



KERALA URBAN & RURAL DEVELOPMENT
FINANCE CORPORATION LTD



**KERALA URBAN & RURAL DEVELOPMENT
FINANCE CORPORATION LTD**

ANNUAL | 2018
REPORT | 2019

**KERALA URBAN AND RURAL DEVELOPMENT FINANCE
CORPORATION LIMITED**

REGISTERED OFFICE :

5TH FLOOR, TRANS TOWERS, VAZHUTHACAUD,
THIRUVANANTHAPURAM

49TH

ANNUAL REPORT

2018-2019



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AUDITOR GENERAL OF INDIA**

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FORM NO MGT 9

FORM NO MGT 11



BOARD OF DIRECTORS

1. Adv. Reji Zachariah - Chairman
2. Sri. R.S. Kannan - Managing Director
3. Sri.Arun K.Vijayan IAS - Director(Director- Urban Affairs Director)
4. Sri. M.Krishnadas - Director (Chairman, Chamber of Municipal Chairmen)
5. Sri. Pramod Kumar C.P. - Director (Chief Town Planner)
6. Sri. Johnson K - Director (Chief Engineer)
7. Smt. Preetha K.S. - Director (Joint Secretary, LSGD)
8. Sri. John Joseph Vadassery - Director(Joint General Manager, Project, HUDCO)

AUDITORS

H. RAMAKRISHNAN
M/S. RDA & ASSOCIATES
CHARTERED ACCOUNTANTS
THIRUVANANTHAPURAM

BANKERS

State Bank of India, Trivandrum Sub-Treasury, Kozhikode & Thiruvananthapuram
The Federal Bank Limited, Kozhikode Kerala State Co-operative Bank,

REGISTERED OFFICE

5TH FLOOR, TRANS TOWERS, VAZHUTHACAUD,
THIRUVANANTHAPURAM-695014

REGIONAL OFFICE

CHAKKORATHUKULAM, WEST HILL (P.O), KOZHICODE-673005



NOTICE TO SHAREHOLDERS

Notice is hereby given to the Shareholders of Kerala Urban and Rural Development Finance Corporation Limited that the 49th Adjourned Annual General Meeting of the Company will be held at the Conference Hall of State Municipal House, Vazhuthacaud, Thiruvananthapuram at 12.00 Noon on Tuesday, the 27th day of September , 2022 to transact the following business.

A. ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended on March 31, 2019 together with the Report of the Directors and the Auditors along with the comments of Comptroller and Auditor General of India.

By order of the Board,

Sd/-

R.S. KANNAN

Managing Director

Thiruvananthapuram
03.09.2022

Notes:

1. *A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.*



2. DIVIDEND

The Directors have not proposed any dividend on the equity shares for the financial year.

3. CHANGE IN NATURE OF THE BUSINESS, IF ANY

During the financial year 2018-19, there was no change in the nature of the business of the Company.

4. TRANSFER TO RESERVES

During the year 2018-2019 the Company have a loss of Rs. 7,71,41,389 hence no amount is transferred to reserves.

5. SHARE CAPITAL OF THE COMPANY

The Authorized capital of the Company as on the end of the financial year is Rs. 120,000,000/- divided into 12,00,000 equity shares of Rs.100/- each .The total issued, subscribed and paid up share capital of the Company as on the date of the report is Rs.5,66,83,600/- divided into 5,66,836 equity shares of Rs.100/- each. There was no change in the share capital of the company during financial year.

6. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes/ events occurred after balance sheet date till the date of the report.

7. PERFORMANCE AND NEW PROJECTS

The performance of our Company and the new projects is detailed in the Tables given below:



KERALA URBAN AND RURAL DEVELOPMENT FINANCE CORPORATION LIMITED
THIRUVANANTHAPURAM-695014

DIRECTOR'S REPORT TO SHAREHOLDERS

Dear Members,

Your Directors are pleased to present the Director's Report of **Kerala Urban & Rural Development Finance Corporation Limited** for the financial year 2018-19 on the business and operations of the Company together with the audited financial statements for the year ended March 31, 2019.

1. FINANCIAL RESULTS & PERFORMANCE REVIEW

(In Rupees)

Financial Highlights	For the Year Ending 31st March 2019	For the Year Ending 31st March 2018
Total Income	7,52,60,283	7,04,62,615
Total Expenditure (including Depreciation)	14,91,36,127	3,92,83,391
Profit/(Loss) before exceptional items and Tax	(7,38,75,844)	3,11,79,224
Extra- ordinary/Exceptional items	50,00,000	2,13,60,839
Profit/(Loss) before Tax	(7,88,75,844)	98,18,385
Tax (Including deferred tax)	17,34,455	48,30,805
Profit/(Loss) after tax	(7,71,41,389)	49,87,579
Surplus / (Deficit) carried to Balance Sheet	(7,71,41,389)	49,87,579
Earnings per share	-124. 42 (Basic) -124. 42 (Diluted)	9 (Basic) 9 (Diluted))

During the financial year 2018-19, the turnover of the Company has decreased to Rs.7,52,60,283 as compared to Rs.7,04,62,615 of the previous financial year. Further the company incurred a total expenditure of Rs.14,91,36,127 as compared to Rs. 3,92,83,391 during the previous year.

PROJECT PERFORMANCE DURING THE YEAR 2018-2019

TABLE -A

Schemes	No. of schemes			loan disbursed			% to total
	old	new	total	old schemes	new schemes	total	
Remunerative	10	4	14	6,82,10,668	2,50,05,101	9,32,15,769	100%
Non-remunerative	0	0	0			0	
Total	10	4	14	6,82,10,668	2,50,05,101	9,32,15,769	100%

PROJECT PERFORMANCE TILL MARCH 2019

TABLE-B

SCHEMES	NO. OF SCHEMES FINANCED	LOAN DISBURSED	
		AMOUNT	TO TOTAL
REMUNERATIVE	718	2,51,03,89,718	93%
NON-REMUNERATIVE	131	19,15,18,077	7%
TOTAL	849	2,70,19,07,795	100%

DETAILS OF SCHEMES SANCTIONED DURING THE YEAR 2018-2019

TABLE-C

(Amount in Rupees)

SL. No.	Name of Local Self Government Institutions	Name of Scheme	Schemes Approved	Schemes sanctioned	Loan amount Disbursed	Balance
1	PATHANAPURAM GP	CONSTRUCTION OF SHOPPING COMPLEX	23,50,00,000	21,15,00,000	-	21,15,00,000
2	KODOMBELUR GP	BUS STAND CUM SHOPPING COMPLEX	8,14,20,000	7,32,00,000	-	7,32,00,000
3	KUMILY GP	SHOPPING MALL	4,52,50,000	4,07,25,000	-	4,07,25,000
4.	PAYAM GP	SHOPPING COMPLEX CUM MULTIPLEX THEATRE	6,80,00,000	5,00,00,000	-	5,00,00,000
		Total	42,96,70,000	37,54,25,000		37,54,25,000

**STATEMENT OF LOAN AMOUNT DISBURSED DURING THE YEAR 2018-2019
(LOCAL BODY WISE)**

TABLE-D

SL. No.	Name of Local Self Government Institutions	Name of Scheme	Loan amount sanctioned	Disbursed till 2017-2018	Loan amount Disbursed 2018-2019	Balance to be disbursed
1	ERATTAYAR	SHOPPING COMPLEX	67,50,000	51,30,000	16,20,000	NIL
2	MULANTHURUTHY	BUS STAND CUM SHOPPING COMPLEX	2,22,84,000	1,35,04,524	30,45,526	57,33,950
3	MELATTUR	BUS STAND CUM SHOPPING COMPLEX	5,94,00,000	4,65,96,000	80,23,262	47,80,738
4	EAST ELERI	BUS STAND CUM SHOPPING COMPLEX	2,59,74,000	50,35,737	47,73,135	1,61,65,128
5	VATTAMKULAM	BUS STAND CUM SHOPPING COMPLEX	2,00,00,000	NIL	21,87,095	1,78,12,905
6	VATHIKKUDY	PANCHAYATH OFFICE CUM SHOPPING COMPLEX	2,40,00,000	1,55,30,600	41,36,131	43,33,269
7	EDAKKARA	RURAL MARKETTING CENTRE	5,40,00,000	4,07,57,380	95,49,341	36,93,279
8	MAVOOR	OFFICE CUM SHOPPING COMPLEX	5,50,00,440	2,44,89,450	62,16,427	2,42,94,563
9	VELIYAM	SHOPPING COMPLEX	1,84,50,000	-	51,19,204	1,33,30,796
10	PUTHUSSERY	KALYANAMANDAPAM	3,00,00,000	-	15,00,000	2,85,00,000
11	KAYAMKULAM	SHOPPING COMPLEX	6,40,80,000	1,47,28,500	2,47,07,788	2,46,43,712
12	PALA	LAWYERS CHAMBER	5,12,06,400	4,44,20,267	39,12,376	28,73,757
13	MANJERI	SHOPPING COMPLEX	9,26,00,000	-	1,61,98,802	7,64,01,198
14	OTTAPPALAM	BUS STAND CUM SHOPPING COMPLEX	3,00,00,000	1,58,58,630	22,26,682	1,19,14,688
	TOTAL		55,37,44,840	22,60,51,088	9,32,15,769	23,44,77,983



8. DIRECTORS

The Board of Directors of the Company during the reporting period is as follows:

SI No	Name	DIN	Designation	Date of Appointment	Cessation Date
1.	Mattathil Thomas Joseph	07970853	Director	19/01/2017	Continuing
2.	Ashok Balasundaram	05230812	Managing Director	16/12/2017	28/06/2018
3	A. Ajith Kumar	05264117	Managing Director	28/06/2018	31/12/2018
4.	Minimol Abraham	05163042	Managing Director	31/12/2018	Continuing
5.	Haritha Vijaya Kumar	07896977	Director	25/08/2017	16/08/2018
6.	Yamuna Vijayakumar	06999942	Director	09/07/2018	Continuing
7.	Kanchana Thankamma	07896385	Director	25/08/2017	09/07/2018
8.	Poovakalayil Raghavan Sajikumar	06486535	Director	15/01/2013	Continuing
9.	Leena Padmavathy Neelakantan Nair	07983345	Director	25/08/2017	16/08/2018
10.	Mini M.R.	08253296	Director	16/08/2018	Continuing
11.	R. Girija	07484137	Director	16/08/2018	Continuing
12.	Vadakkan Veedu Ramesh	07610844	Director	29/06/2016	Continuing

9. BOARD MEETINGS / GENERAL MEETINGS AND THE ATTENDANCE OF THE DIRECTORS

The Board of Directors has met Five times during the financial year. The details of which are as follows:

SI.No.	Date of Meeting
1.	09.07.2018
2.	16.08.2018
3.	19.12.2018
4.	02.03.2019
5.	23.03.2019



10. KEY MANAGERIAL PERSONNEL

The Company had not engaged any Key Managerial Personnel during the financial year:

11. REMUNERATION TO DIRECTORS & KMPS

The details of the remuneration paid to the Directors are given in the annual return under Section 92 of the Act in Form MGT-9 attached as annexure I.

12. PARTICULARS OF EMPLOYEES

During the period under review, no employee of the Company has received specified remuneration and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company and hence there was no requirement of a statement under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

13. STATUTORY AUDITORS AND THE AUDITORS' REPORT

H. Ramakrishnan, M/s. RDA & Associates, Chartered Accountants, Thiruvananthapuram were the Statutory Auditors of the Company for the financial year under review. M/s. ARSB & Associates, Chartered Accountants, Thiruvananthapuram was the Internal Auditor of the Company.

14. PUBLIC DEPOSITS

In terms of the provisions of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014, as amended, the Company has not accepted any deposits and as such no amount of principal or interest was outstanding as on the date of the Balance Sheet. And, therefore obtaining of Declarations pursuant to Rule 2 (c) (viii) of the Companies (Acceptance of Deposits) Rules, 2014 was not applicable.



15. EXTRACT OF ANNUAL RETURN U/S 92

As required under Section 134(3)(a) of the Companies Act, 2013, an extract of the Annual Return under Section 92 in the prescribed Form MGT-9 is set out as Annexure I attached hereto and forms part of this report .

16. CONTRACTS WITH RELATED PARTIES

No Related Party Transactions as per Section 134(3)(h) of the Companies Act, is reported during the period.

17. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSEL) ACT, 2013

During the financial year, there were no cases reported or filed regarding sexual harassment of women at workplace.

18. FRAUD REPORTING

During the financial year, there were no cases regarding fraud have been reported to the Board/Central Government.

19.DETAILS OF SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL

There is no order in materials passed by the Courts or Tribunal or Regulators.

20. VOLUNTARY REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT

There was no voluntary revision of Financial Statements or Board's Report in respect of preceding three financial years.

21. STATEMENT IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROL WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has adequate internal control and process on place with respective Financial Statements.



22. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

Your Company's operations do not involve large scale use of energy, however, it acknowledges, the concept of conservation of energy. The Company has not carried out any activity relating to Research and Development and technology absorption, adaptation and innovation.

23. FOREIGN EXCHANGE EARNINGS & OUTGO

There were no foreign exchange earnings or out go for the Company during the financial year.

24. DIRECTORS' RESPONSIBILITY STATEMENT

In compliance to the provisions of Section 134 (5) of the Companies Act, 2013, your Directors wish to place on record:

- (i) that in preparing the annual accounts, all the applicable accounting standards have been followed and that there are no material departures.
- (ii) that the accounting policies are adopted and consistently followed and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period.
- (iii) that proper and sufficient care have been taken 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/detecting fraud and irregularities.
- (iv) that the Annual Accounts have been prepared on going concern basis.
- (v) that proper systems have been devised to ensure compliance with the provisions of all applicable laws and that such systems are adequate and are operating efficiently.

APPRECIATION

Our Directors take this opportunity to acknowledge with gratitude the trust, confidence, co-operation and support received from Government of Kerala, Government of India, Local Self Government Institutions in the State, Office of the C&AG, Reserve Bank of India, HUDCO, all the Bankers, Statutory Auditors and Internal Auditors.

For and on behalf of the Board

Sd/-

CHAIRMAN



KERALA URBAN AND RURAL DEVELOPMENT FINANCE CORPORATION LIMITED

BALANCE SHEET AS AT 31st MARCH 2019

Particulars	Note No.	Figures as at 31st March 2019	Figures as at 31st March 2018
I EQUITY & LIABILITIES			
(1) Shareholders Funds			
(a) Share Capital	1	6,20,00,000	5,66,83,600
(b) Reserves & Surplus	2	14,67,00,658	22,38,42,046
		20,87,00,658	28,05,25,646
(2) Share application Money Pending Allotments			
		71	53,16,471
(3) Non Current Liabilities			
(a) Long term borrowings	<u>3A</u>	-	-
(b) Non Current Liabilities	<u>3B</u>	51,77,03,018	51,30,93,353
		51,77,03,018	51,30,93,353
(4) Current Liabilities			
(a) Other Current Liabilities	<u>4</u>	5,67,72,893	34,16,414
(b) Short Term Provisions	<u>5</u>	17,84,25,491	16,98,95,521
		23,51,98,384	17,33,11,935
Total		96,16,02,131	97,22,47,406
Particulars	Note No.	Figures as at 31st March 2019	Figures as at 31st March 2018
II ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(1) Tangible Assets	<u>6</u>	58,75,632	50,94,971
(b) Deferred Tax Assets (net)	<u>7</u>	3,70,66,547	2,00,32,092
(c) Long term Loans and Advances	<u>8</u>	44,41,64,747	60,61,57,950
		48,71,06,926	63,12,85,013
(2) Current Assets			
(a) Cash & Cash Equivalents	<u>9</u>	33,89,11,432	21,51,42,772
(b) Other Current Assets	<u>10</u>	13,55,83,773	12,58,19,621
		47,44,95,205	34,09,62,393
Significant Accounting policies & Notes on Accounts	18-20		
Total		96,16,02,131	97,22,47,406
For and on behalf of the Board:		As per our report dated 20.04.2022	
R S Kannan	Sd/-	For M/s RDA & Associates	
Chairman-(I/c) Managing Director		Chartered Accountants	
		FRN 322810E	
		Sd/-	
Preetha K S	Sd/-	H Ramakrishnan	
Director		Membership No-88020	
Thiruvananthapuram		Thiruvananthapuram	
Dated: 20.04.2022		Dated: 20.04.2022	
		UDIN : 22088020AIJKGT3894	



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2019

Particulars	Note No.	Figures for the current reporting period (Year ended March 31, 2019)	Figures for the current reporting period (Year ended March 31, 2018)
		in Rs.	in Rs.
A CONTINUING OPERATIONS			
1 Revenue from operations	11	7,39,72,678	6,84,65,492
2 Other income	12	12,87,605	19,97,123
3 Total revenue (1+2)		7,52,60,283	7,04,62,615
4 Expenses			
(a) Employee benefits expense	13	98,48,644	88,75,648
(b) Finance costs	14	-	2,12,93,198
(c) Depreciation and amortisation expense	15	5,88,190	3,59,944
(d) General Charges	16	43,68,852	34,44,317
(e) Provision for NPA	17	13,43,30,442	53,10,284
Total expenses		14,91,36,127	3,92,83,391
5 Profit / (Loss) before exceptional and extraordinary items and tax (3 - 4)		(7,38,75,844)	3,11,79,224
6 Exceptional items		-	2,13,60,839
7 Extra-ordinary expenses(Contribution to CM relief fund)		50,00,000	-
8 Profit before tax (5-6-7)		(7,88,75,844)	98,18,385
9 Tax expenses			
(a) Current tax		1,53,00,000	37,14,700
(b) Deferred tax Expense/(Income)- Current Year		(1,70,34,455)	11,16,105
Total		(17,34,455)	48,30,805
10 Profit / (Loss) from continuing operations (8-9)		(7,71,41,389)	49,87,579
11 Profit /(Loss) for the Year		(7,71,41,389)	49,87,579
12 Earnings per equity share (of Rs.100/- each):			
(a) Basic		-124.42	8.80
(b) Diluted		-124.42	8.80
Significant Accounting policies & Notes on Accounts	18-20	As per our report dated 20.04.2022	
For and on behalf of the Board: R S Kannan Sd/- Chairmain-(I/c) Managing Director		For M/s RDA & Associates Chartered Accountants FRN 322810E Sd/- H Ramakrishnan Membership No-88020 Thiruvananthapuram Dated: 20.04.2022 UDIN : 22088020AIJKT3894	
Preetha K S Sd/- Director Thiruvananthapuram Dated: 20.04.2022			

Particulars	2018-2019		2017-2018	
	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)
A. CASH FLOW FROM OPERATING ACTIVITIES				
Profit before tax from operations		(7,38,75,844.49)		3,11,79,223.58
ADJUSTMENTS FOR:-				
Depreciation	5,88,190.00		3,59,944.32	
Provision for NPA	13,43,30,442.00		53,10,284.00	
Provision for leave encashment	2,83,450.00		(10,05,286.00)	
Change in P and L Appropriation & reserve	-	13,52,02,082.00	(2,61,91,644.47)	(2,15,26,702.15)
OPERATING PROFIT BEFORE WORKING CAPITAL ADJUSTMENT		6,13,26,237.51		96,52,521.43
ADJUSTMENTS FOR:-				
Stock of Stationery	-		7,485.00	
Loans to local governments	-		-	
Advance Tax & TDS	(89,65,396.00)		(4,06,35,884.00)	
Other Current Assets	(7,98,756.63)		1,48,33,521.04	
Other Current Liabilities	5,33,56,479.13		(1,27,42,330.66)	
Other Non Current Liabilities	46,09,665.00		62,53,056.90	
Short Term Provision	(70,53,479.83)		(47,21,440.00)	
Donation to CMDRF	(50,00,000.00)			
Deferred Tax			10,95,019.05	
HUDCO TOL Adjustment			(35,69,11,253.00)	
CASH GENERATED FROM OPERATIONS		9,74,74,749.18		(38,31,50,517.82)
NET CASH FLOW FROM OPERATING ACTIVITIES		9,74,74,749.18		(38,31,50,517.82)
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets			(10,98,819.00)	
sale of fixed Assets	(13,68,851.10)		33,000.00	
Increase in Share Capital			-	
Increase/(Decrease) in share application money			(53,17,629.00)	
NET CASH FLOW FROM INVESTING ACTIVITIES		(13,68,851.10)		(63,83,448.00)

<p><u>C. CASH FLOW FROM FINANCING ACTIVITIES</u></p> <p>Increase/(Decrease) in loans and advances Dividend Paid (including Dividend Tax)</p>	<p>2,76,62,761.00</p>	<p>38,36,31,579.75</p>	<p>38,36,31,579.75</p>
<p>NET CASH FLOW FROM FINANCING ACTIVITIES</p>	<p>2,76,62,761.00</p>	<p>2,76,62,761.00</p>	<p>38,36,31,579.75</p>
<p>NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS</p>	<p>12,37,68,659.08</p>	<p>12,37,68,659.08</p>	<p>(59,02,386.07)</p>
<p><u>D. CASH & CASH EQUIVALENTS</u></p>	<p>21,51,42,772.42</p>	<p>21,51,42,772.42</p>	<p>22,10,45,158.49</p>
<p>OPENING CASH & CASH EQUIVALENTS</p>	<p>33,89,11,431.57</p>	<p>33,89,11,431.57</p>	<p>21,51,42,772.42</p>
<p>CLOSING CASH & CASH EQUIVALENTS</p>	<p>Notes 18-20</p> <p>As per our report dated For M/s RDA & Associates Chartered Accountants FRN.322810E Sd/- H. Ramakrishnan Membership No.88020 Thiruvananthapuram Dated: 20.04.2022 UDIN : 22088020AIJKGT3894</p>		

Notes 18-20

Significant Accounting policies & Notes on Accounts
For and on behalf of the Board

R S Kannan Sd/-

Chairman-(I/c) Managing Director

Preetha K S Sd/-

Director

Thiruvananthapuram

Dated: 20.04.2022

Notes:

1. Cash and cash equivalents include cash in hand, debit balance with bank and treasury accounts and deposits.
2. The above cash flow statement has been prepared under the " indirect method " as set out in the Accounting Standard on cash flow statement[AS 3] issued by ICAI.
3. This is the cash flow statement referred to in our report of evee date.

Note : 1 - Share Capital

Particulars	As at 31st March 2019		As at 31st March 2018	
	Number of Shares	Amount in Rs.	Number of Shares	Amount in Rs.
(a) Authorised Share Capital				
1200000 Equity Shares of Rs.100/- each	12,00,000	12,00,00,000	12,00,000	12,00,00,000
(b) Shares issued, subscribed and fully paid				
6,20,000 Equity Shares of Rs.100/- each	6,20,000	6,20,00,000	5,66,836	5,66,83,600
(c) Shares issued, subscribed and not fully paid				
	Nil		Nil	
(d) par value per share;	100		100	
(e) a reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period				
(f) shares in the company held by each shareholder holding more than 5 per cent shares specifying the number of shares held.	6,20,000	6,20,00,000	5,66,836	5,66,83,600
(g) Government of kerala - 90.13% shares	5,58,823	5,58,82,300	5,05,659	5,05,65,900
(g) calls unpaid (showing aggregate value of calls unpaid by directors and officers)	Nil		Nil	
(h) forfeited shares (amount originally paid up)	Nil		Nil	
TOTAL OF SHARE CAPITAL	6,20,000	6,20,00,000	5,66,836	5,66,83,600



Note 2 Reserves and Surplus

Particulars	As at 31-3-2019	As at 31-3-2018
	in Rs.	in Rs.
General Reserve		
Opening Balance	1,11,10,000	1,11,10,000
Add: Additions during the year		
Closing Balance	1,11,10,000	1,11,10,000
Capital Profit -Profit on sale of assets	71,610	71,610
Profit and Loss a/c		
Opening Balance	16,05,46,875	15,65,56,812
Add: Additions during the year	(7,71,41,389)	49,87,579
Closing Balance	8,34,05,486	16,15,44,391
Transfer to Statutory Reserve		9,97,516
Proposed Dividend	-	-
Proposed Dividend Tax	-	-
Profit after appropriation	8,34,05,486	16,05,46,875
Statutory Reserve		
Opening Balance	5,21,13,562	5,11,16,046
Less: Retained Earnings		
Add: Transfer during the year	-	9,97,516
Closing Balance	5,21,13,562	5,21,13,562
Total	14,67,00,658	22,38,42,046

Note : 3 B Other Non Current Liabilities

Particulars	As at 31-3-2019	As at 31-3-2018
	in Rs.	in Rs.
KSRDB	48,77,03,018	48,30,93,353
KSRDB Pension Fund	3,00,00,000	3,00,00,000
Total	51,77,03,018	51,30,93,353

Note : 4 Other Current Liabilities

Particulars	As at 31-3-2019	As at 31-3-2018
	in Rs.	in Rs.
(a) Interest accrued and due on Government Loan		
(b) Rent received in Advance	2,31,075	2,31,075
(c) Other payables		
Outstanding Expenses	23,31,797	15,68,765
Seed Capital	1,21,15,000	11,08,778
Contractor's Security Deposit	29,079	29,079
Excess Remittance by ULBs and GP	4,35,790	4,34,997
Excess Remittance by CDS	33,249	33,249
KSRDB PF payable	1,36,263	-
(d)Sundry Creditors	2,099	611
(e)CIBIL	11,800	5,900
(f)SGST OUTPUT	-	1,980
(g)CGST OUTPUT	-	1,980
(i)Life mission project(vide note No.20)	4,14,46,741	
Total	5,67,72,893	34,16,414

Note : 5 Short Term Provisions

Particulars	As at 31-3-2019	As at 31-3-2018
	in Rs.	in Rs.
(a) Provisions for Leave Encashment	8,41,538	7,78,065
(b) Others		
Provision for Taxation	17,08,99,222	15,55,99,222
Proposed Dividend	56,68,360	1,13,36,720
Proposed Dividend Tax	10,16,371	21,81,514
Total	17,84,25,491	16,98,95,521

Note:6 Fixed assets -Separately attached as Annexure I**Note 7 Disclosure under Accounting Standard 22**

Particulars	As at 31-3-2019	As at 31-3-2018
	in Rs.	in Rs.
Deferred tax (asset) / liability on timing difference arising on:		
Depreciation	22,945	22,128
Provision for leave encashment	(78,098)	3,32,378
Provision for NPA & Bad debts	(3,70,11,395)	(17,55,739)
Provision Against income recognised in PY reversed	-	(7,15,033)
Disallowance under Section 40(a)(ia)	-	(6,227)
Disallowance under Section 43	-	(1,79,09,599)
Net Deferred tax (asset) / liability	(3,70,66,547)	(2,00,32,092)
Deferred Tax (asset)/liability as per last Balance sheet	(2,00,32,092)	(2,11,48,198)
Deferred tax for the period	(1,70,34,455)	11,16,106
Deferred tax for earlier years rectified		



Note: 8 Long term Loan and Advances

Particulars	As at 31-3-2019	As at 31-3-2018
	in Rs.	in Rs.
A. KURDFC LOAN		
a) Loan to Urban local Bodies	33,97,62,783	33,54,83,872
Less - Provision for NPA	16,85,49,050	3,75,81,983
	17,12,13,733	29,79,01,889
b) Loan to Grama Panchayats	27,40,47,177	30,59,51,796
Less - Provision for NPA	10,93,463.00	-
	27,29,53,714	30,59,51,796
B. C D S Loan	43,51,636	43,89,715
Less - Provision for NPA	43,51,636	24,99,542
	-	18,90,173
C. LOAN TO ULB's (Others)		
a) Loan to Urban local Bodies	8,10,947	8,09,921
Less - Provision for NPA	8,10,947	3,93,129
	-	4,16,792
D. Loan to Staff (Housing)		
Interest accrued and due	(2,700)	(2,700)
Interest tax due on the above		
	(2,700)	(2,700)
Total	44,41,64,747	60,61,57,950
Sub- Classification		
Secured, considered good	44,41,64,747	60,61,57,950
Unsecured, considered good	-	
Doubtful		
Total	44,41,64,747	60,61,57,950

Note: 9 Cash and Cash Equivalentts

Particulars	As at 31-3-2019	As at 31-3-2018
	in Rs.	in Rs.
(i) Cash on hand	7,500.00	6,381
(ii) Balance with Bank		
(a) Current Account	98,39,284.31	1,98,92,114
(b) current account-Life Mission project(vide note No.20)	4,13,86,646.26	
(iii) Balance in Government Treasury		
(a)Savings bank Account	4,04,15,132.00	77,81,723
(b)Fixed Deposit	24,72,62,239.00	18,74,62,239
(iv) Stamp	630.00	315
Total	33,89,11,431.57	21,51,42,772

Note: 10 Other Current Assets - Short term Loan and Advances

Particulars	As at 31-3-2019	As at 31-3-2018
	in Rs.	in Rs.
Advance recoverable in cash or in kind or value to be received	10,29,336.13	10,42,509
Prepaid Expenses	1,44,031.00	1,34,598
Advance Income Tax	13,12,18,250.00	12,23,12,949
TDS (Life Mission Project)	60,095.00	-
Interest accrued on bank deposit (FD)	14,39,642.00	11,15,355
Advance with the suppliers	67,979.00	-
Somachandran Contractor	9,250.00	9,250
Petrol Deposit	80,000.00	65,000
Electricity Deposit	99,884.00	99,884
Stock of Stationery	3,725.00	3,725
Project expense new building kozhikode	9,14,784.00	9,14,784
Gas Deposit	1,700.00	1,700
Telephone Deposit	8,253.00	8,253
SGST Receivable	-	52,357
CGST Receivable	-	52,357
GST Receivable	4.00	6,900
Rent Deposit	5,06,840.00	
Total	13,55,83,773.13	12,58,19,621
Sub- Classification		
Secured, considered good		
Unsecured, considered good	13,55,83,773.13	12,58,19,621
Doubtful	-	-
Total	13,55,83,773	12,58,19,621

Note: 11 Revenue from Operations

Particulars	As at 31-3-2019	As at 31-3-2018
	in Rs.	in Rs.
Interest on KURDFC Loans and Advances	5,69,07,456	5,53,72,415
Interest Receipts		
Penal Interest	13,46,029	-
Others (TSB Calicut)	5,20,770	4,34,021
Interest on deposits	1,51,98,423.00	1,26,59,056
	-	
Total	7,39,72,678	6,84,65,492

Note: 12 Other Income

Particulars	As at 31-3-2018	As at 31-3-2018
	in Rs.	in Rs.
Rent on building	12,60,544	13,23,349
Financial assistance for reimbursement of expenditure		6,72,000
Right to information	-	80
HO Miscellaneous income	27,061	1,694
Total	12,87,605	19,97,123



Note:13 Employee benefit expenses

Particulars	As at 31-3-2019	As at 31-3-2018
	in Rs.	in Rs.
Salaries, allowances and bonus to staff	79,37,115	88,49,898
Salary and allowances to Officers	5,62,761	1,87,958
Staff welfare expenses	74,064	55,642
Group gratuity premium to LIC	1,47,855	1,60,415
Contribution to P.F	3,72,822	4,64,703
Companies contribution to IF	25,248	8,553
Provision for Earned leave	2,83,450	(10,05,286)
Administratiave Expense to PF	26,409	32,919
Honararium to staff	25,000	-
Group Insurance	5,200	5,200
Contribution to ESI	2,67,116	-
Stipend to Cost Accountant trainee	1,21,603	1,15,646
Total	98,48,644	88,75,648

Note:14 Finance cost

Particulars	As at 31-3-2019	As at 31-3-2018
	in Rs.	in Rs.
A. INTEREST PAYMENT		
Interest on Loan on Fixed Deposit	-	38,451
Interest on HUDCO loan:		
HUDCO Taken over loan	-	2,12,54,747
Direct Loan	-	-
	-	2,12,93,198
B. GUARANTEE COMMISSION		
On HUDCO loan	-	-
Total	-	2,12,93,198

Note:15 Depreciation and amortisation expenses (See Annexure I)

Particulars	As at 31-3-2019	As at 31-3-2018
	in Rs.	in Rs.
Depreciation	5,88,190	3,59,944
Total	5,88,190	3,59,944

Note:16 General Charges

Particulars	As at 31-3-2019	As at 31-3-2018
	in Rs.	in Rs.
Directors' sitting fee	1,900	3,700
Rates and taxes	1,34,940	39,031
Printing and stationery	1,33,718	49,444
Postage, telegram and phone	26,970	21,202
Books and periodicals	7,302	6,086
Electricity and water charges	2,72,592	2,50,055
Advertisement charges	1,42,004	1,58,069
Motor car expenses	5,62,012	4,83,724
Repairs and maintenance	2,15,150	1,23,179
Other expenses	34,611	-
<u>Remuneration to auditors</u>		
Statutory Audit fees	90,000	90,000
Tax Audit fees	17,000	17,000
To Others:-		-
Internal audit fees	85,000	85,000
GST Audit fee	-	25,000
Travelling expenses to Directors	64,341	46,689
Travelling expenses to others	1,65,400	18,550
Miscellaneous expenses	95,729	40,279
General Insurance	6,270	7,367
Bank charges	1,298	1,298
Property tax	94,252	96,082
Legal charges	2,500	7,500
Rent for office building	6,96,096	7,08,865
Professional Expenses	5,56,900	3,58,300
Board meeting expenses	36,285	25,668
Annual General meeting expenses	31,376	5,400
Office cleaning expenses	1,457	1,344
Internet charge	9,103	9,785
Mobile charge	16,918	1,268
Training fee for staff	544	3,300
Security charges	1,68,838	1,73,792
Donation	25,000	-
Honourarium to Chairman	2,40,000	2,79,286
LM CMA Training Expenses	1,20,442	-
KSRDB Expenses	2,62,705	3,03,054
Fees and Subscription	21,800	5,000
Audit Expense	28,400	-
Total	43,68,852	34,44,317



Note: 17 Provisions for Non-Performing Assets

Particulars	As at 31-3-2019 in Rs.	As at 31-3-2018 in Rs.
CDS LOAN		
Provision at the end of the year	43,51,636	24,99,542
Less Provision available from last year	24,99,542	24,45,889
Provision for the year(A)	18,52,094	53,653
OTHER LOANS		
Provision at the end of the year	8,10,947	3,93,129
Less Provision available from last year	3,93,129	3,93,129
Provision for the year(B)	4,17,818	-
KURDFC LOAN		
A) Urban local bodies		
Provision at the end of the year	16,85,49,050	3,75,81,983
Less Provision available from last year	3,75,81,983	3,23,25,352
Provision for the year(C)	13,09,67,067	52,56,631
B) Grama Panchayath		
Provision at the end of the year	10,93,463	-
Less Provision available from last year	-	-
Provision for the year(D)	10,93,463	-
Total	13,43,30,442	53,10,284

For and on behalf of the Board:

R S Kannan Sd/-
Chairman-(I/c) Managing Director

Preetha K S Sd/-
Director

Thiruvananthapuram
Dated: 20.04.2022

For M/s RDA & Associates
Chartered Accountants
FRN 322810E
Sd/-

H Ramakrishnan
Membership No-88020

Thiruvananthapuram
Dated: 20.04.2022

UDIN : 22088020AIJKGT3894

Note : 6 Fixed Assets

Name of the Asset	Amount in Rupees										
	Gross Block					Depreciation				Net block	
	As on 01.04.2018	Additions during the year	Sales/Deletio n during the year	As on 31.03.2018	Up to 31.03.2018	During the year	Adj. In sales/deln	As on 31.03.2019	As on 31.03.2019	As on 31.03.2018	
Land	38,600.00	-	-	38,600.00	-	-	-	-	38,600.00	38,600.00	
Building	1,09,80,485.00	-	-	1,09,80,485.00	73,83,427.65	2,82,886.94	71,00,540.71	38,79,944.29	35,97,057.35	43,278.80	
Office equipments	6,67,669.00	15,393.00	-	6,83,062.00	6,24,390.20	6,514.99	6,30,905.19	52,156.81	98,993.17	79,065.78	
Furniture & fittings	8,78,333.00	73,702.00	-	9,52,035.00	7,99,267.22	53,774.61	8,53,041.83	25,489.24	14,53,688.69	10,35,504.10	
Electrical fittings	5,03,428.00	-	-	5,03,428.00	4,71,188.44	6,750.32	4,77,938.76	26,666.28	49,133.64	20,642.08	
Motor cars	27,50,793.00	10,73,507.00	-	38,24,300.00	17,15,288.90	6,55,322.41	23,70,611.31	11,072.96	20,642.08	580.00	
UPS Battery	51,250.00	-	-	51,250.00	2,116.36	22,467.36	24,583.72	3,839.24	27,836.50	32,654.90	
Mobile Phone	22,988.00	-	-	22,988.00	2,345.92	9,569.12	11,915.04	-	14,655.00	28,030.93	
Library books	45,866.00	-	-	45,866.00	45,866.00	-	45,866.00	-	-	-	
Electrical appliances	11,613.00	21,677.00	-	33,290.00	11,033.00	18,417.76	29,450.76	3,839.24	27,836.50	27,836.50	
Generator	5,56,730.00	-	-	5,56,730.00	5,28,893.50	-	5,28,893.50	27,836.50	27,836.50	27,836.50	
Computer	8,18,670.00	1,84,572.10	-	10,03,242.10	7,86,015.10	56,211.58	8,42,226.68	1,61,015.42	1,61,015.42	32,654.90	
Loan Software	75,000.00	-	-	75,000.00	46,969.07	13,375.93	60,345.00	14,655.00	14,655.00	28,030.93	
Cycles	3,794.00	-	-	3,794.00	3,794.00	-	3,794.00	-	-	-	
Fire protection	6,84,193.00	-	-	6,84,193.00	6,49,983.35	-	6,49,983.35	34,209.65	34,209.65	34,209.65	
Air Conditioner	4,16,190.00	-	-	4,16,190.00	3,40,052.11	28,673.09	3,68,725.20	47,464.80	47,464.80	76,137.89	
Office building	9,86,766.00	-	-	9,86,766.00	9,86,766.00	-	9,86,766.00	-	-	-	
T O T A L	1,94,92,368.00	13,68,851.10	-	2,08,61,219.10	1,43,97,396.82	5,88,190.24	1,49,85,587.06	58,75,632.04	50,94,971.18	50,94,971.18	



Significant Accounting Policies and Notes Forming Part of Accounts

Note: 18 -Significant Accounting Policies

a. Method of Accounting

The financial statements are prepared under historical cost convention on accrual basis and in accordance with the generally accepted accounting principles and accounting standards specified under Companies (Accounting Standards) Rules, 2006 except as otherwise stated.

b. Advances

Advances have been classified as Standard, Sub-standard and Doubtful assets and provisions for possible losses on such advances are made at the rates prescribed in the 'prudential norms on income recognition, asset classification and provisioning' prescribed by RBI.

c. Revenue Recognition

Income is recognized on accrual basis on standard assets classified as above except in the case of taken over liability and non-performing assets which are recognized on realization basis.

d. Fixed assets

Fixed Assets are stated at cost less depreciation. Cost comprises of the purchase price or acquisition cost and any other cost attributable for bringing the assets to their present working condition for their intended use.

e.. NPA Provision

As per the RBI Master direction we have changed our provision policy, earlier we have worked out the provisions on the basis of company specific method as approved by the Board of directors of the company. From Financial Year 2018-19 onwards, we have changed the method of NPA provision and the working will be done based on the rules as per the RBI master directions.



The provision for NPA accounts has been increased by Rs Rs.11,63,69,399 on account of change in the method of provision as aforementioned.

f. Depreciation

Depreciation is calculated on the basis of the adoption of useful life of tangible assets in accordance with part C of schedule II of the companies Act.

g. Employee Benefits.

- i. **Gratuity:** Gratuity benefits for the staff have been covered under Group Gratuity Insurance Scheme of the Life Insurance Corporation of India.
- ii. **Provident Fund:** The employees of the Corporation are covered by the Employees Provident Funds and Miscellaneous Provisions Act, 1952. Contributions to PF are accounted on accrual basis.
- iii. **Leave encashment:** The liability towards leave encashment is provided on accrual basis at the rate of one day's salary for eleven days duty subject to a maximum of 300 days' salary per employee.

h. KSRDB Pension.

During the year 2013-14 an amount of Rs.3.00Crore is received from Defunct Kerala State Rural Development Board (KSRDB) as per the Government order in order to pay pension to Defunct KSRDB employees. This fund has been deposited in Sub Treasury Vellayambalam as per government order. The monthly interest arising from the deposits is used for paying the pension to employees. The excess amount received as interest is kept in KSRDB pension payable account.

i. Taxes on income

Tax expenses comprising of both current tax and deferred tax are considered in determining the networking results for the year. Deferred tax reflects the effect of temporary timing differences between the assets and liabilities recognized for financial reporting purposes and the amount that are recognized for current tax purposes. As a matter of prudence deferred tax assets are recognized and carried forward only to the extent, there is a reasonable certainty that sufficient



future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets on account of unabsorbed depreciation and carry forward losses are recognized only when there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against such deferred tax assets can be realized. Current tax is determined based on the provisions of Income Tax Act, 1961.

Note: 19- Notes to Accounts

- a. Current Liabilities includes an amount of Rs. 1,21,15,000/- being the amount received from Government as seed capital during 1999-2000 for giving loan to urban Local Bodies at concessional rate of interest for the scheme of Solid Waste Management. Out of this, an amount of Rs.10 lakhs has been disbursed as loan to Kozhikode Corporation at nominal rate of interest and another Rs.25 lakhs has been disbursed to Varkala Municipality as interest free loan for their Solid Waste Management Scheme. Further ,the Company sanctioned loan ofRs.23,31,000/- to Tirur municipality, Rs. 30,00,000/-to Pala Municipality and Rs.26,48,026/- to Kalpetta Municipality during the year 2012-2013, which were still pending for disbursement. An amount of Rs.8,49,600 which was already been sanctioned to Kalpetta Municipality during 2012-2013 and it has been disbursed during the financial year 2013-14.During the FY 2017-18, Govt. has resumed Rs.1,10,06,222 from the balance amount and it has been returned back in the financial year 2018-19.
- b. "Advances recoverable "includes an amount of Rs.16,70,000/- given to PWD Calicut on 26.02.2013 for repairing works of their Office Building at Calicut for which utilization certificate received for Rs.14,61,250/- during 2014-15 and refund from PWD Rs.208,750/- is still pending.
- c. Interest receipts include an amount of Rs.57,70,263/- received by the company being interest from loans advances classified as non-performing assets, *not recognized in earlier* years due to non-receipt.
- d. During the year , the Company has donated Rs.50,00,000/- (Rupees Fifty Lakhs only) towards contribution to CMDRF of Govt.of Kerala. The same has been mentioned in accounts under " Extra-ordinary Expenses".



e. Details of payment made to Managing Director for the year under report are as under :-

Salaries & allowances	: 8,09,935/-(Previous year NIL)
Pension contribution	: Rs./- (Previous year 187,958)
Travelling allowance	: Rs.38,368/- (Previous year Rs. 19,750/-)
Training fee	: NIL(Previous year NIL)
Medical Expense	: NIL (Previous Year NIL)

f. The Corporation filed in the Sub Court, Kozhikode a suit against Sri. M.Somachandran, contractor, originally engaged by the corporation for the construction of office building at Kozhikode, for realizing the loss suffered by the corporation due to termination of his contract for non compliances of the terms of the contract .The case was decreed in favour of the corporation on 30.09.2001. Corporation filed the execution petition for realization of the dues in march 2003 in Vadakara Sub-Court .The court dismissed the execution petition on the ground that judgment debtor is residing in Mahe outside the jurisdiction of Vadakara Sub-court. Therefore ,they filed another execution petition before the sub-court, Vadakara for realization of the decree amount by attachment and sale of his fractional share of property .Action has been initiated for attachment and sale of his fractional share of property situated in Vadakara .This execution petition was filed on 11.01.2007 but the same was stayed by High Court of Kerala in RFA No.542/04 and CMCP 28/04 filed by Sri.M. Somachandran before the High court . Now the stay has been vacated by the High Court. Then he has submitted a petition before the Honorable High Court for a negotiation talk, Court permitted the same .Accordingly a negotiation talk was held the Managing Director represented the KURDFC. However, the Contractor has not appeared. The total loss to be recovered from Sri.M.Somachandran Contractor as on 31.03.2019 is Rs. 52.36 lakhs.

g. The financials for the year 2016-2017 has been adopted and approved by the Board in the AGM held on September 2019. The dividend for the year also approved during the AGM and the same has been distributed within 30 days of approval.



- h. The breakup of deferred tax assets /(liabilities) into major components of the respective balances are as follows:

Particulars	Amount in Rs.		
	As on 31.03.2018	For 2018-19	As on 31.03.2019
Depreciation	(22,128)	(817)	(22,945)
Provision for leave encashment	(3,32,378)	4,10,475	78,097
Provision for NPA & Bad debts	17,55,739	3,52,55,656	3,70,11,395.
Provision Against income recognized in the previous Financial Year is reversed	7,15,033	(7,15,033)	NIL
Disallowance under Section 40(a)(ia)	6,227	(6,227)	NIL
Disallowance under Section 43	1,79,09,599	(1,79,09,599)	NIL
Total	2,00,32,092	1,70,34,455	3,70,66,547

- i. Basic and Diluted Earnings per Share:

Amount in Rs.		
Particulars	Current Year	Previous Year
Profit available to equity share holders	(7,71,41,389)	49,87,961
Weighted Avg. No. of Equity Shares	6,20,000	5,66,836
Basic and Diluted EPS	(124.42)	9
Nominal Value per Share	100	100

- j. During the year the company has incurred loss, so no amount is to be transferred from the Profit & Loss Account to Statutory Reserve as per Section 45 IC of the Reserve Bank of India Act 1934.
- k. Provision required to be made as per the Income Tax Act for payment of Income Tax is Rs.1,53,00,000 /-.
- l. Income tax assessments for the following Assessment years are pending .Breakup of the Income tax paid ,Provision for Income Tax are given below:

Assessment Year	Current Status
2009-10	Assessment completed, Existing penalty proceedings u/s 271(1) is dropped on 27.12.2021.
2011-12	There was an interest to be remitted for delayed payment of tax. Submitted a letter for waiving off the interest. Reply awaited
2016-17	It is seen that, It return is processes and no demand pending.Submit a request for final order.
2017-18	Assessment completed. There is an interest to be remitted u/s 234. Will be submitted a letter for waiver off interest.
2018-19	Submit a letter for delay condonation in 2020, still not processed by IT office

- m. A sum of Rs.48,77,03,018/- shown as 'KSRDB, Trivandrum' under "Other Non Current Liabilities". Out of this,Rs.40,00,00,000 was received on 2008-09 and Rs. 489,81,910/-- during 2015-16 and the balance of Rs. 3,87,21,108/-is the loan repayment from loanees of Defunct KSRDB.due to some procedural delays and other reasons, company could not complete the taken over in full and ,hence the same was not incorporated in our books of accounts.
- n. The liability in respect of excess remittance of ULB's, GP and CDS are as follows.

Rs.

- 1) ULBs - 4,34,460/-
 2) GP- 1330/-
 3) CDS- 33,249/-



Note : 20 - Accounting Policy under Life Mission Project(2018-19)

LIFE Mission, a housing project in Kerala to provide landless and homeless people with shelter. Building 4.3 lakhs homes in five years is the objective of this scheme. Under the structure of this policy, housing complexes with all modern facilities will be constructed, and arrangements will be made for the beneficiaries to pursue their livelihoods. The second category of total housing program under Life mission, it was decided to construct house to all homeless persons having land. It was declared that the excess amount needed for the above project is availed through loans, and the interest accrued thereon will be met by Government..As per the GO(M S) no. 68/2018/LSGD dated 18.05.2018, Government decided to avail loan amounting to Rs.4000 Cr from HUDCO through KURDFC. As per Government order G.O(Ms)No.111/2018/LSGD the above said Govt order was modified by incorporating certain conditions for availing loan amount from HUDCO.

As per the G.O (M S) No.111/2018/LSGD, Govt will repay the principal amount of the loan by deducting the required amount from the development grant of LSGI's provided by Govt in the annual Budget of the state every year and make the deducted amount available to KURDFC for repayment of the principal amount to HUDCO. Payment of interest for the loan amount will be met from the plan provision in the annual budget by Govt in each year. Guarantee for the loan amount from HUDCO will be provided by Govt and the guarantee commission payable to Govt will be deducted from the devolution of the LSGI's by finance (SFC) department.

As per the G.O (M S) No.47/2020/LSGD dated 17.03.2020, the loan amount has been restructured due to reduction in number of beneficiaries in Rural sector from Rs.4000 Cr to Rs.3970 Cr. According to this G.O total loan for Rural sector is Rs.2970 Cr. Under this Rs.2420 Cr will be directly transferred to Local bodies and Rs.550 Cr will be transferred to Life Mission for state share and Rs.1000 Cr for Urban sector.

During the FY 2018-19 an aggregate amount of Rs.950 Cr was disbursed to Rural and Urban sector. Life Mission requested HUDCO to release the 3rd instalment in march because thousands of beneficiaries in entire local bodies are desperately awaiting for assistance from Govt for

completing their houses before the onset of the monsoon as they are now residing in unprotected temporary shelters. But HUDCO expressed their inability to release the amount in March due to financial constraints. In order to meet the urgent requirement of fund, KURDFC has availed a bridge loan amounting to Rs.425 Cr from Ernakulam District Co-operative Bank as per G.O.(Rt) No.688/2019/LSGD.

KURDFC had availed loan from HUDCO on behalf of LSGIs vide G.O (MS) No.124/2018/LSGD, dated 11.09.2018. The loan amount has been transferred to bank account, opened by KURDFC exclusively for the project. The amount was disbursed to various LSGIs on receipt of the actual requirements of funds from LSGIs through LIFE Mission software.

During the Financial Year 2018-19, we have received Rs.950 Crore as loan, Out of this Rs.750 Crore for Rural and Rs.200 Crore for Urban. The total amount repaid to HUDCO as interest during the year is Rs. 9.10 Crore.

Life Mission is a project associated for Government, undertaken by KURDFC and do not enjoy any income. As per the expert opinion, as directed by Government, the details of the transactions with respect to life Mission project is included in Note No.4 "Other current liabilities" and in Note No.9 "Cash and cash equivalents". The transactions are recorded in the books following cash system of accounting. Separate books of accounts also maintaining by KURDFC for accounting the project.

Statement Showing Project Receipts and Payments

Project Receipts	Amount in ₹
Loan from HUDCO	9,50,00,00,000
Bridge loan from EDCB (** Note)	425,00,00,000
Amount received from Government for Interest payment of HUDCO loan(** Note)	9,18,68,493
Interest from Bank(actual)	5,58,782
Interest from MOD a/c (accrued)	41,803
Total Receipts	13,84,24,69,078
Project payments	Amount in ₹



Disbursed to LSGIs	13,70,93,86,445	
Bank Charges EDCB)	5,00,100	
Repayment (Interest)to HUDCO	9,10,96,575	
Bank charges debited	1,599	
Accrued Interest thereon	37,618	
Total	13,80,10,22,337	
Balance as per books	4,14,46,741 Cr.	In Liabilities
Less : TDS	60,095 Dr.	In Assets
Balance with bank	4,13,86,646 Dr.	

Account Name	Account Number	Balance
Rural IN	37922796374	4,02,49,272
Rural OUT	37920881126	2,31,264.35
Urban IN	37922795213	3,66,719.13
Urban OUT	37922795767	5,39,390.13
Total		4,13,86,646

Note**

During the FY 2018-19, HUDCO has released loan of Rs.950 Cr for the project. HUDCO has charged interest in every QTR starting of February, May, August and November). In February 2019, in anticipation of more release from HUDCO, they were submitted a tentative demand schedule. Also the fact that, getting the approval from Government and subsequently remitting to our account fetch some time, hence, most of the quarters, HUDCO has submitted a tentative demand repayment schedule and the same has been submitted to government. It may vary from the actual demand arrived by HUDCO in the later period. The difference amount has to be adjusted in the subsequent quarter repayment.



As per the agreement with District Cooperative Bank , Ernakulam(EDCB), an amount of Rs. 4,24,94,99,900(Rs.425,00,00,000 –5,00,100(bank charges) has been transferred to KURDFC account on 27th march 2019. The next interest due on 27th April 2019 Rs.3,53,97,260/-

Notes 18 to 20

For and on behalf of the Board

R.S Kannan

Chairman (i/c) & Sd/-

Managing Director

Preetha K. S Sd/-

Director

Dated 20.04.2022

As per our report of even date

For M/s. RDA & Associates

Chartered Accountants

FRN. 322810E

Sd/-

H. Ramakrishnan

Membership No: 88020

Thiruvananthapuram

Dated 20.04.2022

UDIN : 22088020AIJKGT3894