

Shillong Smart City Limited



**ANNUAL
REPORT**

2020-2021

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CORPORATE OVERVIEW

Vision of the Company

Shillong Smart City at a glance

From the desk of the CEO

Board of Directors

Senior Management Team

Officers, Auditors and Bankers

VISION OF THE COMPANY

To transform Shillong into a cultural and economic hub in Meghalaya with a flow on tourism and culture and to make it a liveable, clean, green, inclusive, modern, safe and citizen friendly and well-governed city.



Shillong Smart City Limited at a glance

Smart City Mission is a program launched by the Government of India on the 25th of June, 2015 with an objective to provide urban settlements with core infrastructure and provide a decent quality of life to its citizens, a clean and sustainable environment through application of 'Smart' Solutions.

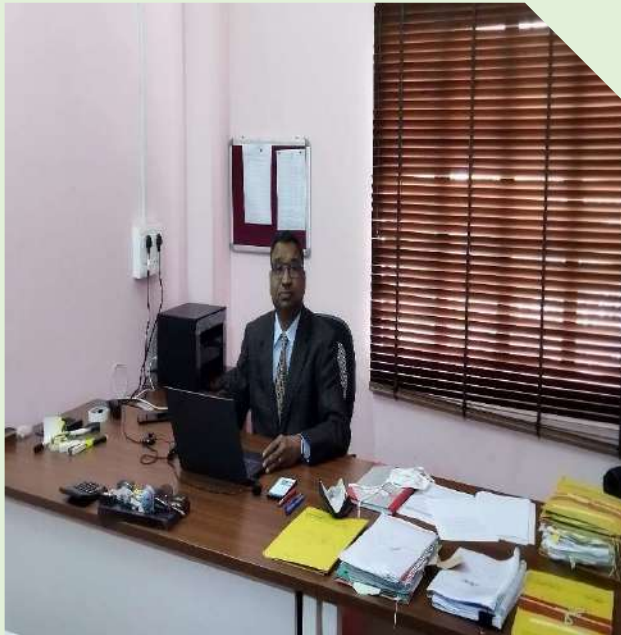
Shillong was selected as the 100th Smart City in June, 2018.

Overview of Shillong Smart City

Shillong Smart City Limited (SSCL) was incorporated as a public limited company on the 22nd January 2019 under the Companies Act, 2013.

The main objective of SSCL is to plan, appraise, approve, release funds, implement, manage, operate, monitor and evaluate the Smart City development projects identified under Smart City Proposal of Ministry of Housing and Urban Affairs (MoHUA), Government of India/ Meghalaya.

From the Desk of the CEO



Dear Shareowners,

It gives me immense pleasure to present the 2nd Annual Report on the performance of your Company for the Financial Year 2020-21.

This Fiscal Year had been a challenging one, as the world still faced the health crisis posed by the COVID-19 outbreak.

At these crucial times, I on behalf of Shillong Smart City Limited would like to send our deepest gratitude to all the COVID warriors who had been fighting all odds with their tireless efforts to save the lives.

I send my deepest condolences to all those who had to suffer the irrecoverable loss of their dear ones. With the scientific progresses, I am hopeful that we shall get the pandemic under control.

The year started with a nationwide lockdown and your Organisation made its endeavour to maintain the normal operations following the safety guidelines issued by the Central/ State Government from time to time. The working at the non-critical locations was streamlined with work-from-home norms and minimal physical presence to ensure proper social distancing.

The Project Construction sites were closed down during after announcement of the lockdown under the directives of the concerned authorities. However, after the relaxations granted by the Government the projects sites were gradually restarted by taking all the pro-actives measures.

Your Organisation has during the year made all endeavours to fulfil its key functions and responsibilities such as to:

1. Approve and sanction the projects including their technical appraisal.
2. Execute the Smart City Proposal with complete operational freedom.
3. Take measures to comply with the requirements of MoHUA with respect to the implementation of the Smart Cities programme.
4. Mobilize resources within timelines and take measures necessary for the mobilisation of resources.
5. Approve and act upon the reports of a third-party review and monitoring agency.
6. Overview capacity building activities.
7. Develop and benefit from inter-linkages of academic institutions and organizations.
8. Ensure timely completion of projects according to set timelines.
9. Monitor and review quality control related matters and act upon issues arising thereof.
10. Enter into contracts, partnerships and service delivery arrangements as may be required for the implementation of the Smart City Projects.
11. Any other functions as delegated by the central government or state government/ ULB within the scope of smart city mission.

I am pleased to report that since its inception Shillong Smart City Ltd has made progress and have successfully awarded the following works.

List of Smart Cities Projects Awarded -- As of end of March 2022

S. No	Project ID	Project Name	Implementing Agency	RFP / Tender Issued	Work Order Issued	Contract duration (months)
1.	MEG-SHI-001	Construction of 6 Km Smart Roads (Phase 1)	Public Works Department	12-03-2020	-----	24.00
2.	MEG-SHI-014	Rainwater harvesting	Shillong Smart City Ltd	25-03-2021	-----	18.00
3.	MEG-SHI-022	Commercial Complex at Polo.	Shillong Smart City Ltd	18-02-2020	21-08-2020	24.00
4.	MEG-SHI-024	Construction and Re-Development of Laitumkhrah Municipal Market at Laitumkhrah.	Shillong Municipal Board	05-03-2019	13-04-2020	24.00

The initial funding strategy, proposed at the time of preparation of the Smart Cities proposal, continues to be refined and refreshed. Summarizing, SSCL is now poised to deliver the planned/intended benefits of Shillong Smart City Projects to the residents of Shillong.

I take this opportunity to thank the Government, the stakeholders, for their unflinching commitment and support. I would also place my sincere appreciation to all the Board Members for their guidance and Counsel.

Looking forward to your continued support for our shared vision.

sd/-
Dr. T.V. Krishna Murthy
 Chief Executive Officer



BOARD OF DIRECTORS



Shri M.S. RAO, Non- Executive Chairman



Smt. R.V SUCHIANG, Government Nominee Director



Shri M. R. SYNREM, Executive Director



Shri WILFRED KHYLLEP, Government Nominee Director



Shri D. VIJAY KUMAR, Government Nominee Director



Smt ISAWANDA LALOO, Government Nominee Director



Shri G. KHARMAWPHLANG, Government Nominee



Shri RAHUL KAPOOR, Government Nominee Director



Shri B. S. SOHLIYA, Government Nominee Director



Shri PATRICK MARAK, Government Nominee Director



Shri BRUCE P MARAK, Government Nominee Director



Shri T.V. KRISHNAMURTHY, Chief Executive Officer/
Director



Smt NATALIE KHARKONGOR, Independent Director



Shri JWATBOR CAJEE, Independent Director

MANAGEMENT TEAM

T.V. KRISHNA MURTHY
Chief Executive officer

B.B. AGARWAL
General Manager (Urban Infrastructure)

AMIT KUMAR
General Manager (Finance)

ARCHITA CHAKRABORTY
Company Secretary

PROJECT MANAGEMENT CONSULTANTS

IPE GLOBAL LIMITED

REGISTERED OFFICE

C/B -037, Top Floor, Centre Nongrim Hills, Near JJ Cables, East Khasi Hills District,
Shillong, Meghalaya- 793003

OUR BANKER

BANDHAN BANK
Police Bazar, Shillong

STATUTORY AUDITORS

M/s S S D & Co.
Chartered Accountant
Near High Court Meghalaya
M.G. Road, Shillong
Shillong, Meghalaya

STATUTORY REPORTS

Notice of the Annual General Meeting

Directors' Report

Annexure to Directors' Report

Notice to the Members

SHORTER NOTICE

Notice is hereby given that the **Second (2nd) Annual General Meeting** of the Members of Shillong Smart City Limited will be held on Monday, the 29th day of November, 2021 at 12:30 P.M. in the Conference Room, Main Secretariat, through to transact the Ordinary and the Special Businesses:

A. Ordinary Business:

Item No. 1.

1. To receive, consider and adopt the Financial Statement for the Financial Year ending on 31st March, 2021 with the Board's Report and Independent Auditors' Report thereon and the comments thereupon of Comptroller and Auditor General of India.

The members will be apprised that as per the provisions of Sec 96(1) of the Companies Act, 2013, a company is required to hold its first AGM within 6 months from the closure of the Financial Year. However, an extension has been provided by Ministry of Corporate Affairs (MCA) for a period of two months beyond the due date. Accordingly in compliance of the provisions of the Companies Act, 2013 the AGM has been called on 29th November, 2021.

As per the Provisions of Section 143(6), the C&AG on the receipt of the audit Report from the Statutory Auditor, shall conduct a supplementary audit or comment upon or supplement such audit report.

And the Comments of the C&AG shall form part of the adopted financial statements.

As the Financial Statements for the year ending 2020-21 of Shillong Smart City Limited has not been audited by C& AG and their comments has not been received therefore it will be apprised that the accounts cannot be tabled for adoption by the members.

Therefore, if thought fit with the approval of the members present it may be proposed to defer the item and place it at the Second Adjourned Annual General Meeting subsequent to the receipt of the comments of the Comptroller & Auditor General of India by passing the following resolution:

“RESOLVED THAT the Financial Statements for the year 2020-21 will be placed in the Second Adjourned Annual General Meeting of the Company subsequent to the receipt of the comments from the Comptroller & Auditor General of India.”

Item No. 2

RESOLUTION FOR RE-APPOINTMENT OF DIRECTOR RETIRING BY ROTATION.

The members will be apprised that in accordance with Section 152(6)(e) of the Companies Act, 2013 and the Articles of Association of Shillong Smart City Limited, at every Annual General Meeting two- third of the total strength of the directors are liable to retire by rotation and one-third of the directors who have been longest in the office since their appointment shall retire by rotation and in the same AGM shall be eligible for re-appointment on the Board.

Therefore, the matter for re-appointment of the following directors will be placed before the members.

- 1) Smt. Isawanda Laloo (DIN: 08915504).
- 2) Shri Gideon Kharmawphlang (DIN: 08915503).
- 3) Shri Batlang Samuel Sohliya (DIN: 08919673).

The members if thought fit will then propose and pass the following resolutions:

“RESOLVED FURTHER THAT Smt. Isawanda Laloo (DIN: 08915504) who retires by rotation at this Annual General Meeting be and is hereby re-appointed as a Director of the Company, liable to retirement by rotation.”

“RESOLVED FURTHER THAT Shri Gideon Kharmawphlang (DIN: 08915503) who retires by rotation at this Annual General Meeting be and is hereby re-appointed as a Director of the Company, liable to retirement by rotation.”

“RESOLVED FURTHER THAT Shri Batlang Samuel Sohliya (DIN: 08919673) who retires by rotation at this Annual General Meeting be and is hereby re-appointed as a Director of the Company, liable to retirement by rotation.”

A. Special Business

Item No. 1

To Authorize Alteration of the Articles of Association:

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

“RESOLVED THAT pursuant to provisions of section 14 of the Companies Act, 2013 (including any amendments thereto or re-enactment thereof) (the “Act”) read with rule 33 of the Companies (Incorporation) Rules, 2014, approval of the members is accorded to amend the Articles of Association of the Company as follows:

“ Subject to the provisions of Section 201 of the Act, every Director , Chairperson, officer or Servant of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors , out of the funds of the Company, to pay all costs, charges , losses and expenses which any such officer or servant may incur or become liable to, by reason of any contract entered into, or acts done by him as such officer or servant or during the discharge of his duties, including expenses and , in particular , and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Chairperson , Officer or servant in defending any proceedings, whether civil or criminal in which judgement is given in his favour or he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted by the Court , and the amount, if any, shall be treated as lien on the property of the Company .“

Will be substituted as follows:

“ Subject to the relevant provisions of the Act, every Director, Chairperson, officer or Servant of the Company shall be indemnified by the Company against , and it shall be the duty of the Directors, out of the funds of the Company, to pay all costs, charges , losses and expenses which any such officer or servant may incur or become liable to, by reason of any contract entered into, or acts done by him as such officer or servant, during the discharge of his duties , if acted honestly, reasonably and in good faith, including expenses made and , in particular , and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Chairperson, Officer or servant in defending any proceedings, whether civil or criminal in which judgement is given in his favour or he is acquitted or in connection with any application under Section 463 of the Act in which relief is granted by the Court. “

“RESOLVED FURTHER THAT any of the Director or the Company Secretary of the Company be and is hereby authorized, severally , to take necessary steps to give effect for alteration of the Indemnity Clause of the Articles of Association of the Company and to sign/execute all/any e-forms, other forms, returns, documents as may be required to be filled electronically with the Ministry of Corporate Affairs, Registrar of Companies, consequent upon proposed alteration in the Articles of Association of the Company.

**By Order of the Board of Directors
Shillong Smart City Limited**

**Date: 25/11/2021
Place: Shillong**

**sd/-
(Archita Chakraborty)
Company Secretary**

NOTES:

- ❑ The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Businesses, as set out above is annexed hereto.
- ❑ A member entitled to attend and vote at the meeting is entitled to appoint a proxy, pursuant to section 105 of the Companies Act, 2013, to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The proxy form, duly filed, is required to be deposited at the registered office of the Company at least 48 hours before the commencement of the meeting.
- ❑ All the documents relevant to the resolutions specified in the Notice and which are referred to in the Explanatory Statement are available for inspection by the shareholders of the Company at the Registered office of the Company.
- ❑ Route Map of the venue of the AGM is appended.
- ❑ Statutory registers maintained under Section 170 and Section 189 of the Companies Act, 2013 are open for inspection during business hours and will also be available at the AGM venue.
- ❑ The meeting to which this Notice relates, is held at a shorter notice with the consent of the members.
- ❑ None of the Directors of the Company has any personal interest or concern in the resolution.

**By Order of the Board of Directors
Shillong Smart City Limited**

**Date: 25/11/2021
Place: Shillong**

**sd/-
(Archita Chakraborty)
Company Secretary**

Explanatory Statements for the Special Business pursuant to Section 102 of the Companies Act, 2013:

Following is the explanatory statement in respect of item No. 1 of the Special Business included in the Notice dated 25th November, 2021:

1. To Authorize Alteration of the Articles of Association:

In the 6th Board of Directors Meeting held on the 12th of August, 2021 Smt. Natalie Kharkongor, Independent Director, SSCL placed that as Board is the primary management body, having a fiduciary duty to the company, it is expected from the Board to act in good faith and to promote the best interests of all the stakeholders. And as such the Directors are exposed to liabilities as a consequence of breach of their duties.

And as a result, various liabilities of civil nature like requiring directors to make payments to victims or the state and of the liabilities resulting in fines or imprisonment and also liabilities arising out of claims made against the directors either by the company or the shareholders for breaches of directors' duties. Therefore, there is a need for the Company to provide Indemnity to the Directors in order to safeguard them in case of any claim or liability arising out of any act from their bona fide actions in the Company, excluding criminal conduct.

Reference was drawn to the Indemnity Clause provided in the Articles of Association of the Company and after deliberation the Board recommended the passing of the proposed special resolution for the approval of the members.

None of the Directors or Key Managerial Personnel or their relatives has any interest or concern vested, financially or otherwise, in passing of the said Special Resolution.

**By Order of the Board of Directors
Shillong Smart City Limited**

**Date: 25/11/2021
Place: Shillong**

**sd/-
(Archita Chakraborty)
Company Secretary**

Notice of the 2nd Adjourned Annual General Meeting

Notice is hereby given that the **Second (2nd) Adjourned Annual General Meeting** of the Members of Shillong Smart City Limited will be held on Friday, the 26th day of August, 2022 at 12:00 Noon , in the Conference Hall, Main Secretariat, through to transact the adjourned Ordinary and the Special Businesses:

B. Ordinary Business:

1. To receive, consider and adopt the Financial Statement for the Financial Year ending on 31st March, 2021 with the Board's Report and Independent Auditors' Report thereon and the comments thereupon of Comptroller and Auditor General of India.
2. To appoint a director in place of Smt. Isawanda Laloo (DIN: 08915504) who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint a director in place of Shri Gideon Kharmawphlang (DIN: 08915503) who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint a director in place Shri Batlang Samuel Sohliya (DIN: 08919673) who retires by rotation and being eligible, offers himself for reappointment.

C. Special Business

5. To Authorize Alteration of the Articles of Association:

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

“RESOLVED THAT pursuant to provisions of section 14 of the Companies Act, 2013 (including any amendments thereto or re-enactment thereof) (the “Act”) read with rule 33 of the Companies (Incorporation) Rules, 2014, approval of the members is accorded to amend the Articles of Association of the Company as follows:

“ Subject to the provisions of Section 201 of the Act, every Director , Chairperson, officer or Servant of the Company shall be indemnified by the Company against, and it shall be the duty of the Directors , out of the funds of the Company, to pay all costs, charges , losses and expenses which any such officer or servant may incur or become liable to, by reason of any contract entered into, or acts done by him as such officer or servant or during the discharge of his duties, including expenses and , in particular , and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Chairperson , Officer or servant in defending any proceedings, whether civil or criminal in which judgement is given in his favour or he is acquitted or in connection with any application under Section 633 of the Act in which relief is granted by the Court , and the amount, if any, shall be treated as lien on the property of the Company .”

Will be substituted as follows:

“ Subject to the relevant provisions of the Act, every Director, Chairperson, officer or Servant of the Company shall be indemnified by the Company against , and it shall be the duty of the Directors, out of the funds of the Company, to pay all costs, charges , losses and expenses which any such officer or servant may incur or become liable to, by reason of any contract entered into, or acts done by him as such officer or servant, during the discharge of his duties , if acted honestly, reasonably and in good faith, including expenses made and , in particular , and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Chairperson , Officer or servant in defending any proceedings, whether civil or criminal in which judgement is given in his favour or he is acquitted or in connection with any application under Section 463 of the Act in which relief is granted by the Court. ”

“RESOLVED FURTHER THAT any of the Director or the Company Secretary of the Company be and is hereby authorized, severally , to take necessary steps to give effect for alteration of the Indemnity Clause of the Articles of Association of the Company and to sign/execute all/any e-forms, other forms, returns, documents as may be required to be filled electronically with the Ministry of Corporate Affairs, Registrar of Companies, consequent upon proposed alteration in the Articles of Association of the Company. ”

**By Order of the Board of Directors
Shillong Smart City Limited**

**Date: 03/08/2022
Place: Shillong**

**sd/-
(Archita Chakraborty)
Company Secretary**

NOTES

- The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Businesses, as set out above is annexed hereto.
- A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Blank proxy form is enclosed.
- The Attendance Slip to be duly filled by the Members are annexed herewith.
- All the documents relevant to the resolutions specified in the Notice and which are referred to in the Explanatory Statement are available for inspection by the shareholders of the Company at the Registered office of the Company.
- Route Map of the venue of the AGM is appended.
- Statutory registers maintained under Section 170 and Section 189 of the Companies Act, 2013 are open for inspection during business hours and will also be available at the AGM venue.
- The Meeting is an adjourned meeting of the 2nd Annual General Meeting which was held on the 29th of November, 2021.
- None of the Directors of the Company has any interest vested in anyway in passing the resolutions.

Annexures:

- a. Explanatory Statement

**By Order of the Board of Directors
Shillong Smart City Limited**

**Date: 03/08/2022
Place: Shillong**

**sd/-
(Archita Chakraborty)
Company Secretary**

Explanatory Statements for the Special Business pursuant to Section 102 of the Companies Act, 2013:

Following is the explanatory statement in respect of item No. 1 of the Special Business included in the Notice dated 25th November, 2021:

1. To Authorize Alteration of the Articles of Association:

In the 6th Board of Directors Meeting held on the 12th of August , 2021 Smt. Natalie Kharkongor, Independent Director, SSCL placed that as Board is the primary management body, having a fiduciary duty to the company, it is expected from the Board to act in good faith and to promote the best interests of all the stakeholders. And as such the Directors are exposed to liabilities as a consequence of breach of their duties.

And as a result, various liabilities of civil nature like requiring directors to make payments to victims or the state and of the liabilities resulting in fines or imprisonment and also liabilities arising out of claims made against the directors either by the company or the shareholders for breaches of directors' duties. Therefore, there is a need for the Company to provide Indemnity to the Directors in order to safeguard them in case of any claim or liability arising out of any act from their bona fide actions in the Company, excluding criminal conduct.

Reference was drawn to the Indemnity Clause provided in the Articles of Association of the Company and after deliberation the Board recommended the passing of the proposed special resolution for the approval of the members.

None of the Directors or Key Managerial Personnel or their relatives has any vested interest or concern, financially or otherwise, in passing of the said Special Resolution.

**By Order of the Board of Directors
Shillong Smart City Limited**

**Date: 03/08/2022
Place: Shillong**

**sd/-
(Archita Chakraborty)
Company Secretary**



**Form No. MGT-11
PROXY FORM
(Pursuant to Section 105(6) of the Companies Act, 2013
and rules 19(3) of the Companies (Management and
Administration) Rules, 2014)**

Name of the member (s): _____

Registered Address: _____

Email Id _____ Folio No. /Client Id _____ DP ID: N/A

I/We, being the member(s) holding _____ shares of the above-named Company,
hereby appoint

1. Name: _____ Address: _____

Email Id: _____ Signature _____

or failing him

2. Name: _____ Address: _____

Email Id: _____ Signature _____

or failing him

3. Name: _____ Address: _____

Email Id: _____ Signature _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the
Second (2nd) Annual General Meeting of the Company, to be held on Friday, the 26th day
of August, at 12 Noon, at the Conference Hall, Main Secretariat Building, Shillong,
Meghalaya and at any adjournment thereof in respect of such resolutions as are indicated
below:



Resolution No.

Resolution(S)	Vote	
	For	Against
<u>Ordinary Resolution:</u>		
1. To receive, consider and adopt the Financial Statement for the Financial Year ending on 31st March, 2021 and Directors' Report and Independent Auditors' Report thereon and the comments thereupon of Comptroller and Auditor General of India.		
2. Re-appointment of Smt. Isawanda Laloo as a Director on the Board of SSCL		
3. Re-appointment of Shri Gideon Kharmawphlang as a Director on the Board of SSCL		
4. Re-appointment of Batlang Samuel Sohliya as a Director on the Board of SSCL		
<u>Special Resolution:</u>		
1. To Authorize Alteration of the Articles of Association		

Signed this.....day of.....2022

Signature of Shareholder

Signature of Proxy holder(s)

Affix Revenue Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the meeting.



SHILLONG SMART CITY LIMITED

CIN: U9300ML2019SGC013677 | Website: www.sscl.meghalaya.gov.in

House No: C/B-037, Top Floor, Centre Nongrim Hills, Near JJ Cables, East Khasi Hills District,
Shillong- 793003, Meghalaya

Email id: shillongsmartcityltd@gmail.com | Phone Number : 0364-2522006

ATTENDANCE SLIP

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING ROOM

Name and address of the shareholder:

Reg. Folio/DP & Client No:

No. of Shares Held:

I certify that I am a registered Shareholder/Proxy for the registered shareholder of the Company and I hereby record my presence at the Second (2nd) Adjourned Annual General Meeting of the Company on Friday, the 26th day of August, 2022 at the Conference Hall, Main Secretariat Building at 12 Noon.

Proxy's Name: _____

Member's/ Proxy's Signature



Ease of Living(EOL) & Municipal Performance Index (MPI)



DIRECTORS' REPORT

SHILLONG SMART CITY LIMITED

Directors' Report 2020-21

Dear Members,

On the behalf of the Board of Directors, we hereby present the 2nd Annual Report on the performance of your Company containing Audited Financial Statements together with the Auditors' Report and the Comments of the Comptroller & Auditor General of India for the Financial Year ended 31st March, 2021.

SIGNIFICANT HIGHLIGHTS

1. FINANCIAL HIGHLIGHTS 2020-21:

During the Financial Year 2020-21, the Company has earned a total revenue of ₹ 5, 23,77,847 as against ₹ 3,09,89,532 in the previous year.

The Profit before tax (PBT) in the F.Y.2020-21 was ₹ 50,13,760 against a loss of ₹ 2,42,500 in the previous year. The Profit after tax (PAT) was ₹ 37,03,940 as against the loss of ₹ 2,19,750 during the previous year.

The Summary of the Financial Performance of the Company for the Financial Year ended 31st March, 2021 is given below:

Particulars	For the Financial Year 2020-21
Total Income	5,23,77,847
Total Expenses	4,73,64,087
Profit Before Exceptional and Extraordinary Items and tax	50,13,760
Less Exceptional Items	-
Profit/ Loss Before Tax	50,13,760
Less: Current Tax	16,86,147
Less: Deferred Tax	3,76,327
Net Profit/ Loss After Tax	37,03,940

1. CAPITAL STRUCTURE:

The Authorized Share Capital of the Corporation is ₹1,00,00,000/- (One Crore) comprising of 10,00,000 (Ten Lakh) Equity Shares of ₹10 each. The issued, subscribed and the Paid-up share capital of the Company is ₹ 10,00,000 (Rupees Ten Lakhs) comprising of 1,00,000 (One Lakh) Equity Shares of ₹ 10 each.

2. COMPOSITION OF THE BOARD OF DIRECTORS

(A) Composition of the Board of Directors as on 31st March, 2021

SL No.	Name
1.	Shri M.S. Rao, Chief Secretary to the Government of Meghalaya, Chairman.
2.	Smt. R.V. Suchiang, Additional Chief Secretary, Government of Meghalaya.
3.	Shri M.R. Synrem, Commissioner & Secretary, Urban Affairs Department, Government of Meghalaya, Executive Director.
4.	Shri Wilfred Khyllep, Commissioner & Secretary (Law), Government of Meghalaya.
5.	Shri D. Vijay Kumar, Commissioner & Secretary (Planning), Government of Meghalaya.
6.	Smt. Isawanda Laloo, Deputy Commissioner, East Khasi Hills District, Government of Meghalaya.
7.	Shri Gideon Kharmawphlang, Director, Urban Affairs Department, Government of Meghalaya.
8.	Shri Rahul Kapoor, Mission Director, Government of India.
9.	Shri B. S. Sohliya, CEO, Shillong Municipal Board.
10.	Shri Bruce P. Marak, Chief Engineer, National Highways.
11.	Shri Patrick Marak, Chief Engineer, PHE.
12.	Shri T.V. Krishna Murthy, CEO, SSCL.
13.	Smt. Natalie Kharkongor, Independent Director.
14.	Shri Jwatbor Cajee, Independent Director.

(B) Changes in the composition of the Board of Directors during the Financial Year

Sl No.	Position	With effect From	Change	
			From	To
1.	Government Nominee Director, Commissioner & Secretary (Law)	04-05-2020	Shri S. Kharlyngdoh	Shri Wilfred Khyllap
2.	Independent Director	23-06-2020	-	Shri Jwatbor Cajee
3.	Government Nominee Director, Deputy Commissioner, EKH	04-09-2020	Smt. Matsiewdor War Nongbri	Smt. Isawanda Laloo
4.	Director Urban, Affairs Department	09-09-2020	Shri Ethelbert Kharmalki	Shri G. Kharmawphlang
5.	Executive Director, Principal Secretary, Urban Affairs Department	10-10-2020	Shri D.P. Wahlang	Shri M.R. Synrem (Commissioner & Secretary Urban Affairs Department)
6.	Government Nominee Director, Chief Engineer, PHE	31-11-2020	Shri K.D. Talukdar	Shri Patrick Marak

(C) Changes in the composition of the Board of Directors during the Financial Year

SI No.	Position	With effect From	Change	
			From	To
1.	Government Nominee Director, Commissioner & Secretary (Law)	04-05-2020	Shri S. Kharlyngdoh	Shri Wilfred Khyllap
2.	Independent Director	23-06-2020	-	Shri Jwatbor Cajee
3.	Government Nominee Director, Deputy Commissioner EKH	04-09-2020	Smt. Matsiewdor War Nongbri	Miss Isawanda Laloo
4.	Director Urban, Affairs Department	09-09-2020	Shri Ethelbert Kharmalki	Shri G. Kharmawphlang
5.	Executive Director, Principal Secretary, Urban Affairs Department	10-10-2020	Shri D.P. Wahlang	Shri M.R. Synrem (Commissioner & Secretary Urban Affairs Department)
6.	Government Nominee Director, Chief Engineer, PHE	31-11-2020	Shri K.D. Talukdar	Shri Patrick Marak

3. DIVIDEND:

Your Company has decided to plough back its profits into its operations for the current Financial Year.

4. STATUTORY AUDITORS:

The Statutory auditors of your company are appointed by the Comptroller & Auditor General of India (C&AG), M/s S S D & Co., Chartered Accountants, Shillong was appointed as the Statutory Auditor for the financial year 2020-21.

5. SECRETARIAL AUDIT

The provisions of Section 204 of the Companies Act, 2013 with respect to secretarial audit are currently not applicable to the Company. Hence there is no Secretarial Auditor appointed nor has any Secretarial audit being carried out for the period under review.

6. DEPOSITS

The Company has not initiated, accepted or renewed any deposits from the public falling under the ambit of Sec 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rule, 2014.

7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loans or corporate guarantees and has also not made any investments under Section 186 of the Companies Act, 2013.

8. ESTABLISHMENT OF VIGIL MECHANISM

The provisions of the Section 177 (9) of the Companies Act, 2013 the Vigil Mechanism is currently not applicable to your Company. It shall be proposed to adopt a Vigil mechanism and frame and adopt a whistle blower policy for its directors and employees along with the necessary rules and regulations and make necessary arrangements for the employees to raise and report their genuine concerns to the appointed authority.

9. HUMAN CAPITAL

Your corporation believes that human resource management is an integral part of the organisation's success. Your Company has hence tried to ensure that the human resource policies and practices are sensitive to the employee needs.

In line with the Government's motto of making India Self-reliant and Self-sufficient, The Ministry of Housing and Urban Affairs (MoHUA) had launched "**THE URBAN LEARNING INTERNSHIP PROGRAM (TULIP)**" to create synergies between advancing functional skills in students and harnessing their ideas to co-create solutions for the future of our cities. "

Your corporation has inducted 5 interns under the TULIP program during the current Financial Year.

10. INDUSTRIAL RELATIONS:

During the year your Company continued to maintain harmonious and cordial Industrial Relations with all the stakeholders.

11. WOMEN EMPOWERMENT

Women employees constitutes a major part of your Company's workforce. SSCL celebrated Women's Day on 8th March, 2021 and has been actively supporting women employees.

The Board of the Company also comprises of three women Directors.

12. IMPLEMENTATION UNDER RIGHT TO INFORMATION ACT:

In order to promote transparency and increased accountability, Company has put in place the implementation of Right to Information Act, 2005. Appropriate mechanism has been put in place by the Company for addressing various queries as per Section 2(h) of the Right to Information Act, 2005, related to RTI Act.

13. CODE OF CONDUCT:

The Board of your Corporation has enunciated a code of conduct for the directors and senior management personnel, which has been circulated to all the concerned. The Directors and senior management personnel have affirmed compliance with the code of conduct.

14. RISK MANAGEMENT:

Your Company has a well laid risk assessment and management process. In order to mitigate the risks and oversee the risks management process a committee of officers is formed. Any grave issue requiring attention is placed before the Board.

With the outbreak of the Covid -19 pandemic has brought into picture the formation of a new risk, that needed attention. Your corporation immediately reviewed the risk arising out of the pandemic and tried its best to mitigate the risks by following the covid protocols as put into measure by the Government.

15. INTERNAL FINANCIAL CONTROLS:

In order to ensure efficient conduct of the business as per the laid procedures, an adequate financial control mechanism is placed in your organization. Safeguarding the assets, preventing and detecting frauds and errors, accuracy and completeness of the accounting records and financial statements is ensured by your corporation.

16. CORPORATE GOVERNANCE

Your corporation continues to adopt the best practices of Corporate Governance to ensure transparency, integrity and accountability in its functioning.

17. EXTRACT OF THE ANNUAL RETURN:

The extract of the annual return is as per MGT-9 as provided in the Annexure.

18. MEETINGS OF THE BOARD HELD DURING THE PERIOD UNDER REVIEW

The details of the Board meeting held during the period under review:

Board Meeting Number	Date of the Board Meeting
1 st	12 th August, 2020
2 nd	29 th November, 2020
3 rd	21 st March, 2021

19. MANAGERIAL REMUNERATION & PARTICULARS OF EMPLOYEES

Government Companies are exempted from complying with the requirement of Section 197 (Chapter XIII) by virtue of the Notification given by the Ministry of Corporate Affairs (MCA) dated 5th June, 2015. Hence, the Rules made thereunder i.e. Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is also not applicable to Government Companies.

20. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

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

21. COMPLIANCE WITH THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013

The provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 have been implemented across the Corporation with the clear objective of providing protection to women against sexual harassment at the workplace and for prevention and redressal of complaints.

The Company fully respects the Vishakha Guidelines in spirit and practice and as has framed it as a part of its Human Resource Manual.

Your Company has initiated the process to form an internal complaint committee in the Corporate Office headed by senior level women executives in order to deal with sexual harassment complaints, if any, and conduct enquiries thereon.

22. GOVERNMENT AUDIT REVIEW

The comments of the Comptroller and Auditor General of India (C&AG) under the Companies Act, 2013, on the accounts of the Company for the year ended 31st March, 2021 is placed in the printed Annual Accounts of the Company.

23. BOARD OF DIRECTORS:

SSCL being a Government Company, appointment/nomination of all the Directors is done by the Government of Meghalaya. As on 31st March, 2021 there were Fourteen Directors out of which 9 non-executive Directors as Government Nominee Directors. The Chief Secretary, to the Government of Meghalaya as its Chairman, the Senior most Secretary of the Urban Affairs Department is the Executive Director, the Chief Executive Officer of the Company is also a functional Director on the Board and there are two independent directors.

Three meetings of the Board of Directors were held during the financial year 2020-2021 and the requisite quorum was present throughout the meeting that were held.

i) Disclosures:

(A) Basis of Related Party Transactions:

There were no material transactions with related parties during the year.

(B) Disclosure of Accounting Treatment:

The Company follows Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI) and in the preparation of Financial Statements, the Company has not adopted a treatment different from that prescribed in any Accounting Standards.

24. STATUTORY DISCLOSURES

a) Particulars of Employees

Your Company being a Government Company, the provisions of section 197(12) of the Companies Act, 2013 and relevant Rules do not apply in view of the Gazette notification dated 05.06.15 issued by Government of India, Ministry of Corporate Affairs.

The terms and conditions of the appointment of Functional Directors are subject to the clauses of the Articles of Association of the Company. The salary and terms and conditions of the appointment of the Key Managerial Personnel's of the Company, are in line with the parameters prescribed by the Government of India.

25. DIRECTORS

a) Policy On Directors' Appointment Etc.

Your Company being a Government Company, the provisions of section 134(3) (e) of the Companies Act, 2013 do not apply in view of the Gazette notification dated 05.06.15 issued by Government of India, Ministry of Corporate Affairs.

b) Performance Evaluation

The provisions of Section 134(3)(p) of the Companies Act, 2013 relating to evaluation of Board/ Directors do not apply to your Company since necessary exemptions are provided to all government companies.

26. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3) (c) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby confirmed that: In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board hereby submits its Responsibility Statement:

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the same;
- b) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2021 and of the profit of the Company for the year ended on that date;
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) The Directors have prepared the annual accounts of the Company on a 'going concern' basis.
- e) The Directors have laid down internal financial controls which are being followed by the company and that such internal financial controls are adequate and are operating effectively.
- f) The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating.

27. ACKNOWLEDGEMENT

Your Board takes the opportunity to express their gratitude to all the employees for their collective hard work, commitment and ability to work as a Team and deliver desired results and it expects continuance of a supportive relationship in future also.

Your directors acknowledge the support and guidance received from the Urban Affairs Department, various government departments, stakeholders, suppliers, Banks and other agencies for their extended co-operation. The Directors also express their gratitude to the Comptroller and Auditor General of India, Principal Director of Commercial Audit and Ex-officio Member, Audit Board – IV and the Statutory Auditors for their valuable guidance and co-operation.

For and on behalf of the Board of Directors'

Date: 28th June, 2022
Place: Shillong

sd/-
M.R. Synrem
Executive Director
DIN:03619409

sd/-
G. Kharmawphlang
Director
DIN: 08915503

Commercial Complex at Polo in progress





ANNEXURE TO DIRECTORS' REPORT



ANNEXURE TO DIRECTORS' REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL PERIOD ENDED 31ST MARCH, 2021

[Pursuant To Section 92 (3) Of The Companies Act, 2013 and rule 12 (1) of the Companies Management and Administration) Rules , 2014]

I. REGISTRATION AND OTHER DETAILS:

Sl No.	Particulars	Details
1.	Corporate Identification Number	U93000ML2019SGC013677
2.	Registration Date	22/01/2019
3.	Name of the Company	Shillong Smart City Limited
4.	Category/ Sub- Category of the Company	Company Limited by shares
5.	Address of the Registered Office and Contact details	C/B- 037, Top Floor, Centre Nongrim Hills, Near JJ Cables, East Khasi Hills District, Shillong – 793003, Meghalaya
6.	Whether listed Company	Not Listed
7.	Name, Address and contact details of Registrar and Transfer Agent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

SL NO.	Name and description of the main product/ services	NIC Code of the product/service	% of the total turnover of the Company
1.	SPV	75133	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

Name and address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable section
NIL	N/A	N/A	N/A	N/A

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

A. CATEGORY WISE SHAREHOLDING

Category of the Shareholder	No. of Shares held at the beginning of the year [As on 01-04-2020]				No. of shares held at the end of the year [As on 31-03-2021]				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual/ HUF									
b) Central Govt									
c) State Govt		49,900	49,900	49.9%		49,900	49,900	49.9%	-
d) Bodies Corporate									
e) Banks/ FI									
f) Any other									
Sub- total (A) (1)									
1) Foreign									
a) NRIs- Individual									
b) Other Individuals									
c) Bodies Corporate									
d) Any other (Urban Affairs Department, Meghalaya)		50,100	50,100	50.10%		50,100	50,100	50.10%	-
Sub- total (A) (2)									
TOTAL (A)		1,00,000	1,00,000	100%		1,00,000	1,00,000	100%	-



CHANGE IN PROMOTERS' SHAREHOLDING: There was no change in the promoters shareholding for the period under review

Shareholding at the beginning of the year Cumulative Shareholding during the year				
	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year	-			
Date wise change				
At the end of the year				

SHAREHOLDING PATTERN OF TOP SHAREHOLDERS (OTHER THAN DIRECTORS , PROMOTERS, HOLDERS OF GDRS AND ADRS) :

Not applicable for the period under review

Shareholding at the beginning of the year Cumulative Shareholding during the year				
(From each one separate)	No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year				
Date wise change				
At the end of the year				

**H. SHAREHOLDING OF DIRECTORS AND KEYMANAGERIAL PERSONNEL:
No Directors or Key Managerial Personnel hold any share in their name**

Shareholding at the beginning of the year Cumulative Shareholding during the year				
(From each one separate)	No. of shares	% Of total shares of the Company	No. of shares	% of total shares of the Company
At the beginning of the year				
Date wise change				
At the end of the year				

V. INDEBTNESS: Not applicable for the period under review : Not applicable for the period under review

	Secured Loans excluding Deposits	Unsecured Loans (ECB)	Deposits	Total Indebtness
Indebtness at the beginning of the year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
TOTAL				
Change in indebtedness during the Financial Year				
Addition				
Reduction				
NET CHANGE				
Indebtness at the end of the year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
TOTAL				



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

a. Remuneration to Managing Director, Whole- Time Directors, Directors and/ or Managers:

SI No.	Particulars of Remuneration		Total Amount
1.	Gross Salary		
	(a) Salary as per provisions contained in section 17(1) of the Income – Tax Act		
	(b) Value of perquisites u/s 17 (2) Income Tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) of the Income Tax act, 1961		
2.	Stock Option		
3.	Sweat Equity		
4.	Commission as % of profit, others, specify		
5.	Others, please specify		
	TOTAL (A)		
	Ceiling as per the Act		

B. REMUNERATION TO OTHER DIRECTORS: NIL

SL NO.	PARTICULARS OF REMUNERATION	NAME OF MD/ WTD/MANAGER/DIRECTOR		TOTAL AMOUNT	
1.	Independent Directors	Natalie West Kharkongor	Jwatbor Singh Cajee	Natalie West Kharkongor	Jwatbor Singh Cajee
	Fee for attending board/ committee meetings	10,000	10,000	10,000	10,000
	Commission				
	Others, please specify				
	TOTAL				
2.	Other Non- Executive Directors				
	Fee for attending board/ committee meetings				
	Commission				
	Others, please specify				
	TOTAL	10,000	10,000	10,000	10,000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/ WTD:

SI No.	Particulars of Remuneration	KEY MANAGERIAL PERSONNEL (₹)	
1.	Gross Salary	CEO	CS
	(c) Salary as per provisions contained in section 17(1) of the Income – Tax Act	46,03,000	947,807
	(d) Value of perquisites u/s 17 (2) Income Tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) of the Income Tax act, 1961		
2.	Stock Option		
3.	Sweat Equity		
4.	Commission as % of profit, others, specify		
5.	Others, please specify	2,24,958	39,518
	TOTAL (A)	48,21,958	9,87,325

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

The above is not applicable for the period under review

Type	Section of the Companies Act	Brief Description	Details of Penalty /Punishment /compounding Fees Imposed	Authority (RD/NCLT/Court)	Appeal made, if any, (Give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

For and of behalf of the Board of Directors'
Shillong Smart City Limited

sd/-
M.R. Synrem
 Executive Director
 DIN: 03619409

sd/-
G. Kharmawphlang
 Director
 DIN: 08915503

February 1 - February 29, 2020

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1st - 29th February, 2020

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February 1 - February 29, 2020

HATO KA SOR JONG PHI KA LONG KA SHNONG BA PHI SNGEW SARONG?

iasam ia ki symboh pyrkhath ha ka jingiohi jong phi.

[#MyCityMyPride](https://www.instagram.com/MyCityMyPride)

Scan ia une u QR Code na ka bynta ki jingbha ba salonsar.

iashimbynta ha ka Ease Of Living Participation Survey

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RATE OUR CITY PROJECTS

FINANCIAL STATEMENTS

Independent Auditors's Report

Comments of the C & AG

Balance Sheet

Statement of Cash Flow

Notes to Financial Statements for the ended 31st March,
2021

INDEPENDENT AUDITORS' REPORT

To,
The Members of Shillong Smart City Limited
Shillong

Report on the Audit of the Standalone Financial Statements

1. Qualified Opinion

- 1.1 We have audited the standalone financial statements of **Shillong Smart City Limited** ("the Company"), which comprise the Balance Sheet as at **31st March 2021**, and the statement of Profit and Loss, and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.
- 1.2 In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid 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 31st, 2021 and profit/loss, and its cash flows for the year ended on that date.

2. Basis for Qualified Opinion

- 2.1 We draw attention to Note No. 2 – Reserve and Surplus which includes Rs. 3.75 Crores and Rs. 2.89 Crores credited to Capital Reserves as project fund utilisation although these amounts were paid as mobilisation advance to the contractors immediately on allotment of the work. No Utilisation Certificate was obtained from the contractors in this regard before considering such payments as fund utilisation. Also, as these advances are subject to recoveries from subsequent bills to be raised by the contractor, we are of the opinion that on disbursement of such advances, they should not be immediately be considered as fund utilisation. Further, the management could not provide documents supporting their treatment of such advances as fund utilisation. Treating mobilisation advance as funds utilisation and submitting Utilisation Certificate in this regard to the funding agency without verifying actual position of work done on the ground will leave a wrong precedence for the future.

With respect to Mobilisation Advance, we further draw attention to Sl. No.2 of the Office Memorandum/Circular No. 10.04.07 of Central Vigilance Commission,

2.2 Govt. of India where it was stated that “Though the Commission does not encourage interest free mobilisation advance, but, if the Management feels its necessity in specific cases, then it should be clearly stipulated in the tender document and its recovery should be time-based and not linked to progress of work”. However, the bid document for “Construction of Commercial Complex at Polo, Shillong”, no such declaration with respect to interest free mobilisation advance was found. Hence, providing mobilisation advance to the Contractor interest free is in violation of the aforementioned Office Memorandum.

Further, recovery of such mobilisation advance has been linked to future “running bills” or “completed percentage of works” for the projects “Construction of Commercial Complex at Polo, Shillong” and “Construction and Re-Development of Laitumkhrah Municipal Market at Laitumkhrah, Shillong” and was not on time-basis thereby contravening the said Office Memorandum.

2.3 As per Office Memorandum No. F.9/4/2020-PPD dated 12.11.2020 of the Department of Expenditure, Ministry of Finance, owing to covid pandemic it was decided to “reduce Performance Security from existing 5-10% to 3% of the value of the contract for all existing contracts.” However, as per Page No. 539 of the Contract for Construction of a Commercial Complex at Polo, Shillong with M/s Badri Rai & Co., Performance Security has been kept at 2% of the Contract Price i.e., 2% of Rs. 75 Crores. (Contract executed on 04.11.2020). Thus, there is a shortfall of such performance security by at least 1% of the Contract Price i.e., by Rs. 0.75 Crores.

2.4 Accounting and Retainership Charges includes prior period expenditure of Rs. 10.75 lakhs paid to Meghalaya Urban Development Authority (MUDA) for their services pertaining to the period January 2019 to May 2019. Although the bills were raised by MUDA in this regard in May 2020, however, no provisions were made in the books of accounts in previous years with respect to this expenditure. Hence, the same should have been booked as Prior Period Expenses in the current FY 2020-21. Similarly, Depreciation includes depreciation for prior periods to the tune of Rs. 3326/-.

2.5 TV Cabinet of Rs. 19500/- purchased on 11.06.2020 has been booked under “Office Equipment’s” instead of “Furniture & Fixtures”. This has resulted in excess depreciation of Rs. 1755/-.

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 us

3. audit of the financial statements under the provisions of the Companies Act, 2013 and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

4. Information Other than the Standalone Financial Statements and Auditors' Report thereon

4.1 The Company's Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report and Corporate Governance, but does not include the standalone financial statements and our auditors' report thereon.

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

4.3 In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

4.4 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.

5. Key Audit Matters:

5.1 Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

(a) Attention is drawn to Sl. No. I. Revenue Grants to Note 17 – Notes to Accounts and Significant Accounting Policies whereby Rs. 2.37 Crores of Project Fund has been utilised for Administrative and Other Expenses (A & OE). No prior approval in writing was obtained in this regard from the Board of Directors.

(b) Tour & Travelling Expenses of Rs. 1.26 Lakhs includes travelling expenditure of Rs. 24941/- of Mr. Rahul Kapoor, a Director of the Company. No boarding pass in this regard was made available during the course of our audit.

- (c) As per the Smart City Mission, Govt. of Meghalaya and Govt. of India are to contribute grants in the ratio of 50:50. However, as on 31.03.2021, Grant contributed by Govt. of India is Rs. 55 Crores and that contributed by Govt. of Meghalaya is Rs. 10 Crores. Thus, there is a shortfall of Rs. 45 Crores in grants contribution by Govt. of Meghalaya as on 31.03.2021.
- (d) As per the minutes of the meeting of the “Finalised Polo Commercial Complex Building” held at the Chamber of Principal Secretary (Urban Affairs) dated 17.09.2020, the Contractor confirmed that “Variance to the tendered drawings shall not be seen as change of scope of work and he shall not be entitled nor derive any monetary gain by way of disputed claims, etc., due to this variance”. However, in case of 1st Running Bill of “Construction of Commercial Complex at Polo”, there has been a variation in approved BOQ resulting in excess payment of Rs. 11.40 lakhs. Further, as per the contract, any such variance is to supported by the designated Engineer’s certificate which in this case was not present.

6. Responsibility of Management for Standalone Financial Statements

- 6.1 The Company’s Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 (“the Act”) with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.
- 6.2 This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.
- 6.3 In preparing the financial statements, management 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 management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
- 6.4 The Board of Directors are also responsible for overseeing the company’s financial reporting process.

7. Auditor's Responsibilities for the Audit of the Financial Statements

7.1 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.

7.2 As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

a. 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.

b. 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.

c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

d. 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.

e. 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.

7.3 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.

7.4 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.

8. Report on Other Legal and Regulatory Requirements

8.1 As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure-A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

8.2 We are enclosing our report in terms of Section 143 (5) of the Act, on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, in the "**Annexure-B**" on the directions and sub-directions issued by Comptroller and Auditor General of India.

8.3 As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

On the basis of the written representations received from the directors as on 31st March, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2021 from being appointed as a director in terms of Section 164 (2) of the Act.

- e. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in **“Annexure C”**.
- f. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigation which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts required to be transferred, to the Investor Education and Protection Fund by the Company.

**For M/s SSD & CO
Chartered Accountants
FRN: 0326761E.**

**Place: Shillong
Date: 19.11.2021
ICAI UDIN -21303776AAAAC1693**

**sd/-
(SUMIT DAS)
Partner
ICAI Mem. No. 303776**



Distribution of offer letters to the interns inducted through TULIP



ANNEXURE A, B & C

Annexure – A to Independent Auditors’ Report of Shillong Smart City Limited for the Financial Year ended 31st March, 2021

A. Referred to in Paragraph 8.1 under the heading “**Report on Other Legal and Regulatory Requirements**” of our report on even date.

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:

- (i) (a) the Company has maintained proper records showing full particulars, quantitative details and situations of fixed assets.

(b) As explained to us, fixed assets have been physically verified by the management and no material discrepancies were noticed on such verification.

(c) The Company does not hold any immovable property and there is no question of the title deed being held in the name of the company.
- (ii) As explained to us, there is no inventories to be reported by the Management as on 31.03.2021.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of Clause (iii) (a), (b) and (c) of the Order are not applicable to the company.
- (iv) According to the information and explanations given to us, the Company has neither advanced any loan including any loan represented by a book debt, to any of its directors or to any other person in whom director is interested, nor made any investment during the reporting period, hence the said Clause (iv) of the Order is not applicable to the company.
- (v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public during the year in accordance with the provisions of section 73 to 76 of the Act and rules framed there under. Accordingly, the provisions of Clause (v) (a), (b) and (c) of the Order are not applicable to the Company.
- (vi) As explained to us, the Central Government has specified for the maintenance of Cost Records under sub section (1) of section 148 of the Companies Act, 2013. However, we have been informed that the same not specified to be maintained to the company.
- (vii) (a) According to the information and explanations given to us and according to the books and records, the company is generally regular in depositing the undisputed statutory dues including provident fund, employees state insurance, income tax, Goods & Service Tax, duty of Customs, cess and any other statutory dues to the appropriate authorities.

- (viii) According to the information and explanations given to us, the Company is not covered under the ambit of the Provident Funds and Miscellaneous Provisions Act, 1952 and the ESI Act, 1948 as the number of employees are less than the threshold specified by the Act.
- (ix) The company has not taken any loan or borrowings from financial institutions, bank, Government; hence the said Clause (viii) of the Order is not applicable.
- (x) The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) and term loans and hence the said Clause (ix) of the Order is not applicable.
- (xi) As informed and reported to us there is no fraud by the Company or any fraud on the company by its officers or employees noticed or reported during the year and hence the said Clause (x) of the Order is not applicable.
- (xii) According to the information and explanations given to us, as the Company is a Government Company, the provisions of section 197 of the Companies Act 2013 read with Schedule V to the Companies Act with respect to Managerial Remuneration does not apply to it.
- (xiii) The Company is not a Nidhi Company, hence the said Clause (xii) of the Order is not applicable.
- (xiv) According to the information and explanations given to us, All transactions with the related parties are in compliance with Section 177 and 188 of Companies Act, 2013.
- (xv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence the said clause (xiv) of the Order is not applicable.
- (xvi) The company has not entered into any non-cash transactions with directors or persons connected with him and hence the said Clause (xv) of the Order is not applicable.
- (xvii) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 as it does not carry-on business of a non-banking financial institution.

**For and on behalf of M/s SSD & Co.
Chartered Accountants
FRN: 0326761E**

**sd/-
(SUMIT DAS)
FCA, DISA(ICAI)
Partner**

Membership No. 303776

**Place: Shillong
Date: 19.11.2021
UDIN: 21303776AAAACT1693**

Annexure – B to Independent Auditors’ Report of Shillong Smart City Limited for the Financial Year ended 31st March, 2021

A. Referred to in Paragraph 8.2 under the heading “**Report on Other Legal and Regulatory Requirements**” of our report on even date.

On the basis of such checks as we considered appropriate and in terms of the information and explanations given to us, we state that:

Sl. No.	Directions	Our Comment
1.	Whether the company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.	No. The Company processes its bills manually through a consultant i.e. M/s IPE Global. The processed bill is then passed into books of accounts through passing of accounting entry in Tally Software.
2.	Whether there is any restructuring of an existing loan or cases of waiver/write off of debts /loans/interest etc. made by a lender to the company due to the company’s inability to repay the loan? If yes, the financial impact may be stated. Whether such cases are properly accounted for?	No such cases of restructuring or waiver of loan was observed by us.
3.	Whether funds (grants/subsidy) received/receivable for specific schemes from Central/ State Government or its agencies were properly accounted for/ utilized as per its terms and conditions? List the cases of deviation.	Yes, subject to our qualifications as mentioned under “ Basis for Qualified Opinion ” Sl. No. 2.1 of our Independent Auditors’ Report

**For and on behalf of M/s SSD & Co.
Chartered Accountants
FRN: 0326761E**

**Place: Shillong
Date: 19.11.2021
UDIN:21303776AAAACT1693**

**sd/-
(SUMIT DAS)
FCA, DISA(ICAI)
Partner
Membership No. 303776**

Annexure – C to Independent Auditors’ Report of Shillong Smart City Limited for the financial year ended 31st March, 2021

Referred to in Paragraph 8.3(f) under the heading “**Report on Other Legal and Regulatory Requirements**” of our report on even date.

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 Shillong Smart City Limited (“the Company”) as of 31 March 2021 in conjunction with our audit of the standalone financial statements of the company for the year ended on that date.

Managements Responsibility for Internals financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountant 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 the Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial controls over financial reporting (‘the Guidance Note’) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143 (10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all materials 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 auditors’ judgement, including the assessment of the risks of material misstatement of the standalone 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 –

- i) Pertain to the maintenance of records that, in reasonable details, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- ii) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of the management and directors of the company; and
- iii) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial 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.

Emphasis of Matter

The company does not have a defined and documented internal audit system and work-flow so as to cover all major areas with extensive scope. The Company appointed an Internal Auditor for the period under consideration. We recommended that the scope of internal audit should be clearly defined to cover risk areas like physical verification of fixed assets, inventory, reconciliation of statutory dues paid with corresponding returns filed, etc. This can potentially improve weak checks and balances and report financial irregularities timely resulting in prevention of losses and distorted financial reporting.

Opinion:

In our opinion, the Company has maintained, in all material respect, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of **March 31, 2021**, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by The Institute of Chartered Accountants of India.

**For and on behalf of M/s SSD & Co.
Chartered Accountants
FRN: 0326761E**

**Place: Shillong
Date: 19.11.2021
UDIN:21303776AAAAC1693**

**sd/-
(SUMIT DAS)
FCA, DISA(ICAI)
Partner
Membership No. 303776**



COMMENTS OF THE C&AG

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL
OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT,
2013 ON THE FINANCIAL STATEMENTS OF SHILLONG SMART
CITY LIMITED FOR THE YEAR ENDED 31ST MARCH, 2021**

The preparation of financial statements of Shillong Smart City Limited for the year ended 31st March, 2021 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (the Act) is the responsibility of the Management of the Company. The statutory Auditor appointed by the Comptroller and Auditor General of India under section 139(5) of the Act are responsible for expressing an opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the auditing standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated 19th November, 2021.

I, on behalf of the Comptroller and Auditor General of India , have conducted a supplementary audit of the financial statements of Shillong Smart City Limited for the year ended 31st March , 2021 under section 143 (6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of Statutory Auditors and is limited primarily to inquiries of the Statutory Auditors and company personnel and a selective examination of some of the accounting records. Based on my supplementary audit, I would like to highlight the following significant matters under section 143(6)(b) of the Act which have come to my attention and which, in my view, are necessary for enabling for a better understanding of the financial statements and the related audit report:

General

As on 31st March 2021, the claims submitted by IPE Global Ltd towards 'project management consultancy services' rendered to the Company amounted to ₹ 2.18 crore. However, provision was made in the accounts only for the approved interim payment amount of ₹ 0.54 crore. Since the total amount of ₹ 2.18 crore has been claimed, provision should have been made for the total amount.

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

**Place: Shillong
Date: 10th May, 2022**

**sd/-
(Shefali Srivastava Andaleeb)
Accountant General (Audit)**

Construction and Re-Development of Laitumkhrah Municipal Market in progress



- 📄 **Balance Sheet**
- 📄 **Statement of Profit & Loss**
- 📄 **Statement of Cash Flow**
- 📄 **Notes to Financial Statements for the year ended 31st March, 2021**



SHILLONG SMART CITY LIMITED

CIN:U93000ML2019SGC013677

Regt. Off.:H.No. C/B- 037, Top Floor, Centre Nongrim Hills, Near JJ Cables, Shillong, East Khasi Hills, Meghalaya-793003

BALANCE SHEET AS AT MARCH 31, 2021

Particulars	Note No.	As at March 31, 2021		As at March 31, 2020
		Rs.		Rs.
I EQUITY AND LIABILITIES				
1 Shareholders' funds				
a) Share capital	1	10,00,000		10,00,000
b) Reserves and surplus	2	10,34,57,055		(2,19,750)
		10,44,57,055		7,80,250
2 Non-current liabilities				
a) Long-term borrowings		-		-
b) Deferred tax liabilities (net)	3	-		-
c) Other long term liabilities	4	48,34,34,623		50,36,94,852
d) Long-term provisions		-		-
		48,34,34,623		50,36,94,852
3 Current liabilities				
a) Short-term borrowings		-		-
b) Trade payables				
i) Total outstanding dues of micro enterprises and small enterprises		-		-
ii) Total outstanding dues of creditors other than micro enterprises and small	5	32,00,126		50,79,204
c) Other current liabilities	6	2,27,50,020		1,92,16,167
d) Short-term provisions	7	3,68,17,343		29,38,459
		6,27,67,489		2,72,33,830
TOTAL		65,06,59,167		53,17,08,932
II ASSETS				
1 Non-current assets				
a) Fixed Assets				
i) Property, plant and equipment	8	49,64,544		32,14,709
ii) Intangible assets		-		-
iii) Capital work-in-progress	9	6,16,00,398		-
iv) Expenditure during construction period pending capitalisation		-		-
b) Deferred Tax Assets (net)	10	3,99,077		22,750
c) Non-current investments		-		-
d) Long-term loans and advances	11	6,63,50,000		-
e) Other non-current assets	12	3,84,499		5,12,666
		13,36,98,517		37,50,125
2 Current assets				
a) Current investments	17	-		-
a) Inventories		-		-
b) Trade receivables		-		-
c) Cash and cash equivalents	13	51,69,38,149		52,79,58,807
d) Short-term loans and advances		22,501		-
e) Other current assets		-		-
		51,69,60,650		52,79,58,807
TOTAL		65,06,59,167		53,17,08,932
		(0)		-
See accompanying notes forming part of the financial statements	1 to 17			
In terms of our Internal Audit Report attached				
For S S D & Co.		For and on behalf of the Board of Directors of		
Chartered Accountants		Shillong Smart City Limited		
FRN: 0326761E				
		sd/-		sd/-
		Mr. M. R. Synrem		Mr. Gideon Kharmawphlang
		Director		Director
Partner		DIN No. 03619409		DIN No. 08915503
ICAI M.No.				
UDIN:				
		sd/-		sd/-
		Mr.T. V. Rao Krishnamurthy		Archita Chakraborty
Place: Shillong		CEO/Director		Company Secretary
Date:		DIN No. 00865600		

SHILLONG SMART CITY LIMITED

CIN:U93000ML2019SGC013677

Regt. Off.:H.No. C/B- 037, Top Floor, Centre Nongrim Hills, Near JJ Cables, Shillong, East Khasi Hills, Meghalaya-793003

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

Particulars	Note No.	For the year ended	
		March 31, 2021	March 31, 2020
		Rs.	Rs.
i Revenue from operations		-	-
ii Other income	14	5,23,77,847	3,09,89,532
iii Total Revenue (i + ii)		5,23,77,847	3,09,89,532
iv Expenses :			
Cost of materials consumed		-	-
Changes in inventories of finished goods and work in progress		-	-
Employee benefits expenses	15	94,90,066	61,48,049
Finance costs		-	-
Depreciation and amortization expenses	8	8,92,269	86,498
Other expenses	16	3,69,81,752	2,49,97,485
Total Expenses		4,73,64,087	3,12,32,032
v Profit before exceptional and extraordinary items and tax		50,13,760	(2,42,500)
vi Add : Exceptional items		-	-
vii Profit before extraordinary items and tax		50,13,760	(2,42,500)
viii Less : Extraordinary items		-	-
v Profit before tax (iii - iv)		50,13,760	(2,42,500)
Profit for the year		50,13,760	(2,42,500)
vi Tax expense :			
- Current tax		16,86,147	-
- MAT credit entitlement		-	-
- Deferred tax		3,76,327	22,750
- Deferred tax Adjustment		-	-
- Tax adjustments of earlier years - Current tax		-	-
- Deferred tax		-	-
vii Profit for the year (v - vi)		37,03,940	(2,19,750)
xii Profit for the year		37,03,940	(2,19,750)
Earnings per equity share		37.04	(2.20)
Basic and Diluted			
[Nominal value of equity share Rs. 10/- (Previous Year: Rs. 10/-)]			
See accompanying notes forming part of the financial statements	1 to 17		
In terms of our report attached			
For S S D & Co.	For and on behalf of the Board of Directors of		
Chartered Accountants	Shillong Smart City Limited		
FRN: 0326761E			
		sd/-	sd/-
		Mr. M. R. Synrem	Mr. Gideon Kharmawphlang
		Director	Director
Partner		DIN No. 03619409	DIN No.08915503
ICAI MNo.			
UDIN:			
		sd/-	sd/-
		Mr. T. V. Rao Krishnamurthy	Archita Chakraborty
Place: Shillong		CEO/Director	Company Secretary
Date:		DIN No. 00865600	

SHILLONG SMART CITY LIMITED

CIN:U93000ML2019SGC013677

Regt. Off.:H/No. C/B- 037, Top Floor, Centre Nongrim Hills, Near JJ Cables, Shillong, East Khasi Hills, Meghalaya-793003

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

Particulars	For the year ended	
	March 31, 2021	March 31, 2020
	Rs.	Rs.
Cash flow from Operating Activities		
Profit before tax	50,13,760	(2,42,500)
Adjustments for:		
Depreciation and amortisation expense	8,92,269	86,498
Loss/ (Profit) on sale of property, plant and equipment	-	-
Profit on sale of fixed assets	-	-
Finance costs	-	-
Interest income	(84,29,354)	(11,05,699)
Liabilities / provisions no longer required written back	-	-
Provision for doubtful trade and other receivables, loans and advances	-	-
Bad debts written off	-	-
Operating profit before working capital changes	(25,23,325)	(12,61,701)
Changes in the working capital		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Inventories	-	-
Trade receivables	-	-
Short-term loans and advances	(22,501)	-
Long-term loans and advances	(6,63,50,000)	-
Other current assets	-	-
Other non-current assets	1,28,167	(5,12,666)
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	(18,79,078)	50,79,204
Other current liabilities	(1,81,52,294)	1,92,16,167
Short-term provisions	3,38,78,884	29,38,459
Long-term provisions	-	-
Cash generated from operations	(5,49,20,147)	2,54,59,463
Net income tax paid	-	-
(A) Net cash flow from Operating activities	(5,49,20,147)	2,54,59,463
Cash flow from investing activities		
Capital expenditure on property, plant and equipment	(26,42,103)	(33,01,207)
(Increase)/ decrease in capital work in progress	(6,16,00,398)	-
Proceeds from sale of property, plant and equipment	-	-
Purchase of investments	-	-
Interest income(Both on Capital and A&OE Grant)	3,18,43,305	48,00,551
(B) Net cash used in investing activities	(3,23,99,196)	14,99,344
Cash flow from financing activities		
Proceeds from/ (Repayment of) short term Govt Grant (A&OE) (net)	2,00,00,000	-
Dividends and tax on dividend paid	-	-
Share Capital (A & OE)	-	10,00,000
Project Grant utilisation for A & O E purposes	(2,37,01,316)	-
Proceeds/Repayment of long term Govt. Grant (net)	8,00,00,000	50,00,00,000
(C) Net cash used in financing activities	7,62,98,684	50,10,00,000
Net increase/(decrease) in cash and cash equivalents(A+B +C)	(1,10,20,659)	52,79,58,807



Cash and cash equivalents at beginning of financial year		52,79,58,807	-
Cash and cash equivalents at end of financial year		51,69,38,149	52,79,58,807
See accompanying notes forming part of the financial statements	1 to 17		
In terms of our report attached			
For S S D & Co.	For and on behalf of the Board of Directors of		
Chartered Accountants	Shillong Smart City Limited		
FRN: 0326761E			
		sd/-	sd/-
	Mr. M. R. Synrem		Mr. Gideon Kharmawphlang
Partner	Director		Director
ICAI M.No.	DIN No. 03619409		DIN No. 08915503
UDIN:			
		sd/-	sd/-
	Mr. T. V. Rao Krishnamurthy		Archita Chakraborty
Place: Shillong	CEO/Director		Company Secretary
Date:	DIN No.		



SHILLONG SMART CITY LIMITED

CIN:U93000ML2019SGC013677

Regt. Off. H/No. C/B- 037, Top Floor, Centre Nongrim Hills, Near JJ Cables, Shillong, East Khasi Hills, Meghalaya-793003

Notes forming part of the Financial Statements for the year ended March 31, 2021

1	<u>SHARE CAPITAL</u>	As at March 31, 2021		As at March 31, 2020	
	PARTICULARS	Number	Rs.	Number	Rs.
	Authorised Share Capital				
	Equity Shares of Rs. 10 each	10,00,000	1,00,00,000	10,00,000	1,00,00,000
		10,00,000	1,00,00,000	10,00,000	1,00,00,000
	Issued, subscribed and fully Paid-up				
	Equity Shares of Rs. 10 each	1,00,000	10,00,000	1,00,000	10,00,000
	Total	1,00,000	10,00,000	1,00,000	10,00,000
a.	Reconciliation of the shares outstanding at the beginning and at the end of the reporting period				
	Equity shares	As at March 31, 2021		As at March 31, 2020	
		Number	Rs.	Number	Rs.
	At the beginning of the year	1,00,000	10,00,000	1,00,000	10,00,000
	Add: Issued during the year	-	-	-	-
	Outstanding at the end of the year	1,00,000	10,00,000	1,00,000	10,00,000
b.	Terms/ rights attached to equity shares				
	(i) The Company has one class of shares referred to as Equity Shares having a par value of Rs. 10 each. Each holder of equity shares is entitled to one vote per share. The Company				
	(ii) During the year ended March 31, 2021, the Company has not proposed and declared any amount of dividend to equity shareholders. Hence, there is no dividend.				
	(iii) The Company is a Public Limited Co. It is a Special Purpose Vehicle (SPV) created for management of Smart City Mission project of the Ministry of Housing & Urban Affairs of				
	(iv) In the event of liquidation of the Company, the beneficiaries of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential				
c.	There is no holding or ultimate holding company of the Company.				
d.	Aggregate number of bonus shares issued, share issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:				
	Issued & Subscribed Share Capital includes NIL (previous year NIL) equity shares which were allotted as bonus shares in the preceding five financial years by capitalisation of General Reserve and Surplus. No shares were issued for consideration other than cash and no shares have been bought back during the period of five years immediately preceding the reporting date.				
e.	Detail of shareholders holding more than 5% shares in the Company				
		As at March 31, 2021		As at March 31, 2020	
		Number	% shareholding	Number	% shareholding
	Shri. M. S. Rao	49,900	49.90	49,900	49.90
	Shri. M.R. Synrem	49,900	49.90	49,900	49.90
	Shri. Gideon Kharmawphlang	160	0.16	160	0.16
	Shri. Samewan Sullai	10	0.01	10	0.01
	Smt. P. Khonjee	10	0.01	10	0.01
	Shri Marbiangbor Kharkongor	10	0.01	10	0.01
	Shri. Kynphambor Wahlang	10	0.01	10	0.01
		1,00,000	100	1,00,000	100
	Note: Equity shares of the Company are held by the above mentioned persons in their representative capacity of the Government of Meghalaya and Urban Affair				
2	<u>RESERVES AND SURPLUS</u>				
	PARTICULARS	As at March 31, 2021		As at March 31, 2020	
		Rs.		Rs.	
	Capital reserves				
	a) Project Fund				
	Opening Balance	-		-	
	Add: Transferred from Projects Fund to the extent of Project Fund Utilisation filed with Govt.	9,99,72,864		-	



Add: Transferred from Profit & Loss Account	-	-	-
Less: Reduction with the total Cost of Capital Projects completed & transferred	-	-	-
		9,99,72,864	-
b) Other capital reserve		-	-
Capital Reserve Created for Niminal Value of Fixed Assets purchased under Provisional Sum		1	
Closing Balance		9,99,72,865	-
Surplus i.e. Balance in the Statement of Profit and Loss			
Balance as per the last financial statements	(2,19,750)	-	
Add: Profit/(Loss) for the year transferred from Statement of Profit and Loss	37,03,940	(2,19,750)	
Less: Appropriations	-	-	
-Amount transferred to General Reserve	-	-	
Total Appropriations	-	-	
Net Surplus/(Deficit)		34,84,190	(2,19,750)
Total Reserves and Surplus		10,34,57,055	(2,19,750)
3 DEFERRED TAX LIABILITIES (NET)			
PARTICULARS		As at March 31, 2021	As at March 31, 2020
		Rs.	Rs.
Tax effect of items constituting deferred tax liabilities			
On difference between book balance and tax balance of fixed assets		-	-
Gross deferred tax liability		-	-
Tax effect of items constituting deferred tax assets		-	-
Provision for leave encashment and gratuity		-	-
Provision for doubtful receivables and advances		-	-
Timing difference u/s 43B of the Income Tax Act,1961		-	-
Timing difference on unabsorbed depreciation carried forward		-	-
Gross deferred tax asset		-	-
Net Deferred Tax Liability		-	-
4 OTHER LONG TERM LIABILITIES			
PARTICULARS		As at March 31, 2021	As at March 31, 2020
		Rs.	Rs.
4.1. Grant from GOI			
Opening Balance	50,00,00,000		-
Add: Received During the Year			-
-Grant-Project Fund	-	50,00,00,000	
Less: Project Grant utilised during the Fin. Year towards Capital Projects	9,99,72,864	-	-
by transferring the Fund to Capital Reserve A/c			
Less: Transfer of Project Fund for A & O E purpose	2,37,01,316	-	-
		37,63,25,820	50,00,00,000
4.2. Grant from State Government			
Opening Balance	-	-	-
Add: Received During the Year			
-Grant-Project Fund	8,00,00,000	-	-
Less: Project Grant utilised during the Fin. Year towards Capital Projects	-	-	-
by transferring the Fund to Capital Reserve A/c			
Less: Transfer of Project Fund for A & O E purpose	-	-	-
		8,00,00,000	-



4.3. Interest earned on Project Fund from GOI & State Government				
Opening Balance		36,94,852		-
Add: Interest Received from Bank during the Fin. Year		2,94,11,787		36,94,852
Less: Interest Income transferred to P & L A/c to extent of Project Fund utilised during the Fin. Year		59,97,836		-
			2,71,08,803	36,94,852
		4.1+4.2+4.3	48,34,34,623	50,36,94,852
5 TRADE PAYABLES				
PARTICULARS			As at March 31, 2021	As at March 31, 2020
			Rs.	Rs.
Trade Payables				
i) Total outstanding dues of micro and small enterprises			-	-
ii) Total outstanding dues of creditors other than micro and small enterprises				-
IPE Global Ltd.		31,86,550		49,34,820
Margret Warbah		595		595
Palmira Nongbet		595		595
Ranger Security & Services Organisations		2,741		1,12,606
S S Netcom Pvt. Ltd.		-		(203)
United Food Centre		485		484
United Sales and Supplies		4,660		4,660
Mr. Jwatbor S Cajee		4,500		-
Meghalaya Urban Development Authority		-	32,00,126	25,647
			32,00,126	50,79,204
6 OTHER CURRENT LIABILITIES				
PARTICULARS			As at March 31, 2021	As at March 31, 2020
			Rs.	Rs.
Security Deposits (Security retention money withheld from Contractors Bills as per the terms & conditions of the Tender Agreements)			27,50,020	-
EMD Deposits			-	-
A A & O E Grant Received from GOI				
Opening Balance		1,92,16,167		
Add: Amount received from MJDA for Equity Share Capital of the Company		10,00,000		5,00,00,000
Add: Project Fund transferred for A & O E purpose		2,37,01,316		
Less: A & OE Fund transferred to Equity Share Capital of the Company		-		10,00,000
Less: Grant Amount transferred during the Year to P&L A/s for A & O E Purposes		4,39,17,483	-	2,97,83,833
			-	1,92,16,167
B A & O E Grant Received from State Government				
Opening Balance				
Add: A&OE Grant Received During the Year		2,00,00,000		
Less: A & OE Fund transferred to Equity Share Capital of the Company		-		
Less: Grant Amount transferred during the Year to P&L A/s for A & O E Purposes		-	2,00,00,000	-
		Total A+B	2,27,50,020	1,92,16,167
* During the Fin .Year, Interest earned on A & O E grant has been transferred to Profit & Loss A/c and shown in the "Other Income"				



7	SHORT TERM PROVISIONS					
	PARTICULARS			As at March 31, 2021		As at March 31, 2020
				Rs.		Rs.
	Duties & Taxes					
	GST-TDS Payable					
		CGST Payable	2,45,741		99,176	
		SGST Payable	2,45,741	4,91,482	99,176	1,98,352
	GST-RCM Payable					
		CGST Payable	26,682			
		SGST Payable	26,682	53,363		-
	TDS Payable			9,95,384		6,46,736
	Labour Cess @ 1% on Contractor's Bill			2,35,771		-
	Forest Royalty on Contractor's Bill			2,00,075		-
	Professional Tax			22,500		-
	Provision for Taxation (Net of advance tax of Rs.)		16,86,147		-	
	Less: MAT credit utilised		-	16,86,147	-	-
	Other provisions for Expenses:					
	Audit Fee payable	-Statutory Audit Fee for 2020-21		17,700		15,000
		-Internal Audit Fee for 2020-21		48,600		-
	Salary Payable			7,82,799		3,65,000
	Stipend Payable to TULIP Interns			27,000		-
	Provision for Leave Encashment			3,81,370		2,42,500
	Accounting Charges			-		1,08,000
	Car Hire Charges			94,090		98,942
	Cleaning Exp.			7,800		7,800
	Electricity Exp. Payable			2,980		-
	Internet Charges			4,077		3,780
	Interest on TDS			-		1,097
	Man Power Hiring Charges			1,17,112		1,40,777
	Provision made on Project Management Consultants(IPE Global Ltd) Bills			76,61,919		9,75,633
	Provision made for Contractor's Bills of Capital Projects			2,38,48,586		-
	Office Rent			1,38,588		1,34,842
				3,68,17,343		29,38,459
	FIXED ASSETS					
	PARTICULARS			As at March 31, 2021		As at March 31, 2020
				Rs.		Rs.
8	PROPERTY, PLANT AND EQUIPMENT					
	As per Annexure Note 8 Attached			49,64,543		32,14,709
				49,64,543		32,14,709
9	CAPITAL WORK-IN-PROGRESS (Smart City Mission Projects)					
	PARTICULARS			As at March 31, 2021		As at March 31, 2020
				Rs.		Rs.
	9.1 Project Name					
	Construction of Commercial Complex, Polo, Shillong		-		-	
	(refer to Note no. 'E' of Notes to Accounts)		6,16,00,398			
	less: Amount recovered from the Contractors		-	6,16,00,398	-	-
				6,16,00,398		-



10	DEFERRED TAX ASSETS (NET)					
	PARTICULARS			As at March 31, 2021		As at March 31, 2020
				Rs.		Rs.
	Tax effect of items constituting deferred tax liabilities					
	On difference between book balance and tax balance of fixed assets			1,20,144		-
	Gross deferred tax liability			1,20,144		-
	Tax effect of items constituting deferred tax assets			-		
	On difference between book balance and tax balance of fixed assets			-		
	Provision for leave encashment and gratuity			99,156		-
	Provision for doubtful receivables and advances			-		-
	Timing difference u/s 43B of the Income Tax Act, 1961			-		-
	Timing difference on unabsorbed depreciation carried forward			-		-
	Timing difference on disallowances u/s 40(i)(ia) of the Income Tax Act, 1961			4,20,065		-
	Gross deferred tax asset			5,19,221		-
	Net Deferred Tax Assets			3,99,077		-
11	LONG-TERM LOANS AND ADVANCES (unsecured, considered good, unless otherwise stated)					
	PARTICULARS			As at March 31, 2021		As at March 31, 2020
				Rs.		Rs.
	*Mobilisation Advance to Contractors					
	Opening Balance			-		-
	Add: Advance given during the Year		6,63,50,000			
	less: Amount recovered from the Contractors		-	6,63,50,000		-
	(refer to Note no. 'F' of Notes to Accounts)			6,63,50,000		-
	*Mobilisation advance has been secured against equal amount of Bank Guarantee submitted by					
12	OTHER NON CURRENT ASSETS					
	PARTICULARS			As at March 31, 2021		As at March 31, 2020
				Rs.		Rs.
	SPV Incorporation Expense		5,12,666		6,40,832	
	Less: Current Year 1/5th portion transferred to P&L A/c		1,28,167	3,84,499	1,28,166	5,12,666
				3,84,499		5,12,666
13	CASH AND CASH EQUIVALENTS					
	PARTICULARS			As at March 31, 2021		As at March 31, 2020
				Rs.		Rs.
	Cash and cash equivalents					
	Balances with banks					
	S/b Bank Account with Bandhan Bank A/c 50190027450635			51,69,35,356		52,79,51,388
	Cash on hand			2,793		7,419
	Fixed Deposits			-		-
				51,69,38,149		52,79,58,807
14	OTHER INCOME					
	PARTICULARS			For the year ended		For the year ended
				As at March 31, 2021		As at March 31, 2020
				Rs.		Rs.
	A & O E Income					
	A & OE Grant Received from Govt. utilised for A & O E Purpose			4,39,17,483		2,97,83,833
	Tender Fees Received from Bidders			30,000		1,00,000
	Interest Income Earned on A & O E Grant			24,31,518		11,05,699
	*Interest Income Earned on Project Fund			59,97,836		-

(refer to Note no. 'G' of Notes to Accounts)				
	Miscellaneous income		1,010	-
			5,23,77,847	3,09,89,532
Utilization filed to the Government)				
15	EMPLOYEE BENEFITS EXPENSES			
	PARTICULARS		For the year ended	For the year ended
			As at March 31, 2021	As at March 31, 2020
			Rs.	Rs.
	Staff Salary including Key Managerial Salary		88,91,821	58,94,979
	Stipend to TULIP Interns		2,16,875	
	Leave Encashment Exp.		3,81,370	2,42,500
	Contribution to provident fund		-	-
	Staff welfare expense		-	10,570
			94,90,066	61,48,049
8	DEPRECIATION AND AMORTIZATION EXPENSES			
	PARTICULARS		For the year ended	For the year ended
			As at March 31, 2021	As at March 31, 2020
			Rs.	Rs.
	Depreciation on property, plant and equipment (As per Annexure Attached)		8,92,269	86,498
			8,92,269	86,498
16	OTHER EXPENSES			
	PARTICULARS		For the year ended	For the year ended
			As at March 31, 2021	As at March 31, 2020
			Rs.	Rs.
	16 (a) OTHER EXPENSES			-
	Accounting and Retainership Charges		15,47,000	4,30,128
	Advertisement and Smart City Campaign Exp.		34,16,412	16,07,581
	Car Hiring Charges		11,71,282	6,09,537
	Office Cleaning Exp.		93,600	39,000
	Contractor for Staff Hiring Exp.		17,18,449	6,47,580
	Consultancy Service Expense			
	-Project Management Consultancy Fees		2,65,93,526	79,43,003
	Conveyance Exp.		-	140
	Director Sitting Fee		20,000	
	Electricity Charges		18,142	15,000
	Honorarium Exp.		-	70,000
	Interest & Penalty		24,013	2,359
	Internet Expense		49,560	18,918
	Internal Audit Fee		53,100	-
	Meetings & Workshop Expense		6,337	1,53,770
	Office Rent		17,97,888	9,38,896
	Office Expense		46,806	8,777
	Postage and Courier Charges		2,496	780
	Repairs & Maintenance		45,761	4,680
	Rates & Taxes		10,500	
	Statutory Auditor's remuneration		20,400	15,000
	Tour & Travelling Expense		1,26,953	35,40,759
	Legal and professional charges		-	12,47,445
	Smart City Plan		-	8,553
	Printing & Stationary Exp.		89,950	91,890
	Prize Money Exp.for Smart City Painting Completion		-	11,10,000
	Miscellaneous Expenses		1,411	1,691
		Total 16(a)	3,68,53,586	1,85,05,487



16 (b) OTHER EXPENSES-PRE-OPERATING EXP.				
Meeting, Training & Workshop Smart City-Muda		-		3,34,490
Tour and Travelling Expenses		-		2,18,079
Advertisement Smart CityExpense- MUDA		-		30,23,094
Consultancy Fees Smart City- MUDA		-		27,60,000
IEC Smart City-Muda		-		21,567
DPR Preparation		-		2,496
Smart City Plan		-		4,106
1/5 th of Pre-Incorporation Exp. Written off		1,28,166		1,28,166
		Total 16(b)	1,28,166	64,91,998
		Total 16(a) + 16(b)	3,69,81,752	2,49,97,485



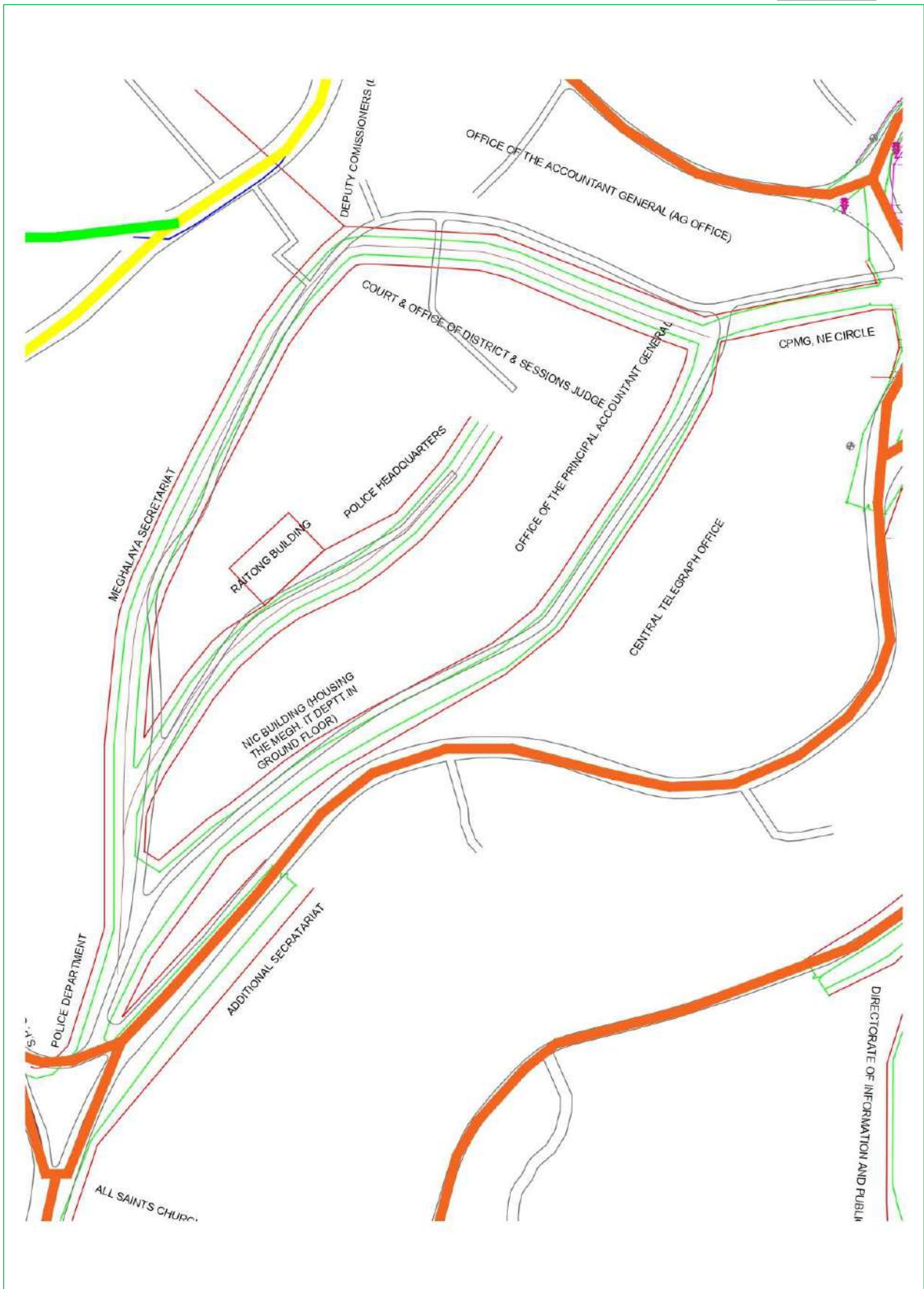
NOTES

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NOTES

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Location Map of Meghalaya Secretariat

CONCEPT & DESIGN

This Annual Report for the Financial Year 2020-2021 has been conceptualized in-house
By Bidalyne Nongsiej



SHILLONG SMART CITY LIMITED

House No. C/B- 037, Top Floor,

Centre Nongrim Hills

Near JJ Cables, East Khasi Hills District

Meghalaya -793003

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