs)

Particulars	As at 31 st March 2023	As at 31 st March 2022
(A) Cash Flow from Operating Activities:		
Net profit/(loss) before tax and Extraordinary items:	(579.46)	94.47
Adjusted for:		
Add:		
Depreciation	10.95	15.35
Amortization of Grants (CITIIS MISSION Fund)	(60.78)	(14.40)
Amortization of Grants (A & OE Fund)	-	-
Prior Period Item	-	(59.03)
Finance Cost	1569.43	0.02
Operating Profit before Working Capital Changes	940.14	36.40
Adjusted for:		
(Increase)/Decrease in Trade and Other Receivables	(1010.09)	144.76
Increase/(Decrease) in Trade Payables & other liabilities	822.68	(947.08)
Increase/(Decrease) in Other Financial Assets	(17.41)	(38.50)
Advance to suppliers	(88.02)	4942.44
Cash Generated from Operations before prior period item	647.29	4138.02
Tax Paid Current Year	-	-
Net Cash Generated from/ (used in) Operations	647.29	4138.02
(B) Cash Flow from Investing Activities:		
Purchase of Fixed Assets	(667.11)	(23661.03)
Increase in Capital WIP	(6585.71)	18004.18
Other Financial Assets	(7252.82)	(5656.84)
Net Cash Generated from Investing Activities	(7252.82)	(5656.84)
(C) Cash Flow from Financing Activities:		
Finance Cost	(1569.43)	(0.02)
Preliminary Expense written off		
Less :- Proceeds from Share Capital and grants		
Grant Received during the year	3254.91	
Net Cash Generated from/ (used in) used In Financing Activities	1685.49	(0.02)
Net (Decrease)/Increase in Cash and Cash Equivalents	(4920.04)	(1518.84)
Cash and Cash Equivalents at the beginning of the year	28209.20	29728.04
Cash and Cash Equivalents at the end of the year	23289.16	28209.20

Additional Information:

1 Figures in brackets represent outflows

For and on behalf of Surat Smart City Development Ltd.

For Natvarlal Vepari & Co.

Chartered Accountants.

Firm Reg. No. 123626W

Hiren R. Vepari

Partner

Mem No: 102680

Date :

30 SEP 2023

Date:

Place: SURAT

30 SEP 2023



Swati Parashkumar Desai

(DIN : 09562103)

Director & CEO

Akshay J. Pandya

(DIN : 09614332)

Director

Tejas Arlwala

I/c CFO

CS Shweta Chintan Shah

Company Secretary

Date:

Place: SURAT

30 SEP 2023