



ANNUAL REPORT

2022-23

COCHIN SMART MISSION LIMITED

COCHIN SMART MISSION LIMITED

CIN: U75140KL2016SGC040388

2022-23

REGISTERED OFFICE

4th Floor, JLN Stadium Metro Station,
Kaloor, Ernakulam
Kochi - 682017
Phone No.: +91 484-2795700
Website: www.csml.co.in

STATUTORY AUDITORS

M/s. Kuriyan and Jacob
Chartered Accountants
50/1042 – Kairali Apartments
Panampilly Nagar, Ernakulam
Kochi - 682036
Phone No.: 9847866778
e-mail: kurien_jacob@hotmail.com

SECRETARIAL AUDITORS

M/s. Mehta & Mehta
Company Secretaries
Door No. 1509 (1),
George & Xavier's Square,
St. Benedict Cross Road,
Ernakulam North, Cochin - 682018
Phone No.: 0484 – 4055301
e-mail: info@mehta-mehta.com

INTERNAL AUDITORS

M/s A J Mohan & Associates
Chartered Accountants
Pavilion – G 223, Panambilly Nagar
Kochi, Kerala – 682036

COMPANY SECRETARY

Smt. Anu J

BANKERS

State Bank of India
Axis Bank Limited
Canara Bank

COCHIN SMART MISSION LIMITED

CIN: U75140KL2016SGC040388

BOARD OF DIRECTORS AS ON 19TH DECEMBER 2023

Dr. V. Venu IAS	- Chairman, Cochin Smart Mission Limited Chief Secretary, Government of Kerala
Adv. M. Anil Kumar	- Director Mayor, Kochi Municipal Corporation
Dr. M. Ramachandran IAS (Retd.)	- Independent Director Former Secretary, Ministry of Urban Development Government of India
Shri. P. Joy Oommen IAS (Retd.)	- Independent Director Former Chief Secretary, Government of Chhattisgarh
Dr. Sharmila Mary Joseph IAS	- Director Principal Secretary, Local Self Government Department Government of Kerala
Shri. M. G. Rajamanickam IAS	- Director Principal Director, Local Self Government Department Government of Kerala
Shri. Keshvendra Kumar IAS	- Director Special Secretary Finance(Expenditure) Government of Kerala
Smt. Swagat Bhandari Ranveerchand IAS	- Director Managing Director, Kerala Water Authority
Shri. Shaji V Nair IAS	- Chief Executive Officer & Director Cochin Smart Mission Limited
Shri. Umesh N S K IAS	- Director District Collector, Ernakulam

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COCHIN SMART MISSION LIMITED

Registered Office: 4th Floor, JLN Stadium Metro Station, Kaloar, Ernakulam, Kochi, Kerala – 682017

CIN: U75140KL2016SGC040388 **Website:** www.csml.co.in **E-mail:** info@csml.co.in

Phone: 0484 2795700

NOTICE

Shorter notice is hereby given that the Seventh Annual General Meeting of Cochin Smart Mission Limited will be held on **Saturday, 30th December, 2023**, at **12:00 noon IST** through **Video Conferencing / Other Audio-Visual Means**, at deemed venue Cochin Smart Mission Limited, 4th Floor, JLN Stadium Metro Station, Kaloar, Ernakulam, Kochi, Kerala – 682017, to transact the following business:

ORDINARY BUSINESS:

- 1. To consider and adopt the Audited Financial Statement of the Company for the financial year ended March 31, 2023 and the report of the Directors and Auditors thereon**

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT the audited financial statement of the Company for the financial year ended March 31, 2023 and the reports of the Board of Directors and Auditors thereon, as circulated to the Members, be and are hereby considered and adopted.”

- 2. To appoint Statutory Auditors**

To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, as amended from time to time, and in accordance with Letter No. CA. V/COY/KERALA,CSML(1)/962 dated 20/09/2023 from the Office of the Comptroller and Auditor General of India, New Delhi, M/s S I N D & Associates (SR3046), 30/1860, Ponnurunni – Chalikavattom Road, Vyttila, Kochi – 682019, Ernakulam, Kerala be and is hereby appointed as Statutory Auditors of the Company for the financial year 2023-24, to hold office from the conclusion of this Annual General Meeting until the conclusion of the Eighth Annual General Meeting, at a remuneration of Rs.40000/- (Rupees Forty thousand only) plus out of pocket expenses and applicable taxes.”

By order of the Board

Regd. Office

4th Floor, JLN Stadium Metro Station, Kaloar
Ernakulam – 682 017

December 27, 2023

SHAJI V
NAIR

Digitally signed by
SHAJI V NAIR
Date: 2023.12.27
13:58:54 +05'30'

**SHAJI V NAIR IAS
CEO & DIRECTOR
DIN : 10280940**

NOTES:

- Pursuant to directions issued by the Ministry of Corporate Affairs, Government of India (the 'MCA') vide its General Circular No.14/2020 dated April 08, 2020 and General Circular No.17/2020 dated April 13, 2020 read with General Circular No. 33/2020 dated September 28, 2021, General Circular No. 39/2020 dated December 31, 2020, General Circular No. 10/2021 dated June 23, 2021, General Circular No. 20/2021 dated December 08, 2021, General Circular No.3/2022 dated May 05, 2022 and General Circular No.09/2023 dated September 25, 2023 (collectively referred to

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www.csml.co.in

 **0484 2795700**

 **info@csml.co.in**

as 'MCA Circulars'), physical presence of the Members at the EGM/AGM venue is not required and general meeting may be held through video conferencing or other audio visual means ('VC/OAVM'). Accordingly, the Seventh AGM of CSML is being held through VC/OAVM in compliance with the MCA Circulars. The registered office of the Company shall be the deemed venue of the meeting.

2. Since the AGM is scheduled to be held through VC/OAVM, the route map, proxy form and attendance slip are not attached to this Notice.
3. In accordance with MCA circulars, the Annual Report (including the Board's report, Auditor's report or other documents required to be attached therewith) shall be sent only by email to the members and to all other persons so entitled.
4. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
5. The members can participate in the Seventh Annual General Meeting by clicking the e-link forwarded via separate email.
6. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on his/ her behalf and the proxy need not be a member of the company. Since the AGM is being held through VC/OAVM, the facility for appointment of proxies by the members will not be available for this AGM. However, in pursuance of Sections 112 & 113, the representatives of the Governor of State and body corporates may be appointed for the purpose of participation and voting in the meeting held through VC/OAVM.
7. The members may conduct business set forth in this notice through voting by show of hands, in accordance with MCA Circulars.
8. The designated email address is cs@csml.co.in
9. Notice calling the AGM has been uploaded on the website of the Company at <https://csml.co.in/>
10. The registers mandated under Companies Act, 2013 and other documents referred in this notice shall be available for electronic inspection. Members seeking to inspect such documents may write to cs@csml.co.in
11. If you have any queries or issues regarding attending AGM, please write to cs@csml.co.in or contact Smt. Anu J, Company Secretary Ph:8089130904

BOARD'S REPORT

To
The Members
Cochin Smart Mission Limited
Ernakulam

Dear Members,

Your Directors are pleased to present the 7th Annual Report of your Company along with the Audited Financial Statements for the year ended March 31, 2023.

1. Financial Summary and highlights

The key highlights of the financial performance of the Company for the financial year ended March 31, 2023 as compared to the previous financial year is as follows :

(Rs. in Lakhs)		
FINANCIAL RESULTS	2022 -2023	2021 – 2022
Total Income	11106.38	7612.75
Less : Expenses	11664.69	13167.01
Profit / (Loss) before Tax	(558.31)	(5554.26)
Less : Tax Expenses	0.00	0.00
Profit / (Loss) after Tax	(558.31)	(5554.26)

a) **Amount, if any, which the Board proposes to carry to any reserves**

In the absence of profits, no amount is proposed to be carried into reserves.

b) **Dividend**

No dividend has been recommended by the Board during the year under review.

c) **Status of Company's Affairs.**

The Smart Cities Mission initiated in 2015 by the Government of India through the Ministry of Housing and Urban Affairs (MoHUA), aimed to transform urban areas across the nation into smart cities that prioritize the well-being of citizens and promote sustainability through urban renewal, retrofitting and application of smart solutions. Kochi city was one of the 20 pioneering cities selected in the initial round of the All India City Challenge competition, successfully securing funding for various development initiatives.

Cochin Smart Mission Limited, a Special Purpose Vehicle (SPV), was incorporated on 16th March 2016 with an initial authorised share capital of Rs.1 Crore, which was subsequently increased to Rs.200 Crores.

d) **Change in the nature of business**

The nature of the Company's business remained unchanged during fiscal year 2022-23. The company has not commenced any new business or discontinued, sold or disposed any of its existing businesses or hived off any segment or division during the year.

e) **Material changes and commitments, if any, affecting the financial position of the Company, having occurred since the end of the Year and till the date of the Report**

No material changes and commitments affecting the financial position of the company have occurred since the end of the year under review till the date of this report. Government of India has extended the Smart Cities Mission term applicable to the Company till June 30, 2024. The estimate of its financial impact cannot be ascertained.

f) **Details of revision of financial statements or the Report**

The Company has not revised its financial statements or Boards' Report either voluntarily or pursuant to the order of any judicial authority in any of the three preceding financial years.



2. Project highlights

a) Hover-boards for Kochi City Police

The Company had partnered with Canara Bank to deliver six hover-boards to the Kochi city police, enhancing their ability to conduct patrols on the bustling streets. These hover-boards come equipped with a range of features, including a digital display, wireless remote control, LED lights, speed control system, bicycle light, a battery life of 7 hours on single charge. Capable of reaching speeds of up to 18 km per hour, these hover-boards present an innovative approach for urban surveillance.

b) Renovation of Rajendra Maidan

Rajendra Maidan, a significant historical open space with a picturesque waterfront near Marine Drive, underwent renovation funded by the Company. Reopened to the public on February 14, 2023, the transformation aims to establish it as the preferred venue for cultural events of the city.

3. Capital and Debt Structure

The authorized, issued, subscribed and paid up equity share capital of the company remained unchanged throughout the year at Rs.200 Crores. There was no reclassification or sub-division of the authorised share capital, reduction of share capital, buy back of shares, change in the capital structure resulting from restructuring or change in voting rights.

During the year the company has not issued any shares, warrants or other convertible securities or any employee stock option schemes.

4. Investor Education and Protection Fund (IEPF)

The company was not required to make any transfers to IEPF during the year under review.

5. Management

a) Directors and Key Managerial Personnel

As on 31st March 2023, the Board comprised of Eleven Directors including Eight Directors nominated by Government of Kerala, Two Independent Directors and One Director nominated by the Kochi Municipal Corporation.

	Name	Designation
1	Dr. Vazhayil Pathrose Joy IAS	Chairman & Nominee Director
2	Adv. Anil Kumar Mulakkiyil	Nominee Director
3	Dr. Mundayat Ramachandran IAS (Retd.)	Independent Director
4	Shri. Parampath Joy Oommen IAS (Retd.)	Independent Director
5	Shri. Sanjay Kaul Moolchand IAS*	Nominee Director
6	Dr. Sharniila Mary Joseph IAS	Nominee Director
7	Shri. Venkatesapathy Sivaperumal IAS*	Nominee Director
8	Shri. Shanavas Shamsudeen IAS*	CEO & Nominee Director
9	Dr. Renu Raj IAS*	Nominee Director
10	Shri. Arun K. Vijayan IAS*	Nominee Director
11	Shri. M. Babu Abdul Khadeer IRPS*	Nominee Director

*Ceased directorship after the conclusion of FY 2022-23

The Key Managerial Personnel of the Company as on 31st March 2023 are as follows:

	Name	Designation
1	Shri. Shanavas Shamsudeen IAS	CEO & Nominee Director
2	Smt. Anu J	Company Secretary

(i) Changes in Directors & Key Managerial Personnel during financial year 2022-23

- a) Shri. Niraj Kumar ceased as Director w.e.f. August 29, 2022 vide GO dated 9th February 2023.
- b) Dr. Sharmila Mary Joseph IAS was nominated as director in place of Shri. Biju Prabhakar IAS vide GO dated 29th September 2022.
- c) Dr. Renu Raj IAS, District Collector, Ernakulam was nominated as director in place of Shri. Jafar Malik IAS vide GO dated 29th September 2022.
- d) Shri. Arun K Vijayan IAS, Director of Urban Affairs was nominated as director in place of Dr. Renu Raj IAS vide GO dated 29th September 2022.
- e) Shri. Shibu V P, Additional Secretary, Kochi Municipal Corporation was nominated as director in place of Shri. A S Naisam vide GO dated 29th September 2022.
- f) Shri. M. Babu Abdul Khadeer IRPS, Secretary, Kochi Municipal Corporation was nominated as director in place of Shri. A S Naisam vide GO dated 23rd November 2022.
- g) CA Benty V A ceased as Chief Financial Officer w.e.f 1st July 2022.
- h) CS M E H Ansari ceased as Company Secretary w.e.f. 30th June 2022.
- i) CS Anu J was appointed as Company Secretary w.e.f. 10th December 2022.

(ii) Changes in Directors and Key Managerial Personnel from the end of the financial year 2022-23 to the date of this report

- a) Shri. Suhas S IAS was given additional charge of CEO in place of Shri. Shanavas S vide G.O. dated 23rd April 2023.
- b) Shri. Umesh N S K IAS was included as a Director in the place of Dr.Renu Raj IAS vide G.O. dated 4th May 2023.
- c) Shri. Keshvendra Kumar IAS was appointed as director in place of Shri. Sanjay M Kaul vide G.O. dated 29th May 2023
- d) Shri. Shaji V Nair IAS was appointed as CEO of the Company and nominated as director in place of Shri. Shanavas S vide G.O. dated 31st May 2023
- e) Shri. M G Rajamanickam IAS was appointed as director in place of Shri. Arun K Vijayan vide G.O. dated 8th June 2023
- f) Ms. Bhandari Swagat Ranveerchand IAS was appointed as director in place of Shri.Venkatesapathy S IAS vide G.O. dated 12th July 2023
- g) Dr. V Venu IAS was appointed as Chairman and Director in place of Dr. V P Joy IAS (Retd.) vide G.O. dated 31st July 2023

b) Declaration by Independent Directors

Necessary declarations with respect to independence has been received from all Independent Directors of the company. The Independent Directors have complied with the Code for Independent Directors prescribed in Schedule IV of the Act.

c) Board Meetings

During the FY 2022-23, 6 (Six) Board meetings were held on 18th April 2022, 4th June 2022, 30th July 2022, 27th September 2022, 10th December 2022 and 30th March 2023 respectively.

d) Committees

(i) Composition of Committees constituted by the Board under Companies Act, 2013



a) Audit Committee

As on 31st March 2023, the Audit Committee of the Board comprised of:

Name of Director	Category
Dr. Mundayat Ramachandran IAS (Retd.)	Chairman – Independent Director
Shri. Parampath Joy Oommen IAS (Retd.)	Member - Independent Director
Shri. M. Babu Abdul Khadeer IRPS	Member - Non-Executive Non-Independent Director

During the FY 2022-23, 3 (Three) meetings of Audit Committee were held on 24th September 2022, 9th December 2022 and 16th December 2022 respectively.

b) Nomination and Remuneration Committee

As on 31st March 2023, the Nomination and Remuneration Committee of the Board comprised of:

Name of Directors	Category
Shri. Parampath Joy Oommen IAS (Retd.)	Chairman – Independent Director
Dr. Mundayat Ramachandran IAS (Retd.)	Member - Independent Director
Shri. Shanavas Shamsudeen IAS	Member - Non-Executive Non-Independent Director

During the FY 2022-23, 2 (Two) meetings of Nomination and Remuneration Committee were held on 24th November 2022 and 28th February 2023.

(ii) Recommendations of Audit Committee

During the year under review there has been no instance where the recommendations of the Audit Committee have not been accepted by the Board.

e) Policy of Directors' appointment and remuneration

All directors of the company are nominated by the appropriate Government and Kochi Municipal Corporation. The terms of Director's appointment are decided by the nominating authority.

f) Annual Evaluation

As stipulated by Clause VII of Schedule IV to the Companies Act, 2013, the Independent Directors have assessed the quality, quantity and timeliness of flow of information between the company management and the Board and its members. The proceedings of the said meeting have been communicated to the senior management of the Company. Performance evaluations of nominee Directors are undertaken by the nominating Organization / Government.

g) Directors' Responsibility Statement

Your Directors state that:

- in the preparation of the annual accounts for the year ended March 31, 2023, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- 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 at March 31, 2023 and of the profit and loss of the Company for the year ended on that date;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a 'going concern' basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

h) Internal Financial Controls

The Company has put in place adequate internal financial controls and they are reviewed by the internal auditors and the Audit Committee. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

i) Frauds reported by the Auditors

No frauds have been reported by the Statutory Auditor or the Secretarial Auditor to the Audit Committee, Board or to the Central Government.

6. Subsidiaries, Associates and Joint Ventures

The company does not have and have not had any subsidiary, associates or joint ventures

7. Deposits

The company has not accepted deposits and does not have any deposits remaining unpaid or unclaimed as at the end of the year.

8. Particulars of Loan, Guarantees and Investments

The company has not given any loan, made any investments or given any guarantees during the year.

9. Particulars of contracts or arrangements with Related Parties

The transactions with Related Parties as per Ind AS 24 are set out in the Notes forming part of Financial Statements. The disclosure in form AOC-2 is included as Annexure A.

10. Corporate Social Responsibility

The provisions related to Corporate Social Responsibility are not applicable to the Company.

11. Conservation of Energy, Technology Absorption and Foreign Exchange Earnings & Outgo

(a) Conservation of energy-

(i) the steps taken or impact on conservation of energy;

Smart LED Street Lights implemented by the Company are efficiently managed and monitored through a state-of-the-art Integrated Command, Control, and Communication Center (IC4) in real-time. The IC4 enables automated functions such as remotely turning street lights on and off, adjusting brightness according to ambient light conditions and close monitoring of Key Performance Indicators (KPIs). Notably, the Smart LED Street Light demonstrates outstanding energy-saving capabilities, consuming 41% to 53% less energy than traditional street lights.

(ii) the steps taken by the company for utilising alternate sources of energy: NIL

(iii) the capital investment on energy conservation equipments: NIL

(b) Technology Absorption

During the year the company did not actively adopt or integrate any new technology.

(c) Foreign Exchange earnings and outgo

There were no foreign exchange earnings or expenditures during the year under review.

12. Risk Management

The company has adopted a Risk Management Policy duly sanctioned by its Board of Directors. It has also implemented a system for assessment and control of business risks, aimed at fostering stable and sustainable business model.

The company has identified potential risks encompassing financial, legal, statutory, and internal process areas. Moreover, it has implemented suitable measures to mitigate these risks effectively. With the exception of the Smart Cities Mission term applicable to the Company, no other factors have been identified that could potentially impact the Company's ongoing existence.



13. Vigil Mechanism

The provision for establishment of vigil mechanism is not applicable to the company.

14. Material Judicial orders

No material order has been passed by any Regulator, Court, Tribunal, Statutory and quasi-judicial body, impacting the going concern status of the company.

15. Auditors and Auditors' Report

Statutory Audit

M/s. Kuriyan & Jacob, Chartered Accountants, Ernakulam (SR 0787) was appointed by Comptroller & Auditor General of India, New Delhi as the Statutory Auditor of the Company in casual vacancy for the financial year 2022-2023. They hold office till the conclusion of 7th Annual General Meeting.

The Independent Auditor's Report shall form part of Annual Report. The Board's reply, if any, to any qualifications, reservations, or adverse remarks of Independent Auditor, is included as **Annexure B**.

The Comptroller & Auditor General of India has appointed M/s S I N D & Associates, Chartered Accountants as Statutory Auditors for the financial year 2023-24. Your directors propose their appointment for consideration at the upcoming 7th Annual General Meeting.

Secretarial Audit

Pursuant to the provisions of Section 204 of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed M/s. Mehta & Mehta, Company Secretaries in Practice, to conduct the Secretarial Audit of the Company for the financial years 2022-23. They were re-appointed as Secretarial Auditors for 2023-24 by the Board.

The Secretarial Audit Report shall be annexed to the Report. The Board's reply, if any, to any qualifications, reservations, or adverse remarks of Secretarial Auditor is included as **Annexure B**.

Comments of C&AG

The Comments of the Comptroller & Auditor General of India under section 143(6)(b) of the Companies Act, 2013 shall form part of Annual Report.

16. Compliance with Secretarial Standards

The Company has complied with the applicable Secretarial Standards, with the exception of the observations outlined in the Secretarial Audit Report.

17. Particulars of Employees and related disclosures

Personnel and industrial relations were cordial and satisfactory during the year under review. There were no employees of the company who have drawn remuneration in excess of the limits set out under Section 197(12) of the Act read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

18. Disclosure as per Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has adopted Anti-Sexual Harassment Policy and has complied with the provision relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013. The company has not received any complaints during year under review and there are no outstanding complaints in this regard as of 31st March 2023.

19. Annual Return

Pursuant to Section 92(3) read with Section 134(3)(a) of the Act, the Annual Return for FY 2022-23 is available at <https://csml.co.in/>



20. General

Your Directors confirm that no disclosure or reporting is required in respect of the following items as there was no transaction on these items or the provisions of the Companies Act 2013 were not applicable to the Company during the year under review:

- a) Maintenance of Cost records and Cost Audit
- b) Non-compliant deposits under Chapter V of the Act.
- c) Default in repayment of deposits or payment of interest thereon
- d) Provision of money to purchase its own shares
- e) Application made or any proceeding pending under the Insolvency and Bankruptcy Code, 2016
- f) Loan settlement or valuation with Banks or Financial Institutions

21. Acknowledgements

Your Directors wish to extend their heartfelt gratitude for the invaluable support and cooperation extended by the Central and State Governments, Banks and various Agencies throughout the past year. Additionally, your Directors wish to acknowledge the dedicated service rendered by all employees of the Company.

For and on behalf of the Board of Directors

Date : 19-12-2023
Place : Ernakulam


Shaji V Nair IAS
CEO & Director
DIN :10280940


Umesh N S K IAS
Director
DIN : 10265700



FORM No. AOC-2

[Pursuant to clause (h) of Sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

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

1. Details of contracts or arrangements or transactions not at arm's length basis: NIL

1. Name(s) of the related party and nature of relationship
2. Nature of contracts/arrangements/transactions
3. Duration of the contracts/arrangements/transactions
4. Salient terms of the contracts or arrangements or transactions including the value, if any
5. Justification for entering into such contracts or arrangements or transactions
6. Date of approval by the Board
7. Amount paid as advances, if any
8. Date on which the special resolution was passed in general meeting as required under first proviso to section 188

2. Details of material contracts or arrangement or transactions at arm's length basis: NIL

- a) Name(s) of the related party and nature of relationship
- b) Nature of contracts/arrangements/transactions
- c) Duration of the contracts/arrangements/transactions
- d) Salient terms of the contracts or arrangements or transactions including the value, if any:
- e) Date(s) of approval by the Board, if any
- f) Amount paid as advances, if any



For and on behalf of the Board of Directors

Shaji V Nair IAS
CEO & Director
DIN :10280940

Umesh N S K IAS
Director
DIN : 10265700

Reply to the Observations / Remarks / Disclaimers by Auditors

Sr.	Observations / Remarks / Disclaimers by	Reply / Explanation / Comments by Board
1.	Statutory Auditor	
	Nil	Not Applicable
2	Secretarial Auditor	
	<p>1. Pursuant to Secretarial Standard on meetings of the board of directors (SS-1):</p> <ol style="list-style-type: none"> Clause 7.5.1 : Minutes shall be entered in the Minutes Book within thirty days from the date of conclusion of the Meeting Clause 7.6.1: Minutes of the Meeting of the Board shall be signed and dated by the Chairman of the Meeting or by the Chairman of the next Meeting. Clause 7.6.2 : the Chairman shall initial each page of the Minutes, sign the last page and append to such signature the date on which and the place where he has signed the Minutes Clause 7.6.4 : Within fifteen days of signing of the Minutes, a copy of the said signed Minutes, certified by the Company Secretary or where there is no Company Secretary by any Director authorised by the Board, shall be circulated to all the Directors, as on the date of the Meeting and appointed thereafter, except to those Directors who have waived their right to receive the same either in writing or such waiver is recorded in the Minutes. <p>However, the 22nd Board Meeting minutes have the above mentioned discrepancies with respect to the compliance of Secretarial Standards to be followed on meetings of the board of directors (SS-1).</p>	<p>The management had reviewed the compliance matters related to the minutes of 22nd Board Meeting and corrective measures were implemented to ensure compliance in future instances.</p>
	<p>2. Pursuant to Section 203 of the Companies Act, 2013, every public company having paid-up share capital of Rs. 10 Crore or more shall have a whole-time Key Managerial Personnel, which includes the whole time Chief Financial Officer.</p> <p>However, the vacancy of Chief Financial Officer is yet to be filled by the Company.</p>	<p>The Company had made attempts to fill the casual vacancy of Chief Financial Officer, but was impeded due impending smart cities mission deadline of 30th June 2023. However, the Company remains committed to achieving compliance.</p>

For and on behalf of the Board of Directors

Shaji V Nair IAS
CEO & Director
DIN :10280940

Umesh N S K IAS
Director
DIN : 10265700





INDEPENDENT AUDITOR'S REPORT

To

The Members of Cochin Smart Mission Limited.

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of **Cochin Smart Mission Limited** ("the Company"), which comprise the Balance sheet as at 31st March 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the 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.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2023, and its loss (including other comprehensive income), the changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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





Other Matters

According to the information and explanations given to us, the company has utilized ` 1459.00 lakhs over and above the Administrative & Other Expenses (A&OE) grant received. The company is of the opinion that since no revenue is generated from the main operations (except other income) of the company, the Administrative & Other Expenses were met from the government grants.

As per the Smart City Guidelines, June 2015 issued by the Ministry of Urban Development-Government of India, The Smart City Mission will be operated as a centrally sponsored scheme (CSS) and the Central Government proposes to give financial support over 5 years on an average Rs.100 crores per city per year. An equal amount on a matching basis, will have to be contributed by State/ULB.

The company has received initial contribution of Rs.196 crores from Central Government and Rs.200 crores from State Government. Further the company has received Rs.6.4 crores from Ministry of Housing and Urban Affairs - GOI towards implementation of E-Health project under CITIIS programme during the Financial Year 2022-23.

The company has received a further grant of 98 crores from Central Government and 98 crores from Government of Kerala during the financial year 2022-23

Information other than the Financial Statements and Auditor's Report thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.





When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take appropriate actions necessitated by the circumstances and the applicable laws and regulations.

Responsibility of Management and Those Charged with Governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act.

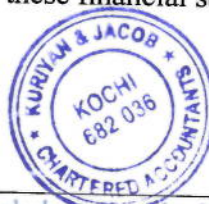
This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors is responsible for overseeing the company's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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





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

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





Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Financial Statements of the current year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("The Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in "**Annexure I**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable;
2. Based on verification of books of accounts of the Company and according to information and explanations given to us, we give in the "**Annexure II**" a report on the Directions issued by the Comptroller and Auditor General of India in terms of Section 143(5) of the Act.
3. As required by section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.





- c. The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, Statement of Changes in Equity and statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 as amended.
 - e. As per Notification number G.S.R. 463(E) dated 5th June, 2015 issued by Ministry of Corporate Affairs, section 164(2) of the Act regarding the disqualifications of Directors is not applicable to the Company, since it is a Government Company.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure- III**".
4. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:
- As per notification number G.S.R. 463 (E) dated June 05, 2015 issued by Ministry of Corporate Affairs, section 197 of the Act regarding remuneration to directors is not applicable to the Company, since it is a Government Company.
5. 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) Amendment Rules, 2021, 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 litigations as at 31.03.2023 which would impact its financial position.
 - ii. The Company did not have long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly





KURIYAN & JACOB
Chartered Accountants

or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, no funds have been received by the Company from any person or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material misstatement;

v The company has neither declared nor paid any dividend during the year.

**For Kurian & Jacob,
Chartered Accountants**

[ER. No. 001620S]

K K N Namboodiri

(Partner) M.No.024465

UDIN: 23024465BHAJEV2577

Place: Cochin

Date:19/12/2023





Annexure - I to the Independent Auditor's Report on the Financial Statements of Cochin Smart Mission Limited for the year ended on 31st March 2023.

(Referred to in paragraph I under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. In respect of the Company's Property, Plant and Equipment (PPE) and Intangible Assets:
- a) •The Company has generally maintained proper records showing full particulars, including quantitative details and situation of PPE and relevant details of right-of-use assets covered under Ind AS 116, 'Leases'.
 - The Company has generally maintained proper records showing full particulars of intangible assets.
 - b) As per the information and explanations given to us and on the basis of our examination of the records of the Company, the PPE (other than those which are underground/ submerged/ under joint operations) have been physically verified by the management in a phased manner to cover all items over a period of three years, which in our opinion is reasonable, having regard to the size of the Company and nature of its business. No material discrepancies were noticed on such verification.
 - c) According to the information and explanations given to us, we report that the title/lease deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of Company.
 - d) According to the information and explanation given to us and on the basis of our examination of the records, the Company has not revalued its Property, Plant and Equipment (including Right of Use assets) and intangible assets during the year. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable.
 - e) According to the information and explanation given to us and on the basis of our examination of the records of the company, there are no proceedings initiated during the year or are pending against the Company as at March 31, 2023 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.
- ii. The Company does not have any inventory; therefore the provisions of clause 3(ii) of the order are not applicable to the company.
- iii. According to the information and explanations given to us and the records of the company examined by us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (f) of the Order are not applicable to the Company and hence not commented upon.





- iv. According to the information and explanations given to us and the records of the company examined by us, the Company has not advanced loans to directors / to a Company in which the Director is interested to which provisions of section 185 of the Act apply. The provisions of section 186 of the Act, in our opinion, are not applicable to the Company.
- v. According to the information and explanations given to us and the records of the company examined by us, the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2014 are not applicable.
- vi. To the best of our knowledge and according to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the Company.
- vii. a) According to the information and explanations given to us and on the basis of our examination of the books of account and records, the Company has generally been regular in depositing undisputed statutory dues including Income-Tax, Goods and Service Tax, Cess and any other statutory dues with the appropriate authorities. As informed to us, employee's state insurance and, employee's provident fund are not applicable to the Company

According to the information and explanations given to us, no undisputed amounts payable in respect of Goods and Services Tax, Income Tax, Cess and any other material statutory dues were in arrears as at March 31, 2023 for a period of more than six months from the date they became payable.

- b) According to the information and explanation given to us and the records of the company examined by us, there are no dues of Income Tax, Goods and Service Tax, outstanding on account of any dispute.
- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.
- ix. a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any loans or borrowings during the year.
- b) The Company does not have any loans or borrowings; therefore, the provisions of clause 3(ix)(b) of the order are not applicable to the company.





- c) The Company does not have any loans or borrowings; therefore the provisions of clause 3(ix)(c) of the order are not applicable to the company.
- d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.
- e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and joint ventures.
- f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures.
- x. a) According to the information and explanations given to us, the Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under paragraph 3(x)(a) of the Order is not applicable to the Company.
- b) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under paragraph 3(x)(b) of the Order is not applicable to the Company.
- xi. a) To the best of our knowledge and according to the information, representation and explanations given to us, no fraud by the Company or no material fraud on the Company has been noticed or reported during the year.
- b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by us in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no cases were received by the Company during the year under Whistle Blower Policy of the Company.
- xii. According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable
- xiii. According to the information and explanations given by the management and based on our examination, the transactions with the related parties are in compliance with section 177 and 188 of the Act, where applicable.





- xiv. a) Based on information and explanations provided to us and based on our audit procedures, it appears that the Company has an internal audit system commensurate with the size and nature of its business.
- b) We have been provided and considered, the internal audit reports issued during the year under audit, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions during the year with its Directors or persons connected to its Directors and hence the provisions of Section 192 of the Companies Act, 2013 is not applicable to the Company. Accordingly, reporting under clause 3(xv) of the Order is not applicable to the company.
- xvi. a) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, clause (xvi) (a) of the Order is not applicable to the Company.
- b) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, clause (xvi) (b) of the Order is not applicable to the Company.
- c) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Therefore, clause (xvi)(c) of the Order is not applicable to the Company.
- d) In our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016). Accordingly, reporting under clause 3(xvi) (d) of the Order is not applicable to the Company.
- xvii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company had incurred cash losses amounting to Rs.157.66 lakhs during the financial year covered by our audit and 5146.60 lakhs in the immediately preceding financial year.
- xviii. M/s.R ManojKumar & Co has resigned as the Statutory Auditors during the year vide their letter dtd.31-10-2022. The reasons stated in the resignation letter were staff constraints to devote time to the affairs of the Company and the proposed fee structure was not economically viable amidst their current man power.





xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date.

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

- xx. a) In our opinion and according to the information and explanations given to us, there is no unspent amounts towards Corporate Social Responsibility (CSR) on other than ongoing projects requiring a transfer to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the Act. Accordingly, reporting under clause 3(xx)(a) of the Order is not applicable for the year.
- b) There are no ongoing projects under CSR where amount remaining unspent under sub-section (5) of section 135 of the Companies Act, is required to be transferred to special account in compliance with the provision of sub-section (6) of section 135 of the said Act. Accordingly, reporting under clause 3(xx)(b) of the Order is not applicable for the year.

Place: Cochin
Date: 19/12/2023



**For Kurian & Jacob,
Chartered Accountants
[F.R. No. 001620S]**

**K K N Namboodiri
(Partner) M.No.024465
UDIN: 23024465BHAEV2577**



Annexure-II to the Independent Auditors' Report

(Referred to in Paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

1.	Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implication of processing of accounting transaction outside IT System on the integrity of the accounts along with the financial implications, if any, may be stated.	Yes, the Company has system in place to process all the accounting transactions through IT system. Process like approvals, are not done through IT systems.
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.	No loans were borrowed by the company until 31 st march 2023.
3.	Whether funds (Grant/ subsidy etc.) received/ receivable for specific schemes from Central/ State agencies were properly accounted for/ utilized as per its term and conditions? List the cases of deviation.	Based on the audit procedures carried out and as per the information and explanations given to us, the funds (Grant/ subsidy) received/ receivable for specific schemes from Central/ State agencies were properly accounted for/ utilized as per its term and conditions except for the instances mentioned in <i>Annexure A</i> .

For Kurian & Jacob,

Chartered Accountants

[F.R. No. 001620S]

K K N Namboodiri

(Partner) M.No.024465

UDIN: 23024465BHAJEV2577

Place: Cochin

Date:19/12/2023



Annexure-A to the Independent Auditors' Report

(Referred to in Point 3 of Annexure II to the Independent Audit Report issued on the directions issued by the Comptroller and Audit General of India in terms of sub-section (5) of section 143 of the Act)

Utilization of Government Grants Rs.

in

lakhs

Particulars	Utilized	Unutilized
Project cost	48,850.00	6,951.00 Less:- Utilized for A&OE (1,459.00) 5,492.00
Administrative and other Expenses	4,859.00	-
A&OE Share of Ministry of Housing and Urban Affairs, Government of India	4.00	-
Grant received from MoHUA, GOI		9,800.00
CITIIS Grant	555.00	577.00

The company has utilized Rs. 1,459.00 lakhs over and above the A&OE grant received. Which was reported monthly as per the Smart City Guidelines in anticipation of future grants to be received to execute the awarded project.

The company has received Rs 196 crores from Government of India and Rs.200 crores from Government of Kerala during the first year of operation. Further Rs 98 crores from Government of India and Rs.98 crores from Government of Kerala are received during the year 2022-23.

**For Kurian & Jacob,
Chartered Accountants
[F.R. No. 001620S]**



(Handwritten signature)

**K K N Namboodiri
(Partner) M.No.024465
UDIN: 23024465BHAJEV2577**

**Place: Cochin
Date: 19/12/2023**



Annexure-III to the Independent Auditors' Report

(Referred to in Paragraph 3(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of 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 Cochin Smart Mission Limited ("the Company") as of March 31, 2023 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

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





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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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





Opinion

According to the information and explanations given to us and based on our audit, In our opinion, the Company has generally maintained, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were generally operating effectively as of March 31, 2023, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Kurian & Jacob,
Chartered Accountants
[F.R. No. 001620S]



K K N Namboodiri

(Partner) M.No.024465

UDIN: 23024465BHAEV2577

Place: Cochin

Date:19/12/2023



COCHIN SMART MISSION LIMITED
BALANCE SHEET AS at 31st MARCH, 2023

		₹ in Lakhs	
Particulars	Note No.	Balance as at 31st March 2023	Balance as at 31st March 2022
I. ASSETS			
(1) Non-Current Assets			
(a) Property, Plant and Equipment	3.1.1	455.52	544.01
(b) Capital work-in-progress			
(c) Other Intangible assets	3.1.2	710.41	952.90
(d) Intangible assets under development	3.1.3	9.02	9.02
(e) Right of Use Assets	3.1.4	449.32	516.26
(f) Financial Assets			
(i) Investments			
(ii) Trade Receivables			
(iii) Loans			
(iv) Others			
(g) Long-term loans and advances			
(h) Other non-current assets			
		1,624.27	2,022.18
(2) Current Assets			
(a) Inventories			
(b) Financial Assets			
(i) Investments			
(ii) Trade receivables			
(iii) Cash and cash equivalents	3.2	19,043.13	1,629.28
(iv) Loans			
(v) Other Financial Assets	3.3	299.04	9,371.11
(c) Other current assets	3.4	8,157.69	6,306.88
		27,499.86	17,307.27
Total		29,124.13	19,329.45
II. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Equity Share capital	3.5	20,000.00	20,000.00
(b) Other Equity	3.6	(9,178.89)	(8,620.58)
		10,821.11	11,379.42
(2) Non-Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings			
(ii) Other Financial Liabilities			
(b) Provisions			
(c) Deferred tax liabilities (net)			
(d) Government Grants	3.7	10,695.86	1,280.03
(e) Other Non-current Liabilities			
		10,695.86	1,280.03
(3) Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings			
(ii) Trade Payable	3.8.1		
(a) Total outstanding dues of micro and small enterprises		115.87	296.64
(b) Total outstanding dues of creditors other than micro and small enterprises		1,115.58	195.83
(iii) Other Financial Liabilities	3.8.2	1,285.16	1,025.96
(b) Other current liabilities	3.8.3	5,090.55	5,151.58
		7,607.16	6,670.02
Total		29,124.13	19,329.47
Significant accounting policies	2		
See accompanying notes forming part of the financial statements	3		

In terms of our report attached.
For Kuriyan and Jacob
Chartered Accountants (FRN: 0016205)

For and on behalf of the Board of Directors

K K N Nambhoodiri
Partner
Mem No. 024465
UDIN : 23024465BHAJEV2577

Shaji V Nair IAS
Chief Executive Officer & Director
DIN : 10280940

Umesh N S K IAS
Director
DIN : 10265700

Anu J
Company Secretary
Mem No. A56122

Place : Ernakulam
Date : 19-12-2023

Place : Ernakulam
Date : 19-12-2023



COCHIN SMART MISSION LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2023

₹ in Lakhs

Particulars	Note No.	For the year ended 31st March 2023	For the year ended 31st March 2022
Income			
I Revenue from operations		-	-
II Other income	3.9	11,106.38	7,612.75
III Total Revenue (I+II)		11,106.38	7,612.75
IV Expenses			
Project Expenses	3.10A	10,383.62	11931.07
Employee benefits expense	3.10	110.85	125.93
Finance costs		-	-
Depreciation and amortization expense	3.1	398.18	403.82
Impairment Loss	3.1	2.47	3.84
Other expenses	3.11	769.57	702.34
Prior period adjustments (Net)		-	-
Total Expenses		11,664.69	13,167.01
V Profit/(Loss) before tax ((III-IV)		(558.31)	(5,554.26)
VI Tax expense / (benefit)			
Current tax		-	-
Deferred Tax		-	-
Net tax expense / (benefit)		-	-
VII Profit/(Loss) for the year (V-VI)		(558.31)	(5,554.26)
VIII Other Comprehensive income			
Items that will not be reclassified to profit and loss		-	-
Items that will be reclassified to profit and loss		-	-
		-	-
		-	-
IX Total Comprehensive Income for the period (profit/loss + other comprehensive income)		(558.31)	(5,554.26)
X Earning per equity share(of Rs.10/- each):			
(a) Basic		(0.28)	(2.78)
(b) Diluted		(0.28)	(2.78)
Significant accounting policies	2		
See accompanying notes forming part of the financial statements	3		

In terms of our report attached.
For Kuriyan and Jacob
Chartered Accountants (FRN:0016205)

Partner : K K N Namboodiri
Mem No. 024465
UDIN :23024465BHAEV2577

Place : Ernakulam
Date : 19-12-2023



For and on behalf of the Board of Directors

Shaji V Nair IAS
Chief Executive Officer & Director
DIN : 10280940

Place : Ernakulam
Date : 19-12-2023

Umesh N S K IAS
Director
DIN : 10265700

Anu J
Company Secretary
Mem No. A56122



COCHIN SMART MISSION LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2023

₹ in Lakhs

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
A. Cash Flow from Operating activities		
Net Profit/(Loss) before tax	(558.31)	(5,554.26)
Adjustment for		
Depreciation and amortization expenses	398.18	403.82
Impairment Loss	2.47	3.84
Interest Income	(279.81)	(12.02)
Grant apportioned towards income	(10,788.16)	(7,594.61)
Other non cash Income/Expenses	-	19.12
Operating Profit/(Loss) before working capital changes	(11,225.63)	(12,734.11)
Adjustments for		
(Increase) /Decrease in Other non-current assets	7,427.50	(12,639.34)
(Increase) /Decrease in Other current assets	259.20	19.64
Increase /(Decrease) in Other Financial liabilities	(61.03)	2,617.82
Increase /(Decrease) in Other current liabilities	738.97	(552.37)
Increase /(Decrease) in Trade Payable	-	-
Net Cash flow from / (used in) Operating activities (A)	(2,860.99)	(23,288.36)
B. Cash Flow from Investing activities		
Property, Plant and Equipments	(2.73)	(2.95)
Right of Use Asset	-	-
Interest received	73.57	212.91
Grant received from Government of India	9800.00	-
Grant received from Government of Kerala	9800.00	-
Grant received from Government of India CITIIS Grant for E-Health Solution	604.00	-
Grant received from MoHUA, GOI - Street for People	-	50.00
Contribution from Kochi Municipal Corporation	-	-
Net Cash flow from / (used in) investing activities (B)	20,274.84	259.96
C. Cash flow from Financing activities		
Share capital	-	-
Net Cash flow from / (used in) financing activities (C)	-	-
Net Increase / (decrease) in cash and cash equivalents	17,413.85	(23,028.40)
Cash and cash equivalents at the beginning of the year	1,629.28	24,657.68
Cash and cash equivalents at the end of the year	19,043.13	1,629.28
Comprising of		
Treasury Balance	0	1.67
Bank Balance	19043.13	1,627.61
Total	19043.13	1,629.28

In terms of our report attached.
For Kuriyan and Jacob
Chartered Accountants (FRN: 0016205)

K K N Namboodiri
Partner
Mem No. 024465
UDIN : 23024465BHAEV2577

Place : Ernakulam
Date : 19-12-2023



For and on behalf of the Board of Directors

Shaji V Nair IAS
Chief Executive Officer & Director
DIN : 10280940

Place : Ernakulam
Date : 19-12-2023

Umesh N S K IAS
Director
DIN : 10265700

Anu J
Company Secretary
Mem No. A56122



COCHIN SMART MISSION LTD
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2023

₹ in Lakhs

Particulars	Amount in lakhs
A. Changes in Equity	
Particulars	Amount
Balance at the beginning of the period (1st April 2021)	20,000.00
Changes in Equity Share Capital during the period	-
Balance as at 31st March, 2022 (Note No. 3.5)	20,000.00
Changes in Equity Share Capital during the period	-
Balance as at 31st March, 2023 (Note No. 3.5)	20,000.00

A. Changes in Other Equity

Particulars	Grant Received	Retained Earnings	Amount
Balance as at 1st April, 2021		3,066.32	3,066.32
Accumulated Profit		(8,620.58)	(8,620.58)
Balance as at 1st April, 2022	-	(8,620.58)	(8,620.58)
Profit for the period		(558.31)	(558.31)
Balance as at 31st March, 2023	-	(9,178.89)	(9,178.89)

In terms of our report attached.
For Kuriyan and Jacob
Chartered Accountants (FRN:001620S)


K K N Namboodiri
Partner
M No. 024465
UDIN 23024465BHAEV2577

Place : Ernakulam
Date : 19-12-2023



For and on behalf of the Board of Directors


Shaji V Nair IAS
Chief Executive Officer and Director
DIN : 10280940

Place : Ernakulam
Date : 19-12-2023


Umesh N S K IAS
Director
DIN : 10265700


Anu J
Company Secretary
Mem No. A56122



**NOTES FORMING PART OF FINANCIAL STATEMENT FOR THE PERIOD FROM
1st April 2022 to 31st MARCH 2023**

1. Corporate Information

Cochin Smart Mission Limited ('CSML' or 'the company') is a State Government Company domiciled and incorporated in India under the Companies Act, 2013 ('the act') The address of its registered office is 4th Floor, JLN Stadium Metro Station, Kaloor, Ernakulam, Kochi Ernakulam KL 682017 IN.

CSML is the Special Purpose Vehicle (SPV) owned by Government of Kerala and Kochi Municipal Corporation as equal shareholders formed under Smart City Mission of the Government of India for the implementation of smart city project in Kochi. The core objective of CSML is to make Kochi a model city by application of 'Smart Solutions' and by providing better quality of living to the citizens. The Smart City Mission aims for a rejuvenation of the prevailing urban eco system through a Comprehensive Development of Institutional, Physical, Social and Economic Sectors.

2. Significant accounting policies

2.1. Basis of Accounting and preparation of Financial Statements

The financial statements of the Company are prepared in accordance with the Indian Accounting Standards (Ind AS) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. The financial statements have been prepared on accrual basis under the historical cost convention.

2.2. Use of estimates

The preparation of the financial statements in conformity with Indian Accounting Standards requires the management to make some estimates and assumptions that reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. Some of the estimations require higher degrees of judgment to be applied than others. Management continuously evaluates all of its estimates and judgments based on available information and its experience and believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may differ from these estimates and the differences between the actual results and the estimates are recognized in the periods in which the results are known or materialized.

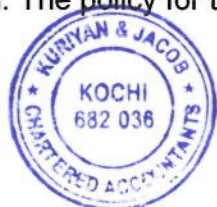
Key source of estimation of uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of useful lives of property, plant and equipment, valuation of deferred tax asset/liabilities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

2.2.1. Useful lives of property, plant and equipment

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

2.2.2. Valuation of deferred tax assets

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note 2.9.



2.2.3. Provisions and contingent liabilities

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

Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the Balance sheet date. These are reviewed at each Balance sheet date and adjusted to reflect the current best estimates. Contingent Liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

2.3. Revenue Recognition

Revenue is recognised on accrual basis of accounting.

Other Income

- I. Interest deposits is recognized on time proportion basis taking into account the outstanding amount and the rate applicable.
- II. Other incomes are recognized on receipt basis.
- III. Items of expenditure incurred in the current financial year that are not directly related to creation of a capital asset is charged off as revenue expenditure in the Statement of Profit and Loss.

2.4. Government Grants

Government grants are recognised when there is reasonable assurance that the entity will comply with the conditions related to them and that the grants will be received.

Grants related to income are deferred and recognised in profit or loss on a systematic basis over the periods necessary to match them with the related costs that they are intended to compensate. They are either offset against the related expense or presented as separate income. The timing of such recognition in profit or loss will depend on the fulfilment of any conditions or obligations attached to the grant.

Grants related to assets are presented as deferred income in the balance sheet. Profit or loss will be affected by deferred income being recognised as income systematically over the useful life of the related asset. The unrecognized portion of Government grant is shown as deferred income.

2.5. Property Plant and Equipment (Tangible/Intangible)

Property Plant and Equipment are stated at historical cost less accumulated depreciation and impairment if any. The cost of Property Plant and Equipment comprises its purchase price, including any import duties and other taxes net or recoverable taxes and any directly attributable expenditure on making the asset ready for its intended use and other incidental expenses and interest on borrowings attributable to acquisition of qualifying Property Plant and Equipment up to the date the asset is ready for its intended use and net of any trade discounts and rebates. In the case of assets put to use, where settlement of bills is yet to be effected, capitalization is done on provisional basis subject to necessary adjustments in the year of final settlement.



2.6. Depreciation and Amortization

- I. Depreciation on property, plant and equipment is provided using Straight Line Method (SLM) based on the useful lives of assets, prescribed under the Schedule II of the Companies Act 2013.
- II. An item of property, plant and equipment and any significant part initially recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain/loss arising on de-recognition of the asset is included in the Statement of profit and loss when the asset is de-recognized. Fully depreciated asset still in use are retained in the Financial Statement. The estimated useful life of the assets are as follows;

III.

Computers (servers & networks)	Six Years
Computers (end user devices)	Three Years
Electrical appliances, equipment's and installations	Ten Years
Furniture and Fixtures	Ten Years
Office equipment (*)	Five Years
Vehicle	Eight Years
Intangible Assets	Five Years

- IV. Residual value of 5% has been retained for all the Property Plant and Equipment, which is in line with the provisions of the Schedule II.
- V. Individual assets costing less than Rs. 5,000 are charged to expense at the time of purchase itself
- VI. Intangible assets are amortized on a systematic basis over the best estimate of its useful life.
- VII. The useful life of mobile phone, which is grouped under office equipment, is estimated at three years(*).
- VIII. Movable assets procured as part of projects under Smart City Mission are treated as assets of the Company. These assets will be transferred to Kochi Municipal corporation or to the relevant authority upon the completion of Operation and Maintenance period under the contract agreement with the Vendor or Contractor.

The useful live, residual value and method of depreciation of property, plant and equipment and intangible assets are reviewed at each financial year and adjusted prospectively, if appropriate.

2.7. Capital Work in Progress (CWIP)

Assets under construction as at balance sheet date are shown as Capital Work in Progress (CWIP). Expenditure directly related to construction activity, resulting into creation of an asset of the company has been capitalized. All direct expenditure attributable to the various components of the project are accounted as CWIP under respective heads, wherever assets belong to the company. Common expenses which are directly related to the construction activities, but attributable to more than one component of the works are grouped under CWIP as expenses during construction, to be allocated to various assets on completion.

2.8. Provisions, contingent Liabilities and Contingent Asset

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle



the obligation in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

A contingent liability is recognized when a possible obligation that arises from past events whose existence will be confirmed by the occurrence or nonoccurrence of one or more uncertain events beyond the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. Contingent liabilities are disclosed in notes to accounts.

Contingent asset is not recognized in the financial statement.

2.9. Taxes on Income

Current tax is the tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognized on timing differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized, if there is virtual certainty that there will be sufficient future taxable income available to realize such losses. Other deferred tax assets are recognized if there is reasonable certainty that there will be sufficient future taxable income to realize such assets. Deferred tax assets are reviewed at each Balance Sheet date for their reliability.

2.10. Foreign Exchange transactions/translations

Items included in the financial statements of the entity are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in Indian Rupees ("INR"), which is the functional currency and presentation currency of the Company.

Foreign exchange transactions are recorded at the functional currency adopting the exchange rate prevailing on the dates of respective transactions. Monetary assets and liabilities denominated in foreign currencies existing as on the Balance Sheet date are translated at the functional currency exchange rate prevailing as at the Balance Sheet date. The exchange difference arising from the settlement of transactions during the period and effect of translations of assets and liabilities at the Balance Sheet date are recognized in the Statement of Profit and Loss.

2.11. Company as a lessee

Company recognizes a lease liability reflecting future lease payments and a 'right-of-use asset' for all lease contracts. In the statement of profit and loss company will present interest expense on the lease liability and depreciation on the right-of-use asset. In the cash flow statement, cash payments for the principal portion of the lease liability and its related interest are classified within financing activities. Payments for short-term leases, leases of low-value assets and variable lease payments are not included in the measurement of the lease liability and are presented within operating activities.



2.12. Segment reporting

The Company has only one reportable business segment, which is implementing the Kochi Smart City Mission Projects. Accordingly, the amounts appearing in the financial statements are related to the Company's single business segment.

2.13. Cash and Cash equivalents

Cash and Cash equivalents for the purpose of Cash Flow Statement comprises cash at bank, Government treasury and short term deposits with banks.

2.14. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit or loss is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

2.15. Current Assets, loans and advances

The current assets, loans and advances have values at which they are stated in the balance sheet, if realized in the ordinary course of business. Current assets include amount paid as work deposit for the execution of convergence projects by various agencies.

2.16. Financial instruments

Financial assets and liabilities are recognized when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. As company does not have financial asset and liabilities other than trade assets/ Liabilities, all the financial assets and liabilities are measured at cost.

2.17. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.



3. ADDITIONAL INFORMATION TO THE FINANCIAL STATEMENTS

3.1 Tangible and Intangible Assets

3.1.1 Property, Plant and Equipment

As at 31/03/2023	Gross carrying amount				Depreciation			Impairment			Net carrying amount	
	Balance as at 1st April 2022	Additions/adjustments during the year	Disposal/adjustments during the year	Balance as at 31st March 2023	Balance as at 1st April 2022	Depreciation for the year	Disposal/adjustments during the year	Balance as at 31st March 2023	Impairment for the year	Disposal/adjustments during the year	Balance as at 31st March 2023	As at 31/03/2023
Particulars	Balance as at 1st April 2022	Additions/adjustments during the year	Disposal/adjustments during the year	Balance as at 31st March 2023	Balance as at 1st April 2022	Depreciation for the year	Disposal/adjustments during the year	Balance as at 31st March 2023	Impairment for the year	Disposal/adjustments during the year	Balance as at 31st March 2023	As at 31/03/2023
Computers (servers & networks)	84.31	0.00	0.00	84.31	18.68	13.21	0.00	31.89	0.00	0.00	0.31	52.11
Computers (End User Devices)	39.03	2.73	0.00	41.76	19.49	10.55	0.00	30.04	0.00	0.00	0.00	11.72
Electrical appliances, equipment's and installations	81.76	0.00	0.00	81.76	16.38	8.44	0.00	24.82	0.61	0.00	4.35	52.59
Furniture and Fixtures	219.22	0.00	0.00	219.22	30.49	20.96	0.00	51.45	1.87	0.00	13.42	154.35
Office Equipments	272.07	0.00	0.00	272.07	51.59	35.58	0.00	87.17	0.00	0.00	0.15	184.75
Vehicle	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Total	696.39	2.73	0.00	699.12	136.63	88.74	0.00	225.37	2.48	0.00	18.23	456.52
Previous Year	712.80	2.72	19.12	696.39	42.87	95.58	1.82	136.64	3.84	-	15.76	544.00
												658.01

₹ in Lakhs



3.1.2 Other Intangible Assets

As at 31/03/2023	Balance as at 1st April 2022	Additions/adjustments during the year	Gross carrying amount	Balance as at 31st March 2023	Balance as at 1st April 2022	Depreciation for the year	Disposal/adjustments during the year	Balance as at 31st March 2023	Balance as at 1st April 2022	Impairment for the year	Disposal/adjustments during the year	Balance as at 31st March 2023	net carrying	As at 31/03/2023	As at 31/03/2022
Particulars			Disposal/adjustments during the year												
Computer Software	1,277.02	-	-	1,277.02	324.12	242.49		566.61					710.41	952.90	
Total	1,277.02	-	-	1,277.02	324.12	242.49	-	566.61					710.41	952.90	
Previous Year	1,276.78	0.23	-	1,277.02	81.01	243.11	-	324.12					952.90	1,195.78	

3.1.3 Intangible assets under development

As at 31/03/2023	Balance as at 1st April 2022	Additions/adjustments during the year	Gross carrying amount	Balance as at 31st March 2023	Balance as at 1st April 2022	Depreciation for the year	Disposal/adjustments during the year	Balance as at 31st March 2023	Balance as at 1st April 2022	Impairment for the year	Disposal/adjustments during the year	Balance as at 31st March 2023	net carrying	As at 31/03/2023	As at 31/03/2022
Particulars			Disposal/adjustments during the year												
Intangible assets under development	9.02			9.02				-					9.02	9.02	
Total	9.02	-	-	9.02	-	-	-	-					9.02	9.02	
Previous Year	9.02	-	-	9.02	-	-	-	-					9.02	9.02	

Note: Amount of contractual commitment for development of Intangible asset.

3.1.4 Right to use Assets

As at 31/03/2023	Balance as at 1st April 2022	Additions/adjustments during the year	Gross carrying amount	Balance as at 31st March 2023	Balance as at 1st April 2022	Depreciation for the year	Disposal/adjustments during the year	Balance as at 31st March 2023	Balance as at 1st April 2022	Impairment for the year	Disposal/adjustments during the year	Balance as at 31st March 2023	net carrying	As at 31/03/2023	As at 31/03/2022
Particulars			Disposal/adjustments during the year												
Right to Use - Licence	669.40			669.40	153.14	66.94		220.08					449.32	516.26	
Total	669.40	-	-	669.40	86.20	66.94	-	220.08					449.32	516.26	
Previous Year	669.40	-	-	669.40	86.20	66.94	-	153.14					516.26	583.20	



3.2. Cash and cash equivalents			₹ in Lakhs
Particulars	As at 31 st March 2023	As at 31 st March 2022	
a. Balances with banks			
In current accounts	10,050.65	211.05	
In deposit accounts	8,992.48	1,416.57	
b. Cash on hand			
c. Others			
Sub Treasury Account	-	1.67	
	19,043.13	1,629.28	

3.3. Other Financial Assets (current)			₹ in Lakhs
Particulars	As at 31 st March 2023	As at 31 st March 2022	
a) Interest Accrued	207.51	1.27	
b) Balance with Kerala Government	10.42	8.75	
c) Balance with State Mission Management Unit	-	9,330.21	
c) Income Tax (TDS)	4.25	0.43	
d) Others	76.86	30.45	
	299.04	9,371.11	

3.4. Other current assets			₹ in Lakhs
Particulars	As at 31 st March 2023	As at 31 st March 2022	
a) Prepaid Expenses	-	0.18	
b) Advance to Vendors	1,154.72	1,411.86	
c) Security Deposits	0.17	0.17	
d) Work Deposit	6,851.23	4,746.34	
e) GST Credit	151.57	148.33	
	8,157.69	6,306.88	

3.5. Equity Share Capital			₹ in Lakhs
Particulars	As at 31 st March 2023	As at 31 st March 2022	
a) Authorised			
20,00,00,000 equity shares of Rs.10/- each	20,000.00	20,000	
b) Issued, subscribed and fully paid up:			
20,00,00,000 equity shares of Rs.10/- each	20,000.00	20,000	

3.5.1. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period				
Particulars	As at 31st March 2023		As at 31st March 2022	
	No. of shares	Amount in Rs.	No. of shares	Amount in Rs.
At the beginning of the year	20,00,00,000	2,00,00,00,000	20,00,00,000	2,00,00,00,000
Allotted during the year	-	-	-	-
Outstanding at the end of the year	20,00,00,000	2,00,00,00,000	20,00,00,000	2,00,00,00,000

3.5.2 The Company has one class of equity shares having a par value of Rs.10/- per share. Each shareholder is entitled to receive dividends as declared from time to time and entitled for one vote per share in the meeting of the Company. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company in proportion to the number of shares held by them after distribution of all preferential amounts, if any.

3.5.3 Number of equity shares in the Company held by each shareholder holding more than 5% shares

Name of Shareholder	Equity Shares		Equity Shares	
	As at 31st March 2023		As at 31st March 2022	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Governor of Kerala (Including shares held by nominee Share holders of GOK)	10,00,00,000	50%	10,00,00,000	50%
Kochi Municipal Corporation	10,00,00,000	50%	10,00,00,000	50%
Total	20,00,00,000	100%	20,00,00,000	100%

3.6. Other Equity			₹ in Lakhs
Particulars	As at 31 st March 2023	As at 31 st March 2022	
Surplus/(Deficit) in the Statement of Profit and Loss			
Opening Balance	(8,620.58)	(3,066.32)	
Add: Profit / (Loss) for the year	(558.31)	(5,554.26)	
Closing Balance	(9,178.89)	(8,620.58)	



3.7. Government Grants

₹ in Lakhs

Particulars	As at 31 st March 2023	As at 31 st March 2022
a) Grant received from Government of India	19,405.00	9,605.00
b) Grant received from Government of Kerala	19,800.00	10,000.00
c) Contribution received from Kochi Municipal Corporation	1,197.53	1,197.53
d) Grant received from Government of India CITIIS Grant for E-Health Solution	755.00	151.00
e) Grant received from MoHUA, GOI - Street for People	50.00	50.00
e) Grant apportioned towards income (ref. Note. 3.16)	(30,511.67)	(19,723.51)
Total	10,695.86	1,280.03

3.8.1 Trade Payables

₹ in Lakhs

Particulars	As at 31 st March 2023	As at 31 st March 2022
a) Total outstanding dues of micro and small enterprises	115.87	296.64
b) Total outstanding dues of creditors other than micro and small enterprises	1,115.58	195.83
Total	1,231.45	492.47

3.8.2 Other Financial Liabilities

₹ in Lakhs

Particulars	As at 31 st March 2023	As at 31 st March 2022
Interest earned on Grant Fund payable to Govt. of India	257.13	244.78
Interest earned on Grant Fund payable to Govt. of Kerala	1,028.03	781.18
Total	1,285.16	1,025.96

3.8.3 Other Current Liabilities

₹ in Lakhs

Particulars	As at 31 st March 2023	As at 31 st March 2022
a) Statutory payments	136.28	139.75
b) Retention Payable	1,174.80	898.90
c) Accrued expenses - Project Management Consultancy		
d) Accrued expenses - Project Expenses	3,703.59	4,070.35
e) Accrued expenses - Others	2.05	1.89
f) Audit Fee Payable	0.40	0.40
g) Others	73.43	40.28
Total	5,090.55	5,151.58

3.9. Other income

₹ in Lakhs

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Other non operating income comprises of		
i) Application / Tender Fees	7.50	3.93
ii) Interest from Bank	279.81	12.02
iii) Interest on Income Tax Refund	0.01	0.63
iii) Interest on Mobilisation Advance paid	30.90	1.56
iv) Grant apportioned towards income	10,788.16	7,594.61
Total	11,106.38	7,612.75



3.10. Employee benefits expense

₹ in Lakhs

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Salaries and wages	110.85	125.93
Total	110.85	125.93

3.10A Project Expenses

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Cost of Project Activities	10,111.44	11214.48
Operation and Maintenance Expenses of Project Assets	272.18	716.59
Total	10,383.62	11931.07

3.11. Other expenses

₹ in Lakhs

Particulars	For the year ended 31st March 2023	For the year ended 31st March 2022
Audit Fees	0.40	0.40
Manpower Supply	52.75	31.37
Honorarium	0.05	
Travelling abroad	3.19	
Survey charges	6.37	
Travelling Expenses	7.84	2.63
Bank Charges	-	0.00
Vehicle Hire	12.29	12.53
Meeting Expenses	6.04	0.67
News Paper, Books and Periodicals	0.29	0.21
Office Expenses	1.09	0.84
Recruitment Expenses	2.18	
Refreshment Expenses	0.04	0.07
Postage and Courier	0.07	0.09
Printing and Office Stationery	1.83	1.00
Professional Charges	11.35	9.15
Rates & Taxes	1.54	1.53
Telephone Charges	0.87	0.52
Advertisement Expenses (Tender)	6.80	2.84
Web Site and Domain Charges	0.17	0.15
Document Management Software Service	8.81	3.53
Repairs & Maintenances	0.26	0.31
Safety Equipments	0.09	
Stipend paid	3.02	1.98
Events, Awards and Competitions	48.89	38.08
Director's Sitting Fee	5.25	4.25
Project Management Consultancy Fees	588.09	590.20
Total	769.57	702.34



3.12. In the opinion of the board, the current assets, loans and advances have values at which they are stated in the balance sheet, if realized in the ordinary course of business.

3.13. There is no capital work in Progress or Intangible assets under development for the company as on 31st March 2023 except for the project related to setting up of Integrated Command Control Centre. Assets capitalised under the project "Integrated Command Control Centre" are under the control of CSML and there are areas where company can generate revenue from this facility.

All other current projects of the company are mainly social projects or being executed on the assets owned by Kochi Municipal Corporation or other Government agencies. As company does not have revenue or effective control on these assets, company has not recognized Capital Work in Progress in the financial statements and shall charge the same costs to Profit and Loss Account.

3.14. Disclosure in respect of Ind AS 108 Segment reporting

The Company has only one reportable business segment, which is implementing the Kochi Smart City Mission Projects. Accordingly, the amounts appearing in the financial statements are related to the Company's single business segment.

3.15. There are no doubtful debts outstanding as on 31st March 2023

3.16. Disclosure in respect of Ind AS20 (Government Grants)

Current Period (2022-23)

₹ in Lakhs			
Particulars	Smart City	CITIIS	Total
Opening Balance (1-4-2022)	871	409	1,280
Grants received/accounted during the year	19,600	604	20,204
SPV share for CITTIS transferred	-	-	-
Less: Released to Profit and Loss	(10,760)	(29)	(10,789)
Closing Balance (31-03-2023)	9,711	984	10,695

Previous Period (2021-22)

₹ in Lakhs			
Particulars	Smart City	CITIIS	Total
Opening Balance (1-4-2021)	8,683	142	8,825
Grants received during the year	50		50
SPV share for CITTIS transferred	(377)	377	
Less: Released to Profit and Loss	(7,485)	(110)	(7,595)
Closing Balance (31-03-2022)	871	409	1,280



Government Grants have been received for the purpose of implementation of Smart City Mission Projects in Kochi as per the Smart City Guidelines of Ministry of Urban Development. Out of the total grant received by the company, Rs 19,995 Lakhs has been utilised for the issue of Shares to Govt. of Kerala and Kochi Municipal Corporation. The following approach adopted by the company to release deferred income related to grant to Profit and Loss Account.

In the case of grant received from Government of India, Rs 200 Lakhs was paid to State Mission Management Unit, Government of Kerala (SMMU) before incorporation of the company for the preparation of Smart City Proposal (SCP). Expenses incurred by SMMU were charged to the statement of profit and loss for the period ended 31st March 2017 and the balance amount had been transferred by SMMU to the Company.

Deferred grants are recognized in profit and loss on a systematic basis over the periods necessary to match them with the direct cost attributable to the Smart City projects excluding administrative & office expenses, project Management Expenses and preliminary expense related to smart city proposals.

3.17. Grant Utilization

₹ in Lakhs

Grants received (Cumulative)	Smart City Mission	CITIIS	Total
Government of India	29,400		29,400
Government of Kerala	29,800		29,800
Kochi Municipal Corporation	825	377	1,202
Government of India - CITIIS Grant for E-Health Solution		755	755
MoHUA, GOI - Street for People	50		50
Total - Grants received (Cumulative)	60,075	1,132	61,207
Utilization (Cumulative)			
Projects	43,034		43,034
Admin and Other Expenses	5,429	29	5,458
Total - Utilization (Cumulative)	48,463	29	48,492

Out of the total grant received as Smart City Mission Grant by the company, Rs 19,995 Lakhs has been reallocated for the issue of Shares to Govt. of Kerala and Kochi Municipal Corporation. Out of the total grant of Rs 1,202 Lakhs received from Kochi Municipal Corporation Rs 377 Lakhs has been allocated as SPV's contribution for CITIIS project.

3.18. Disclosure in respect of Ind AS19 (Employee benefits)

The company presently has only eight full time employees appointed on a one to three-year contract. No provident fund or gratuity is payable to this employee as per the relevant law / rules.



3.19. Disclosure in respect of Ind AS 24 (Related Parties Disclosures)

3.19.1. Key Managerial Personnel.

Shanavas S - CEO	(1 st April to 31 st March 2023)
Benty V A -CFO	(1st April to 7 th July 2022)
M E H Ansari -CS	(1 st April to 30 th June 2022)
Anu J - CS	(14 th Nov to 31 st March 2023)

Remuneration to Key Managerial Personnel

₹ in Lakhs

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Salaries and Allowance and other Benefits		
Shri. Shanavas S, CEO	23.06 (1st April to 31st March 2023)	13.07 (8 th Sep 21 to 31 st Mar 22)
CFO	5.00	18.35
CS	5.29	9.46

3.19.2. Sitting Fees paid to Independent Directors

Name	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Dr. M Ramachandran	2.75	2.25
Shri. P Joy Oommen	2.50	2.00

3.19.3. Government related Entities

Since Government of Kerala and Kochi Municipal corporation own Company's equity shares equally (50% each), the disclosure related to transaction with Government controlled entities have been recorded in accordance with para 26 of Ind AS 24.

₹ in Lakhs

Name of entity	Nature of Expenses	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Kochi Metro Rail Limited	Credit for Expenses incurred for CSML	17.38	18.04
Kochi Metro Rail Limited	Services received	-	7.12
Kochi Metro Rail Limited	Work Deposit paid	-	118.00
Kochi Metro Rail Limited	Amount collected on behalf of CSML	8.85	4.54
Kochi Municipal Corporation	Work Deposit paid	890.50	3100.00
Information Kerala Mission	Work Deposit paid	1500.00	0.00
Greater Cochin	Work Deposit paid	686.00	0.00



Development Authority			
Kerala Water Authority	Work Deposit paid	11.50	0.00
Ernakulam Dist. Administration	Work Deposit paid	-	1000.00

Outstanding Balance as on Balance Sheet Date

₹ in Lakhs

Name of entity	31-03-2023	31-03-2022
Kochi Metro Rail Limited (Work Deposit)	-	118.00 (Debit)
Kochi Metro Rail Limited (Services received)	107.21 (Credit)	106.63 (Credit)
Information Kerala Mission (Work Deposit)	110.36 (Debit)	-
Greater Cochin Development Authority	686.00 (Debit)	-
Kerala Water Authority	11.50 (Debit)	-
Kochi Municipal Corporation (Work Deposit)	3,861.98(Debit)	3,512.00 (Debit)
Ernakulam Dist. Administration (Work Deposit)	1000.00(Debit)	1,000 (Debit)

3.20. Disclosure in respect of Earnings per share Ind AS 33 (Earnings Per Share)

Particulars	2022- 23	2021- 22
Net Profit /(Loss) for the year (in Rs.)	(5,58,32,000.00)	(55,54,26,361.00)
Weighted average number of equity shares outstanding during the year - Basic	20,00,00,000	20,00,00,000
Basic Earnings Per Share (Face value of Rs.10/-per share) (Rs.)	(0.28)	(2.78)

3.21. Disclosure in respect of Ind AS 12 (Accounting for Taxes on Income)

The Company has deferred tax asset of Rs. 3,248.41 lakhs as on 31st March 2023 because of accumulated losses. In the absence of virtual certainty and as a matter of prudence, the deferred tax asset is not recognized the financial statement

3.22. Disclosure in respect of Ind AS 36 (Impairment of Assets)

Company has shifted its office from the leased premise at Revenue Tower to 4th Floor, JLN Metro station Building at Kaloor. The old office was later occupied by Kochi



Metropolitan Transport Authority and CSML handed over assets at the old office to Kochi Metropolitan Transport Authority on 28th October 2020. As the final decision regarding the sale consideration is not yet decided by Local Self Government Department and Transport Department of Government of Kerala Company has considered Impairment losses @ 20% on the book value as at 31-03-2023 in relation to the Assets at its old leased office at Revenue Tower as below.

₹ in Lakhs		
Particulars	2022- 23	2021- 22
Impairment losses recognized in profit or loss for the period	2.47	3.84
Reversals of impairment losses recognized in profit or loss for the period.	-	-

In the case of other assets, no indication exists for the impairment of assets and hence no impairment of asset is recognized in the accounts for the financial year.

3.23. Intangible assets under development

Intangible assets under development aging schedule

Intangible assets under development	Amount in CWIP for a period of				Total
	Less than one year	1-2 years	2-3 years	More than 3 years	
Projects in progress			9.02		9.02
Projects temporarily suspended					

Intangible assets under development completion schedule

Intangible assets under development	To be completed			
	Less than one year	1-2 years	2-3 years	More than 3 years
Projects in progress	9.02			
Projects temporarily suspended				

3.24. Disclosure in respect of Ind AS 116 (Leases)

During the financial year 2019-20 Company has entered in to a license agreement with Kochi Metro limited to lease approximately 10,000 Square feet of Office space to establish Command control center and SPV office and the license period is for 10 years. Company has paid Rs. 669.40 lakhs as upfront license fee for the full 10 years. As no future lease liability exist on this license agreement discounting as per Ind As 116 has not required.



3.24.1 Additions to right of use assets

₹ in Lakhs

Particulars	As at March 31,2023	As at March 31,2022
Right-of-use assets, except for investment property	Nil	Nil
Total		

3.24.2 Carrying value of right of use assets at the end of the reporting period

₹ in Lakhs

Particulars	As at March 31,2023	As at March 31,2022
Opening Balance	516.26	583.20
Additions during the period		
Depreciation charge for the year	66.94	66.94
Closing Balance	449.32	516.26

3.24.3 Total Cash flow for the Lease

₹ in Lakhs

Particulars	For the year ended 31 st March 2023	For the year ended 31 st March 2022
Cash outflow	0.00	0.00

3.25. Information in respect of Micro, Small and Medium Enterprises as at 31st March 2023

Particulars	2022-23	2021-22
Amount due to micro, small and medium enterprises as at 31st March 2023		
Trade Payable	115.87	296.64
Retention Payable	763.52	580.12

3.26. Trade Payable ageing Schedule

Particulars	Outstanding for following periods from due date of payment				Retention Payable	Un billed dues	Total
	Less than one year	1-2 years	2-3 years	More than 3 years			
MSME	10.74	105.13			763.52		879.39
Others	1002.15	91.64	2.18	19.62	411.28		1526.86
Disputed dues	-	-	-	-	-	-	
MSME							



3.27. Payment to Statutory Auditors

₹ in Lakhs

Particulars	2022-23	2021-22
Audit Fees	0.40	0.40
Tax Audit Fees	0.15	0.15
Certification Fees	0.10	0.10
Reimbursements		
- Travelling Expenses		
- Goods and Service Tax		

3.28. Capital commitments, Contingent liabilities and Contingent Asset

3.28.1. Contingent Liabilities

There is no contingent liability or contingent assets, which is significantly material as on 31st March 2023.

3.28.2. Capital and other commitment

₹ in Lakhs

Capital and other Commitments	As at 31-03-2023	As at 31-03-2022
Estimated amount contracts entered by CSML including consulting contracts (net of Advances) remaining to be executed not provided for (including GST)	65077.83	56,785.74

All the lease agreement related to office and staff accommodation was and company do not have lease payment commitments as at 31st March 2023.

₹ in Lakhs

Particulars	As at 31-03-2023	As at 31-03-2022
Commitments for Minimum lease payments	-	-
Within one year	-	-
Later than one year but not later than five years	-	-
Later than five years	-	-

3.29. Financial Ratios

Particulars	As at 31-03-2023	As at 31-03-2022
Current Ratio (Current Asset/Current Liability)	3.61	2.59
Debt - Equity Ratio (Total Shareholders' Equity/ Total Liabilities)	0.59	0.70



Smart City projects are funded through Central and State Assistance. All the projects of the company are mainly social projects or being executed on the assets owned by Kochi Municipal Corporation or Other Government Departments and company does not have revenue from these projects or assets. Tender fees collected, share of admin expenses collected from consultants for tender preparation and auction proceeds are the source of income of the company and profitability ratios and turnover ratios are not relevant to the company.

3.30. Additional Disclosure


Previous year's figures have been rearranged and regrouped to make them comparable with those of the current year

In terms of our report attached
For Kuriyan and Jacob
Chartered Accountants
(FRN: 001620S)

For and on behalf of the Board of Directors


K K N Namboodiri
Partner
Mem No.024465
UDIN :23024465BHAEV2577


Shaji V Nair IAS
Chief Executive Officer & Director
DIN : 10280940


Umesh N S K IAS
Director
DIN : 10265700


Anu J
Company Secretary
Mem No. A56122

Place : Ernakulam
Date : 19-12-2023

Place : Ernakulam
Date : 19-12-2023



Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31/03/2023

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

M/s. Cochin Smart Mission Limited

Regd Office: 4th Floor,

JLN Stadium Metro Station

Kaloor, Ernakulam - 682017

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Cochin Smart Mission Limited (hereinafter referred to as the company) with corporate identity number U75140KL2016SGC040388. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year 1st April 2022 to 31st March 2023, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by

Page 1 of 6

the Company for the financial year ended on 31st of March 2023 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder
(during the period under review not applicable to the company);
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (during the year under review not applicable to the Company);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (during the period under review not applicable to the company);
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015(during the period under review not applicable to the company);
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018(during the period under review not applicable to the company);
 - d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014(during the period under review not applicable to the company);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008(during the period under review not applicable to the Company);
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (during the period under review not applicable to the Company);
 - g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (during the period under review not applicable to the Company); and
 - h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (during the period under review not applicable to the Company);
- (vi) The Real Estate (Regulation And Development) Act, 2016

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above **subject to the following observations:**

1. ***Pursuant to Secretarial Standard on meetings of the board of directors (SS-1):***
 - a. ***Clause 7.5.1 : Minutes shall be entered in the Minutes Book within thirty days from the date of conclusion of the Meeting***
 - b. ***7.6.1: Minutes of the Meeting of the Board shall be signed and dated by the Chairman of the Meeting or by the Chairman of the next Meeting.***
 - c. ***Clause 7.6.2 : the Chairman shall initial each page of the Minutes, sign the last page and append to such signature the date on which and the place where he has signed the Minutes***
 - d. ***Clause 7.6.4 : Within fifteen days of signing of the Minutes, a copy of the said signed Minutes, certified by the Company Secretary or where there is no Company Secretary by any Director authorised by the Board, shall be circulated to all the Directors, as on the date of the Meeting and appointed thereafter, except to those Directors who have waived their right to receive the same either in writing or such waiver is recorded in the Minutes.***

However, the 22nd Board Meeting minutes have the above-mentioned discrepancies with respect to the compliance of Secretarial Standards to be followed on meetings of the board of directors (SS-1).

2. ***Pursuant to Section 203 of the Companies Act, 2013, every public company having paid-up share capital of Rs. 10 Crore or more shall have a whole-time Key Managerial Personnel, which includes the whole time Chief Financial Officer.***

However, the vacancy of Chief Financial Officer is yet to be filled by the Company.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act **except for the points mentioned above.**

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance

with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company had no specific events / actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

**For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)**

ARUN K KAMALOLBHAVAN
Digitally signed by ARUN K
KAMALOLBHAVAN
Date: 2023.12.27 14:17:07 +05'30'

Arun Kannamangalam Kamalolbhavan

Partner

FCS No: 9609

CP No : 11657

PR No.: 786/2020

Place: Ernakulam

Date: December 19, 2023

UDIN: F009609E002999365

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

Annexure A

**To,
The Members,
M/s. Cochin Smart Mission Limited
Regd Office: 4th Floor,
JLN Stadium Metro Station
Kaloor, Ernakulam - 682017**

Our report of even date is to be read along with this letter.

Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

The compliance of the provisions of corporate laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

As regard the books, papers, forms, reports and returns filed by the Company under the provisions referred to in points vi of our Secretarial Audit Report in Form No. MR-3 the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the Company with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.

The secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)**

ARUN K
KAMALOLBHAVAN
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Digitally signed by ARUN
K KAMALOLBHAVAN
Date: 2023.12.27 14:17:58
+05'30'

**Arun Kannamangalam Kamalolbhavan
Partner**

FCS No: 9609
CP No : 11657
PR No.: 786/2020

Place: Ernakulam
Date: December 19, 2023
UDIN: F009609E002999365