

20th ANNUAL REPORT
&
ACCOUNTS

2018-2019



Roads and Bridges Development Corporation of Kerala Ltd.



ROADS AND BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED

BOARD OF DIRECTORS

Shri. G. Sudhakaran	Chairman
Shri. Jafar Malik IAS	Managing Director
Shri. Anand Singh IAS	Director
Shri. Pradeep Kumar	Director
Shri. Ajith Ramachandran	Director

CHIEF FINANCIAL OFFICER

Shri. Sibi J. Pulloppillil

COMPANY SECRETARY

Shri. Sreenath Sasidharan

AUDITORS

M/s Paulson & Co,
Chartered Accountants,
37/2830, Deshabhimani Junction,
Kaloor, Kochi, Kerala-682017.

CORPORATE OFFICE

2nd Floor, Preethi Building, M. V. Road,
Palarivattom, Kochi, Kerala- 682 025.



NOTICE

Notice is hereby given that the 20th (Adjourned) Annual General Meeting of Roads and Bridges Development Corporation of Kerala Limited (CIN: U45203KL1999SGC013314) will be held on Monday, the 8th day of March, 2021 at 11 A.M. IST through Video Conferencing (“VC”) / Other Audio Visual Means (“OAVM”) to transact the following business:

AGENDA

ORDINARY BUSINESS

Item No. 1– Adoption of Financial Statements

To consider and adopt the audited financial statements of the Company for the financial year ended March 31, 2019 and the reports of the Board of Directors (‘the Board’) and auditors thereon.

By order of the Board
For **Roads and Bridges Development Corporation of Kerala Limited**

Sd/-

Place: Ernakulam

Date: 12/02/2021

Company Secretary

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs (“MCA”) has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as “MCA Circulars”) permitted the holding of the General Meeting through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 (“Act”), and MCA Circulars, the AGM of the Company is being held through VC / OAVM.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM 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, this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice.
3. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
4. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.
5. Members will be able to attend the AGM through VC / OAVM and further details and link to attend the meeting will be sent to the registered email id of the members shortly.
6. The Poll will take place during the meeting, if required, and the members may convey their assent or dissent only at stage on item considered in the meeting by sending e-mails to the designated e-mail address of the Company i.e. csrbdck@gmail.com . E-mail content can be like “I assent /dissent to the Item No.”.



DIRECTORS REPORT

To

The Members of Roads and Bridges Development Corporation of Kerala Limited.

Your Directors have pleasure in presenting the Twentieth Annual Report together with the Audited Statement of Accounts of your Company for the Year ended 31st March 2019. The Twentieth Annual General meeting was adjourned for adoption of audited annual accounts. Statutory Audit and Supplementary Audit for the FY 2018-19 is completed now. Audited annual accounts for the year ended 31.03.2019 along with Statutory Audit Report and Supplementary Audit report are presented before our shareholders for approval.

FINANCIAL RESULTS

The Company's financial performance, for the year ended 31st March, 2019 is as follows:

Particulars	For the year ended 31.03.2019	For the year ended 31.03.2018
	(Rs. in lakhs)	(Rs. in lakhs)
Total Income	1,569.80	1,433.28
Less: Administrative & Other expenses	923.36	908.61
Operating Profit (PBDIT)	646.44	524.67
Depreciation/Amortisation	1630.94	1,613.23
Net Profit/ (Loss)	(984.50)	(1,088.55)
Add: Extraordinary items (net)	(147.20)	73.00
Profit/(Loss) before Tax	(1131.70)	(1,015.55)
Provision for Income Tax	-	-
Profit/(Loss) After Tax	(1131.70)	(1,015.55)
Transfer to Debenture Redemption Reserve	-	-
Profit/(Loss) after transfer to reserves	(1131.70)	(1,015.55)
Brought forward profit/(Loss)	(7538.42)	(6,522.86)
Surplus/(deficit) carried forward to Balance Sheet	(8670.12)	(7538.42)



STATE OF AFFAIRS & CHANGE IN NATURE OF BUSINESS

The Company is engaged in the business of construction of Highways, Bridges, Roads, Bypasses, Over-bridges, Culverts, Expressways on the property entrusted to and vested with the Company by the Government of Kerala or any other Government and various Governmental or other agencies and organizations and bodies and body corporates and to maintain operate, manage such facilities including improvement, strengthening and rehabilitation of road network identified as core network and to regulate and control the use of the roads vested in, or entrusted to it. There has been no change in the business of the Company during the financial year ended 31st March, 2019.

During the Financial Year 2018-19, the Company has reported a net loss of Rs. 11,31,70,291/- due to huge amortization expenses.

PERFORMANCE HIGHLIGHTS

- The company was appointed as a Special Purpose Vehicle (SPV) for implementation of 100 infrastructural projects funded by KIIFB
- Construction of 13 projects under KIIFB is in progress and the rest are in different stages of pre-construction activities.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Following are the Directors of the company as on the date of this report:

Sl. No.	Name of Director	Designation
1	Shri. G. Sudhakaran	Chairman (Hon'ble Minister for Public Works)
2	Shri. Anand Singh IAS	Director
3	Shri. Jafar Malik IAS	Managing Director
4	Shri. Pradeep Kumar R	Director
5	Shri. Ajith Ramachandran	Director

Shri. Sibi J Pulloppillil (Chief Financial Officer) and Shri. Sreenath Sasidharan (Company Secretary) are the Key Managerial Personnel of the Company.

The Company has already requested to the Government for the appointment of **Independent Directors** in the Company. The matter is pending with the Government and Government Order is awaited.



MEETINGS OF BOARD OF DIRECTORS

Five Board Meetings were held during the Financial Year ended March 31, 2019 (*i.e. on 09/07/2018, 10/08/2018, 26/09/2018, 23/01/2019 & 27/03/2019*).

COMMITTEE MEETINGS

Two Audit committee Meetings were held during the Financial Year ended March 31st 2019 (on 25/09/2018 and 27/03/2019). As the company is wholly owned by Government of Kerala and decision regarding nomination and remuneration of Board of Directors of company is taken by Government of Kerala (shareholder) itself, no separate meeting of Nomination and Remuneration committee was required to be held by the company during the FY 2018-19.

CHANGES IN SHARE CAPITAL

There is no change in share capital during the year under review. The issued, subscribed and paid-up capital of the company during the year under review was Rs. 62,42,50,070/-.

AUDITORS

M/s. Paulson & Co. are the Statutory Auditors of the company for the FY 2018-19. M/s. N. Rajan & Associates, Company Secretaries, conducted Secretarial Audit for the FY 2018-19. Report of Secretarial Auditor for FY 2018-19 is attached along with this report as **“Annexure-A”**.

AUDITORS QUALIFICATION ON ANNUAL ACCOUNTS OF THE COMPANY

Comments by Statutory Auditor:- Nil

Comments by Secretarial Auditor :- Nil



Reply to the comments of Comptroller and Auditor General of India on Annual Accounts for the year 2018-2019.

1. Employee Benefit Expenses

Immediately on formation of the company, the Government vide order No. G.O.(MS) No. 5/2000/PWD dated 03.02.2000 created the minimum required posts in RBDCK and ordered to fill these posts by way of deputation from other Government departments. Since then the company utilises the services of employees from other Departments/ PSU's on deputation basis paying the remuneration and other dues including pension contribution from the funds of the company.

The pension contribution in respect of employees working on deputation basis from other Government departments are to be deposited in treasury at specified rates after the close of each calendar year. The company is remitting the required pension contribution regularly after the close of every calendar year and account the amount in the books of accounts on the date of payment.

During the year 2018-2019, the company remitted an amount of Rs.4.48 lakhs as pension contribution of employees on deputation as above and charged the amount to Profit and Loss Account.

The Comptroller and Auditor General pointed out in their report that the pension contribution of employees are to be accounted on accrual basis and charged to Profit and Loss Account of the respective financial year. Accepting the advice of Comptroller and Auditor General, we have already started incorporating necessary entries for accrued pension contribution of employees for future financial years while preparing the accounts.

2. Depreciation and Amortization Expenses

RBDCK was formed during the year 1999 with the primary objective of constructing infrastructure projects on behalf of State Government and other Government agencies, to maintain, operate and manage such facilities and to regulate and control use of the facilities vested with the company. The construction, operation and maintenance of projects are governed by Direct Toll Concession Agreement (DTCA) executed by RBDCK with Government of Kerala and Kerala Road Fund Board under KRF Act. This Agreement permits the company to construct and maintain the facility including toll collection for 15 years from the date of Agreement. The toll collection is envisaged to be a support to the Government in construction of infrastructure facilities without fully depending on Government Budget resources. This fact is made clear by the Government vide G.O. (MS) No. 74/2000/PWD dated 10.11.2020.

In the case of 11 ROBs constructed during the period 2004-2006, we could not start user fee collection even after the execution of DTCA and publication of Gazette Notification in this regard due to public protest. Since no user fee collection was started and at the same time the company is liable to maintain these projects for 15 years as per the DTCA, we requested the Government to entrust the maintenance of these projects to the respective PWD divisions. The Government, realising the difficulty of the company to maintain these kind of projects without generating any income ordered to entrust the maintenance of these 11 ROBs to the concerned divisions of State PWD vide order No.G.O.(Rt) No.671/2012/PWD dated 24.04.2012.

The Government while entrusting maintenance of the projects to PWD Divisions, did not cancelled the DTCA, on anticipation that the company can start userfee collection in near future. The above Government Order was only a relief to the company from its obligations under the DTCA,



understanding genuine difficulty of the company to incur further expense on these projects without earning revenue. That means, while giving such a concession to the company, the Government continued to retain the right of the company under DTCA to collect user fee from these projects, at any time during the tenure of DTCA. In such a way the company has the right to start user fee collection at any time till the end of DTCA and hence we used to amortise the cost of these projects uniformly during the DTCA period as done in the case of other projects where user fee collection is going on. The fact that the company did not collect user fee during the past is not an indication of non collection of user fee in the future. The intangible asset namely Railway over bridges are in good condition and public are using the facilities continuously and the fact that the company is empowered to start user fee collection at any point of time makes it clear that we can show the intangible assets in the accounts at their Written Down Value and charge amortization as per consistent policy being followed by the company.

Accounting Standard 28 (AS 28) - impairment of assets para 8 and 9 specifies certain conditions for qualifying an asset for impairment. In our cases the said ROBs will not qualify for impairment as per these conditions as explained above. As per AS 26, the assets not in good working condition or no future economic benefits are expected from its use, the assets are to be derecognized. Since all ROB's are in good working condition and is in use by public and the right to collect user fee under DTCA executed with Government of Kerala and KRFB is in existence the assets are not to be derecognized.

Hence the policy being followed by the company in amortising the intangible assets in uniform manner during the currency of the DTCA is not against the provisions of AS 26 and AS 28.

3. Non Provision for interest receivable on Mobilisation Advance

During the year 2014 the company decided to construct an Office Cum Commercial Complex in the land allotted by the government to the company and entered into Agreement for construction with M/s. RDS Projects, the successful bidder selected through competitive bidding process. As per conditions of the Bid, the contractor submitted the Performance Security of Rs. 2.36 crores in the form of Bank Guarantee and executed Agreement. The contractor also submitted another Bank Guarantee for Rs. 2.36 cores and availed mobilization advance of Rs. 2.36 cores as per the conditions of Agreement. The mobilization advance carried simple interest @ 12% on the outstanding balances. The advance along with interest was to be adjusted at specified rates from each work bills of the contractor.

While progressing the foundation work as per the above Agreement, we were forced to stop the work due to protest from public and political parties and could not continue with the project. On the expectation that we can solve the issue and restart the work soon, the Agreement was not closed and the contractor did not repaid the mobilization advance. As on 31.03.2019, the entire mobilization advance and accrued interest of Rs.1.17 crores were payable by the contractor to RBDCK. At the same time the company was in possession of Bank Guarantee for a total amount of Rs.4.72 crores against the total liability of 3.53 cores including interest on mobilization advance. The company was in the process of closing the Agreement with the Contractor and recovering the mobilization advance and interest due on the above.

On taking a final decision regarding closure of Agreement, the company is able to recover the entire mobilization advance and interest from the Bank Guarantee available. There is no doubt about the recovery of interest on mobilization advance amounting to Rs. 1.17 crores. The Agreement also specifies charging interest @ 12% on outstanding mobilization advance and hence there is no uncertainty in realisation of interest.



In the light of the above facts applicable accounting standards including AS 29 does not demand creation of provision against the secured receivable of interest on mobilization advance amounting to Rs. 1.17 crores from the contractor.

4. Disclosure regarding Bank fixed deposits

The company always transfers the balances in current account not required immediately for the operations of the company to short term deposit with banks for earning some interest revenue to the company. As these bank term deposits are encashable at any point of time without any loss, these deposits are considered as cash as per AS 3.

The Companies Act 2013-General instructions for preparation of balance sheet-Note Q(v), stipulates that bank deposit with more than 12 months maturity shall be disclosed separately. Bank Deposit after 12 months from the date of balance sheet has to disclose separately. None of our Bank Deposit is falling due after 12 months from the date of balance sheet and hence the disclosure is in line with Companies Act. Since all the fixed deposits of the company are maturing within 12 months from the date of Balance sheet, no specific disclosure is required in this regard.

REMARKS BY AUDITORS U/S 143(12)

No fraud u/s 143(12) was reported during the FY 2018-19 by Statutory Auditor and Secretarial Auditor in their report.

PARTICULARS OF LOANS AND INVESTMENT

The Company has not made any Investment, given guarantee and securities during the year under review. There for no need to comply provisions of section 186 of Companies Act, 2013.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

Since the Company is a Government Company, the provisions of Section 188 of the Companies Act, 2013, is not applicable. Further, there are no materially significant related party transactions during the year under review made by the Company with Promoters, Directors, or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required.



TRANSFER TO RESERVE

No amount was required to be transferred to the reserves during the financial year ended 31st March, 2019.

DIVIDEND

Your Directors express their inability to declare any dividend due to non availability of net profit during the year under reporting.

MATERIAL CHANGES AND COMMITMENTS

There are no material changes and commitments other than those incorporated in the accounts affecting the financial position of the company which have occurred between the end of the financial year to which the financial statements relate and the provisions of relevant accounting standards have been duly complied with.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

Not Applicable.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO

The company has no activity relating to conservation of energy and technology absorption. There is no foreign exchange earnings or outgo for the year under review.

RISK MANAGEMENT POLICY

As the company is fully owned and operated by Government of Kerala, the element of risk is managed jointly by the company and Government of Kerala. Hence, a separate risk management policy need not to be developed for the company.

CORPORATE SOCIAL RESPONSIBILITY

Corporate Social Responsibility (CSR) provisions under Companies Act, 2013 is not applicable for the company for the financial year 2018-19.



DEPOSITS

Deposits accepted during the year;	Nil
Deposits remained unpaid or unclaimed as at the end of the year;	Nil
Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved- <i>(i) at the beginning of the year;</i> <i>(ii) maximum during the year;</i> <i>(iii) at the end of the year;</i>	Not Applicable
The details of deposits which are not in compliance with the requirements of Chapter V of the Act;	Nil

INTERNAL FINANCIAL CONTROL

The Company has in place adequate internal financial controls with reference to financial statements.

COST AUDIT

The provision of Cost audit as per section 148 is not applicable to the Company.

DETAILS OF SIGNIFICANT/ MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS AND TRIBUNALS

No significant and material order has been passed by the regulators, courts, tribunals impacting the going concern status and Company's operations in future.

STATEMENT UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE(PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. All employees are covered under the said policy. An Internal Complaints Committee has also been set up to redress complaints received on sexual harassment. During the financial year under review, the Company has not received any complaints of sexual harassment from any employees of the Company.



DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134(3) (c) of the Companies Act, 2013 the Board of Directors of the Company confirms :-

- (a) *That in the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures if any.*
- (b) *That your Directors have selected such accounting policies and applied them consistently and made adjustments and estimates that are reasonable 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 also of Profit and Loss Account of the company for the year ended 31st March 2019.*
- (c) *That your Directors have taken proper care for the maintenance of adequate accounting records for the purpose of safeguarding the assets of the company and for preventing fraud and other irregularities.*
- (d) *That your Directors have prepared the annual accounts on a going concern basis.*
- (e) *That the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.*

EXTRACT OF ANNUAL RETURN AND OTHER PARTICULARS

Extract of the Annual Return of the company in Form MGT 9 is attached ("Annexure-B") and forms a part of this Report as per the requirements of Companies Act 2013.

ACKNOWLEDGEMENT

Your Directors express their sincere gratitude to Government of India, Government of Kerala, Ministry of Railways, Public Works Department, KIIFB, banks, consultants, contractors and shareholders for the magnanimous support given to the company.

The Directors also take this opportunity to appreciate the dedicated and sincere services and support rendered by the employees of the company.

For and on behalf of the Board of Directors of
Roads and Bridges Development Corporation of Kerala Limited

Sd/-

Thiruvananthapuram
10/02/2021

Shri. G. Sudhakaran
Chairman



CS

N RAJAN & ASSOCIATES

Company Secretaries

SRAV 30, Vennala PO

KOCHI 682028

FORM MGT 8(Pursuant to section 92(2) of the Companies Act 2013 and rule 11(2) of the companies (Management and administration)Rules2014)

CERTIFICATE BY A COMPANY SECRETARY IN PRACTICE

We have examined the registers records and books and papers of Roads and Bridges Development Corporation Limited(the company)as required to be maintained under the companies Act 2013 as amended from time to time and the rules made thereunder for the financial year ending 31 st March 2019. In my opinion and to the best of my information and according to examination carried out by us and explanation furnished to me by the company, its officers and agents , I certify that:-

A) The annual return states the fact at the close of the financial year 2018-19 correctly and adequately.

B) During the aforesaid financial year the Company have complied with the provisions of the Act & rules and rules made there under in respect of :-

1)The company is a fully owned state government company with 100% share holding by GOVT. OF KERALA.

2) The company is maintaining proper registers and records(as per annexure A) and are making entries thereon within the time prescribed for.

3) The company is filing forms and returns as stated in the annual return



with the registrar of companies , Regional director , central government , the tribunal court or other authorities within the prescribed time except DIR12 filed in respect of Resignation/ cessation of the former Managing Director (DIN 07545743).

And Filing of INC22 A ,filing of which is pending due to non Filing AOC4 XBRL for 2017-18 accounts

4)The company is calling, convening ,holding meetings of board of directors, audit committee and meetings of the members of the company as stated in the annual return in respect of which meetings proper notices were given and minute book / registers maintained for the purpose.

5)Provisions of the act regarding closure of register of members and security holders is not applicable to the company

6)The company has not granted any advances / loans to its directors and or persons or firms referred to in section 185 of the Act

7)The company has not entered in to contracts/ arrangement with related parties as specified in section 188 of the Act .

8)The company does not have any issue or allotment or transmission or buy back of securities/ redemption of of preference shares or debentures / alteration or reduction of share capital or conversion of shares / securities and issue of security certificates in all cases

The company have share transfer of equity shares during the financial year 2018-19

9)There were no transaction necessitating the company to keep in abeyance the rights to dividend right and bonus shares pending registration of transfer of shares in compliance with provisions of the Act.

10)The company has not declared or paid any dividend transfer of unpaid unclaimed dividend / or other amounts as applicable to the investor education and protection fund in accordance with section 125 of the Act.



11) The company has complied with the provisions for signing of audited balance sheet as per the provisions of section 134 of the Act and report of the directors sub section 30(4) and (5) thereof. The accounts of the company for 2018-19 is yet to be certified by the statutory auditors and supplementary audit by CAG is pending. (10/2019)

12) In the board of directors of the company, combination of independent directors along with other directors is not balanced since Govt of Kerala has not posted adequate number of independent directors though requested by the company. Appointment of key managerial persons have been made and key managerial personnel are in position as at the end of the financial year 2018-19

13) Appointment of auditors has been made as per section 139 of the Act

14) No approval were required to be taken from central, state govt. tribunal regional director , Registrar , court or such other authorities under various provisions of the act as certified by the management

15) The company has not accepted or renewed or repaid any deposits during the financial year

16) The company has not created any charge during the reporting period under review

17) The company has not granted any loans and investments or guarantees given or providing of securities to other bodies corporate or persons falling under the provisions of section 186 of the Act

18) The company has not altered the provisions of memorandum or Articles of association of the company.

Place. Palarivattom, Kochi

Dated 13/10/2019

UDIN A020291A000067140


N RAJAN (COP19800)

C S N Rajan
Practicing Company Secretary
N Rajan & Associates
Vennala, Kochi-28





Annexure A

Registers as maintained by the company.

Register of members U/s.88

Minute book of Boars Meeting U/s.118.

Minute book o General meetings U/s.118.

Books of Account U/s.128

Register f directors , Managing Director U/s170.

Register f Directors share holding U/s.170

Register of Transfers

Register of directors attendance

Register of share holders attendance

Register charges U/s.85

Register of sealed documents

Register of contracts /Companies/ firms in which directors are interested.U/s.189


C S N Rajan
Practicing Company Secretary
N Rajan & Associates
Vennala, Kochi-28





FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31/03/2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	U45203KL1999SGC013314
ii)	Registration Date	23/09/1999
iii)	Name of the Company	ROADS AND BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED
iv)	Category / Sub-Category of the Company	Company limited by shares (<i>Category</i>) State Government Company (<i>Sub-Category</i>)
v)	Address of the Registered office and contact details	32/1154 PREETHY BLDGS, M.V ROAD, PALARIVATTOM, ERNAKULAM KERALA, INDIA- 682025 0484-2338205, 2338206 rbdckltd@gmail.com, csrbdck@gmail.com
vi)	Whether listed company	No
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Not Applicable.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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



Sl. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Construction and Maintenance of Infrastructural Projects	5010	100
2			

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES [No. of Companies for which information is being filled]

Sl. No.	Name and address of the company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
1	N.A				
2					

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Dem at	Physical	Total	% of Total Shares	Dem at	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF		7	7	0.00001121		7	7	0.00001	
b) Central Govt									
c) State Govt(s)		62425000	62425000	99.999998879		62425000	62425000	99.99999	
d) Bodies Corp.									
e) Banks / FI									



f) Any other									
Sub- Total (A)(1)									
(2) Foreign									
a)NRIs- Individuals									
b) Others- Individual									
c) Bodies corporate									
d) Banks/ FI									
e) Any other...									
Sub- Total (A)(2)									
Total shareholding of promoter (A) = (A)(1)+(A)(2)		62425007	62425007		100		62425007	62425007	100
B. Public Shareholding	Nil								
1. Institutions									
a) Mutual Funds									
b) Banks / FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIs									



h) Foreign Venture Capital Funds									
i) Others (specify)									
Sub-total (B)(1):-									
2. Non-Institutions	Nil								
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh									
c) Others (specify)									
Sub-total (B)(2):-									
Total Public Shareholding (B)=(B)(1)+ (B)(2)	Nil								
C. Shares held by Custodian for GDRs & ADRs	Nil								
Grand Total (A+B+C)		62425007	62425007	100		62425007	62425007	100	



ii) Shareholding of Promoter-

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	GOVERNOR OF KERALA	62425000	99.99999	NIL	62425000	99.99999	NIL	NIL
2	SREEKALA DEVI	1	0.0000016	NIL	1	0.0000016	NIL	NIL
3	L A GREGORIOUS	1	0.0000016	NIL	1	0.0000016	NIL	NIL
4	T.R. JAYAPAL	1	0.0000016	NIL	1	0.0000016	NIL	NIL
5	KAMALAVARDHANA RAO	1	0.0000016	NIL	1	0.0000016	NIL	NIL
6	P S GIREESHAN	1	0.0000016	NIL	1	0.0000016	NIL	NIL
7	SUPRABHA S	1	0.0000016	NIL	1	0.0000016	NIL	NIL
8	ZULFIKAR RAHMAN A	1	0.0000016	NIL	1	0.0000016	NIL	NIL
	TOTAL	62425007	100.00	NIL	62425007	100	NIL	NIL



iii) Change in Promoters' Shareholding (please specify, if there is no change) **NO CHANGE**

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	62425007	100	62425007	100
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year	62425007	100	62425007	100

iv) Shareholding Pattern of top ten Shareholders: (other than Directors, Promoters and Holders of GDRs and ADRs): **NIL**

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	NIL			
	At the end of the year(or on the date of separation, if separated during the year)				



v) Shareholding of Directors and Key Managerial Personnel: 01

S. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1	0.0000016		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0		
	At the end of the year	1	0.0000016		

V. INDEBTEDNESS -

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	Nil	2096944000	Nil	2096944000
ii) Interest due but not paid	Nil	316395255	Nil	316395255
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	2413339255	Nil	2413339255
Change in Indebtedness during the financial year				
* Addition	Nil	Nil	Nil	Nil
* Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil



Indebtedness at the end of the financial year				
i) Principal Amount	Nil	2096944000	Nil	2096944000
ii) Interest due but not paid	Nil	412583673	Nil	412583673
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	2509527673	Nil	2509527673

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managerial Director, Whole- Time Directors and/ or Manager :

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Dr. Asha Thomas IAS			
1	Gross salary	8,99,315.00			8,99,315.00
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	Nil			Nil
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil			Nil
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	Nil			Nil
2	Stock Option	Nil			Nil
3	Sweat Equity	Nil			Nil
4	Commission - as % of profit - others, specify...	Nil			Nil
5	Others, please specify	Nil			Nil
	Total (A)	8,99,315.00			8,99,315.00
	Ceiling as per the Act	NA			NA



B. Remuneration to Other Directors

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	---	
1	Independent Directors					/
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)					
2	Other Non-Executive Directors			NIL		/
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)					
	Total (B)=(1+2)					
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

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

S. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	NA			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	3,91,938.00	19,89,966.00	23,81,904.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NA	Nil	Nil	Nil
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Nil	Nil	Nil	Nil
2	Stock Option				



3	Sweat Equity	Nil	Nil	Nil	Nil
4	Commission		-	-	-
	- as % of profit		-	-	-
	others, specify...		-	-	-
5	Others, please specify		-	-	-
	Total	-	3,91,938.00	19,89,966.00	23,81,904.00

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors of
Roads and Bridges Development Corporation of Kerala Limited

Sd/-

Thiruvananthapuram
10/02/2021

Shri. G. Sudhakaran
Chairman



INDEPENDENT AUDITORS' REPORT

To the Members of ROADS & BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED

Report on the Audit of Standalone Financial Statements

Opinion

1. We have audited the accompanying **standalone financial statements of ROADS & BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED**, (“the Company”), which comprise the Balance Sheet as at **March 31, 2019**, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and notes to the standalone financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).
2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at March 31, 2019 and its loss and its cash flows for the year ended on that date.

Basis for opinion

4. We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Standalone 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules 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 standalone financial statements.



Material uncertainty related to Going Concern

- a) During the year the Company has earned cash profits, however the company has accumulated loss amounting to Rs. 86.70 Crore (previous year Rs. 75.38 Crore) and has a negative net worth of Rs. 24.28 Crore (previous year Rs. 12.96 Crore). These conditions indicate the existence of uncertainty which may cast doubt as to the Company's ability to continue as a going concern. However, being a Company wholly owned by Government of Kerala, the financial statements of the Company have been prepared on going concern basis.

Our opinion is not qualified in respect of this matter.

Emphasis of Matter

5.

- i. Reference is drawn to note no. 9 (iv), ineligible Goods and Services Tax (GST) input tax credit amounting to Rs. 3.10 Crore which was reflected in company's GST credit ledger was not considered as input tax credit. The mismatch has to be rectified in the subsequent annual GST filing.
- ii. Reference is drawn to note no. 9 (iii), Rs. 2.80 Crore was transferred during the year towards kumaranalloor Road Over Bridge (ROB), stimulus package bridges, to the extent of shortage of funds for land acquisition in the said project from "land acquisition fund received from Government" of Kerala.
- iii. Reference is drawn to note no. 12 (i), the Company had paid mobilization advance to M/S RDS Projects Ltd for construction of office cum commercial complex but could not continue the work due to public protest. The company holds bank guarantee for a total amount of Rs. 4.72 Crore in relation to this project and the agreement has not yet been terminated. Interest accrued on mobilization advance of Rs. 2.36 Crore has been adjusted against capital work-in progress.
- iv. Reference is drawn to Point No. B 2(a) of Notes forming part of accounts regarding balances under the heads Other Long Term Liabilities amounting to Rs. 3.73 Crore (note no. 5), Trade payables amounting to Rs. 5.43 Crore (note no. 8), Other current liabilities amounting to Rs. 135.21 Crore (note no. 9), Trade Receivables amounting to Rs. 6.85 Crore (note no. 15), Short Term Loans and Advances amounting to Rs. 23.87 Crores (note no. 17), Other Current Assets amounting to Rs. 13.76 Crore (note no. 18), which are subject to confirmation.
- v. Reference is drawn to note no. 15, trade receivables which include Rs. 3.33 Crore receivable from Railway which is outstanding for more than 3 years. The Company has not provided any provision for the said amount as the amount is receivable from Railway, further no confirmation could be obtained in this regard.
- vi. Reference is drawn to note no. 18 (i), no adjustments have been made with regard to Tax Deducted at Source and Advance Tax which has been adjusted by the Income Tax authority against demands which are pending in litigation at the various appellate forums.



- vii. Reference is drawn to note no. 9 (v), the company has accounted income received in advance Rs. 1.15 Crore as liability and the corresponding expense have been accounted as asset as the Detailed Project Report (DPR) preparation is in its initial stages.
- viii. Reference is drawn to note no. 11, as per the instructions from Office of the Accountant General for the financial year 2017-18 an amount of Rs. 1.43 Crore being the interest portion capitalised during last year has been transferred to profit and loss account under prior period items during the current year and necessary adjustments were made in amortization.
- ix. Reference is drawn to note no. 19 (ii), the company has accounted as grant Rs. 0.32 Crore which was received by the company to meet the project implementation expenses for the construction of ROB at Thirunetoor using MLA's asset development fund. An amount of Rs. 0.28 Crore received earlier for Seaport-Airport road and carried in the balance sheet was also credited to profit and loss account on completion of the project.
- x. Reference is drawn to note A (vi), Government of Kerala vide GO (Rt) No. 1715/2009/PWD dated 28/11/09 has affirmed that it will fund the viability gap of the projects under Toll Concession Agreement. The cost of construction of ROB's have been accounted as Intangible assets of the company, based on the above GO impairment on account of short fall in future revenue earning capacity has not been amortized.

Our opinion is not qualified in respect of these matters.

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

- 6. 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 standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error
- 7. In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operation, or has no realistic alternative but to do so. The Board of Directors are responsible for overseeing the Company's financial reporting process.



Auditors' Responsibilities for the Audit of the Standalone Financial Statements

8. Our objectives are to obtain reasonable assurance about whether the standalone 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 standalone financial statements.

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

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



9. 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.
10. 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.
11. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's 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

12. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the said Order, to the extent applicable.
13. As required by Section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The standalone Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with rules 7 of the Companies (Accounts) Rules, 2014;
 - e) Being a Government Company, the provisions of sec 164(2) of the Companies Act, 2013 do not apply as per Notification No. G.S.R.463 (E) dated 05th June, 2015 issued by the Department of Company Affairs.
 - 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 B".



14. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements;
- ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which are required to be transferred to the investor Education and Protection Fund by the Company.

15. As required by Section 143 (5) of the Act, we have considered the directions issued by the Comptroller and Audit General of India, the action taken thereon and its impact on the accounts and financial statements of the Company in "**Annexure – C**".

16. Being a Government Company, the provisions of section 197 of the Act with respect to the matters to be included in the Auditors' Report is not applicable.

For PAULSON & COMPANY
Chartered Accountants

Sd/-
CA. PAULSON K. P.
LL.B, FCA, DISA (ICAI)
Membership No. 21855; FR No. 002620S
PARTNER

Kochi,
23-06-2020
UDIN: 20021855AAAADD1867



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF M/S. ROADS AND BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED, ERNAKULAM

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 2019, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant & Equipment (PPE), except identification marks.
 - (b) Based on the information and explanations given to us, fixed assets are physically verified by the management at reasonable intervals. No physical verification report, except for intangible assets, was provided to us by the management.
 - (c) Based on the information and explanations given to us and on the basis of examination of the records of the company, title deeds of immovable properties are held in the name of the company.
- (ii) The company does not carry any inventory in the period of the audit. Hence paragraph 3(ii) of the Order is not applicable.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the Register, maintained under section 189 of the Companies Act, 2013. Accordingly, sub clauses (a), (b) and (c) are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, the Company does not have any transactions to which the provisions of Section 185 and 186 apply.
- (v) The Company has not accepted any deposits from the public as applicable under the directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other provisions of the Act and rules framed under. Accordingly, the provisions of clause 3(v) of the said Order are not applicable.
- (vi) According to the explanations and information given by the management, maintenance of cost records has not been specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013 for any of the activities of the company.
- (vii)
 - a) According to the information and explanation given to us and according to the books and records of the company produced to us and examined by us, in our opinion, the company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues to the appropriate authorities during the year.



- b) According to the records made available to us and the information and explanations given by the management, the particulars of dues of Income tax, Sales tax and Wealth tax. Service tax, Customs duty, EPF, ESI, Excise duty and Cess as at 31st March, 2019 which have not been deposited on account of dispute, are as follows:

Sl. No	Name of Statute	Nature of Dues	Amount (₹ in Lakhs)	Period to which the dues relate	Forums where dispute is pending
1	Income Tax Act,1961	Income Tax	49.22	AY 2002-03	High Court of Kerala
2	Income Tax Act,1961	Income Tax	68.08	AY 2003-04	Company Proposes to file appeal before the High Court of Kerala
3	Income Tax Act,1961	Income Tax	20.40	AY 2004-05	High Court of Kerala
4	Income Tax Act,1961	Income Tax	58.88	AY 2005-06	Rectification petition before Assessing officer under process.
5	Income Tax Act,1961	Income Tax	26.55	AY 2008-09	CIT Appeals, Kochi
6	Income Tax Act,1961	Income Tax	415.19	AY 2011-12	CIT Appeals, Kochi

- (viii) According to the information and explanation given to us and according to the books and records of the company produced to us and examined by us, in our opinion, we are of the opinion that the company has not defaulted in repayment of loans or borrowing to a financial institution, bank, Government or dues to debenture holders except for trustee fee of Rs. 20,720/- payable to Canara Bank, repayment for loan and interest of Rs. 94.95 crore to Kerala Road Fund Board and items mentioned in Note 26(iv) to the standalone financial statements.
- (ix) The company did not raise any money by way of initial public offer or further public offer (including debt instruments) or term loans during the year.
- (x) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit. Accordingly, the provisions of clause 3(x) of the said Order are not applicable.



- (xi) As per notification number G.S.R 463 (E) dated June 5, 2015 issued by Ministry of Corporate Affairs, section 197 as regards the managerial remuneration is not applicable to the Company, since it is a Government Company.
- (xii) The company is not a Nidhi Company, therefore the provisions of clause 3 (xii) of Companies (Auditor's Report) Order, 2016, is not applicable to the company.
- (xiii) According to the records of the Company examined by us and the information and explanations given to us, the related party transactions are in compliance with section 177 and 188 of the Companies Act, 2013 and have been disclosed in the Financial Statements as required by applicable accounting standards.
- (xiv) According to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us, the company has not entered into any non-cash transactions, as mentioned under section 192, with the directors or persons connected with them.
- (xvi) According to the information and explanations given to us, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For PAULSON & COMPANY
Chartered Accountants

Sd/-
CA. PAULSON K. P.
LL.B, FCA, DISA (ICAI)
Membership No. 21855; FR No. 002620S
PARTNER

Kochi,
23-06-2020



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF ROADS & BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED

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 **ROADS & BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone 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 as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all 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

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March 2019, 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 PAULSON & COMPANY
Chartered Accountants

Sd/-
CA. PAULSON K. P.
LL.B, FCA, DISA (ICAI)
Membership No. 21855; FR No. 002620S
PARTNER

Kochi,
23-06-2020



**ANNEXURE C TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE
ON THE FINANCIAL STATEMENTS OF M/S. ROADS AND BRIDGES
DEVELOPMENT CORPORATION OF KERALA LIMITED, ERNAKULAM**

**Replies to directions from comptroller & auditor general of India under
section 143(5) of the companies act, 2013**

- 1. Whether the Company has system in place to process all the accounting transactions through IT system? If yes, the implications of processing of accounting transactions outside IT system on the integrity of the accounts along with the financial implications, if any, may be stated.**

The Company processes the accounting transactions through a combined system where vouchers and supporting documents are maintained manually and further processed through IT system. The Company has processed accounting transactions outside IT system with integrity and efficiency.

- 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 implications may be stated.**

According to the information and explanations given to us, there were no instances of restructuring of an existing loan or cases of waiver/write off of debts/loans/interest etc. due to the Company's inability to repay the loan.

- 3. Whether funds received/receivable for specific schemes from central or state agencies were properly accounted for/utilized as per its terms and conditions? List the cases of deviations.**

According to the information and explanations given to us, the Company has effectively utilizing the funds received from government and there were no instances of diversion of funds.



Reply to Sector Specific Sub- Directions

Infrastructure Sector

- 1. Whether the Company has taken adequate measures to prevent encroachment of idle land owned by it? Whether any land of the Company is encroached, under litigation, not put to use or declared surplus? Details may be provided?**

According to the information and explanations given to us, the Company has taken adequate measures to prevent encroachment of idle land owned by it by way of placing boundary stones and boundary walls, wherever necessary. No land of the Company was encroached, under litigation, not put to use or declared surplus.

- 2. Whether the system in vogue for identification of projects to be taken up for public private partnership is in line with the guidelines/policies of the government? Comment on deviation, if any?**

According to the information and explanations given to us the Company is taking up projects entrusted by Government or Government agencies only. All such projects were executed in compliance of all applicable guidelines/policies of the Government. Currently there were no projects in public-private partnership.

- 3. Whether a system for monitoring the execution of works vis-a-vis milestones stipulated in the agreement is in existence and the impact of cost escalation, if any, revenues/losses from contracts, etc., have been properly accounted for in the books?**

According to the information and explanations given to us the Company is monitoring each work on daily basis and reporting it through its website. In addition to this, monthly review meetings are being conducted with all concerned and necessary corrective action for deviations, if any, from actual schedules are also initiated. Any gain/loss arising out of such contracts is being accounted in proper time.

- 4. Whether funds received/receivable for specific schemes from central or state agencies were properly accounted for/utilized? List the cases of deviations.**

According to the information and explanations given to us, the Company has effectively utilizing the funds received from government and there were no instances of diversion of funds.



5. Whether the bank guarantees have been revalidated in time?

According to the information and explanations given to us and on the basis of examination of relevant documents, bank guarantees have been revalidated in time.

6. Comment on the confirmation of balances of trade receivables, trade payables, term deposits, bank accounts and cash obtained.

Reference is drawn to *Emphasis of Matter' of the Audit Report*, balances under trade receivables and trade payables are subject to confirmation to the extent mentioned therein. Balances under term deposits, bank accounts and cash are in agreement with the confirmations/representations from the respective confirming parties/representatives.

7. The cost incurred on abandoned projects may be quantified and the amount actually written off may be mentioned.

Reference is drawn to Note 18(ii), Feasibility study expenses include Rs.10,47,850 /- spent for initial project study and DPR preparation for an office complex at Attipra, Thiruvananthapuram for the Government. Later on as per decision in the 52nd meeting of the Board of Directors, the Company has withdrawn from the project and claimed reimbursement of the amount expended from Government. Pending decision from Government, no provision has been made in the accounts.

For PAULSON & COMPANY
Chartered Accountants

Sd/-
CA. PAULSON K. P.
LL.B, FCA, DISA (ICAI)
Membership No. 21855; FR No. 002620S
PARTNER

Kochi,
23-06-2020



ROADS AND BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED
PREETHI BUILDINGS, M.V.ROAD, PALARIVATTOM, KOCHI - 682 025. CIN U45203KL1999SGCO13314
BALANCE SHEET AS AT MARCH 31, 2019

	Note number	March 31,2019 (Figures in rupees)	March 31,2018
A EQUITY AND LIABILITIES			
1 Share Holder's Funds			
(a) Share Capital	1	624,250,070	624,250,070
(b) Reserves & Surplus	2	(867,012,869)	(753,842,578)
(c) Money Received against share warrants		-	-
2 Share Application Money Pending Allotment	3	-	-
3 Non-current Liabilities			
(a)Long-term borrowings	4	560,000,000	560,000,000
(b)Defered Tax Liabilities(Net)		-	-
(c)Other long-term liabilities	5	49,659,916	41,870,492
(d)Long-term provisions	6	8,069,107	5,744,559
4 Current Liabilities			
(a) Short-term borrowings	7	1,000,000,000	1,000,000,000
(b) Trade payables	8	149,236,005	148,108,690
(c) Other current liabilities	9	1,364,741,410	1,240,192,377
(d) Short-term provisions	10	12,390,164	12,018,871
TOTAL		2,901,333,802	2,878,342,481
B ASSETS			
1 Non-current Assets			
(a) Property, Plant and Equipment			
(i)Tangible assets	11	3,423,346	2,750,616
(ii)Intangible assets	11	1,111,945,528	1,288,517,543
(iii)Capital work in progress	12	(5,623,742)	(3,028,282)
(iv)Intangible Assets under development	13	120,685,967	104,243,030
		1,230,431,099	1,392,482,906
(b) Non Current Investments			
(c)Deferred Tax Assets (Net)	14	-	-
(d) Long Term Loans and advances		-	-
(e) Other non-current assets		-	-
2 Current assets			
(a)Current Investments		-	-
(b) Inventories		-	-
(c)Trade receivables	15	68,477,966	58,851,012
(d) Cash and cash equivalents	16	1,073,333,779	900,929,135
(e)Short-term Loans and Advances	17	247,023,680	276,549,665
(f) Other Current Assets	18	282,067,279	249,529,762
TOTAL		2,901,333,802	2,878,342,481

Significant Accounting Policies A
Additional Disclosures B
Notes forming part of financial statement (Note 1-26) C
Subject to our report of even date attached

For PAULSON & COMPANY
Chartered Accountants
Firm registration No. 002620S

For and on behalf of Board of Directors

Sd/-
CA. K.P. Paulson
Partner
Membership No. 21855

Sd/-
G Sudhakaran
Chairman
DIN :07589740

Sd/-
Rahul R, IRS
Managing Director
DIN: 06994483

Kochi
23.06.2020

Sd/-
Sibi J Pulloppillil
Chief Financial officer



ROADS AND BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED
 PREETHI BUILDINGS, M.V.ROAD, PALARIVATTOM, KOCHI - 682 025.CIN U45203KL1999SGCO13314
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

		Note number	Year ended March 31,2019	Year ended March 31,2018
(Figures in rupees)				
A	CONTINUING OPERATIONS			
1	Revenue from operations	19	81,344,463	78,593,615
2	Other Income	20	75,636,171	64,734,499
3	TOTAL REVENUE		156,980,634	143,328,114
4	EXPENSES			
	(a) Employee Benefit Expenses	21	28,838,860	26,848,092
	(b) Finance Cost	22	49,187,529	47,000,889
	(c) Depreciation and amortisation exp.	23	163,094,692	161,323,012
	(d) Other Expenses	24	14,309,802	17,011,696
	TOTAL EXPENSES		255,430,883	252,183,689
5	Profit/(Loss) before Exceptional & extraordinary items and Tax		(98,450,249)	(108,855,575)
6	Exceptional Items		-	7,299,611
	Prior Period Items	25	(14,720,042)	-
7	Profit/(Loss) before extraordinary items and Tax		(113,170,291)	(101,555,964)
8	Extraordinary items		-	-
9	Profit/(Loss) before Tax		(113,170,291)	(101,555,964)
	Tax Expense			
10	(a) Current Tax:		-	-
	(b) Deferred Tax		-	-
	Net Tax Expense		-	-
11	Profit/(loss) From continuing operations		(113,170,291)	(101,555,964)
12	Profit/(loss) From discontinuing operations		-	-
	Tax Expense on Discontinuing operations		-	-
	Profit/(loss) From discontinuing operations after tax		-	-
13	Profit/(Loss) for the year		(113,170,291)	(101,555,964)
14 i	Earnings Per Equity Share (Basic)		(1.81)	(1.63)
	Earnings Per Equity Share (Diluted)		(1.81)	(1.63)
14.ii	Earnings Per Equity Share (Basic, excluding extraordinary items)		(1.81)	(1.63)
	Earnings Per Equity Share (Diluted, excluding extraordinary items)		(1.81)	(1.63)

Significant Accounting Policies A
 Additional Disclosures B
 Notes forming part of financial statements C
 (Note 1-26)
 Subject to our report of even date attached

For PAULSON & COMPANY
 Chartered Accountants
 Firm registration No. 002620S

For and on behalf of Board of Directors

Sd/-
 CA. K.P. Paulson
 Partner
 Membership No. 21855

Sd/-
 G Sudhakaran
 Chairman
 DIN :07589740

Sd/-
 Rahul R, IRS
 Managing Director
 DIN : 06994483

Kochi
 23.06.2020

Sd/-
 Sibi J Pulloppillil
 Chief Financial officer



ROADS AND BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED.
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2019

A SIGNIFICANT ACCOUNTING POLICIES:

(i) **Basis of Accounting**

The financial statements are prepared under historical cost convention and generally on accrual basis, as a going concern and in accordance with the Generally Accepted Accounting Principles (GAAP). The statements comply with the mandatory Accounting Standards referred to in section 133 and other applicable provisions of the Companies Act, 2013.

Arrears on account of pay revision/DA of employees/ officers are accounted only on approval of revised pay scales by the Government.

(ii) **Use of Estimates**

The preparation of Financial Statements requires management to make certain estimates and assumptions that affect the amounts reported in the Financial Statements and Notes thereto. Differences between actuals and estimates are recognised in the period in which they materialise.

(iii) **Revenue Recognition**

a) **Toll Income**

Company collects user fee through Annual contracts awarded to contractors selected on the basis of competitive bidding process. Toll collection through contract is accounted on due basis. Where for any reason user fee cannot be collected, income in such cases has not been recognised.

b) **Project Management Fee/Agency charges**

Project Management Fee is generally recognised on Proportionate Completion method based on Progressive billing as per terms of MOU/Agreement. In respect of ROB's not covered by MOU/Agreement, Project Management Service income billed to Railways is accounted on actual receipt only, as in the absence of contractual obligation, there is uncertainty regarding its receipt.

c) **Right of way fees.**

Amounts received from utility providers for using the right of way of infrastructure facilities under the control of the Company as one time payment are credited to the profit and loss account of the year of receipt in compliance of AS-9.

d) **Interest received**

Interest on deposits are accounted at the rate agreed at the time of deposit on pro-rata basis.

(iv) **Property, Plant and Equipment**

Fixed assets are stated at historical cost less accumulated depreciation/amortisation. Cost includes purchase price and other non refundable taxes, levies, costs directly attributable to bring the asset to its present working condition for intended use.

(v) **Depreciation and Amortisation :**

Depreciation on Fixed Assets has been provided on written down value method. The useful lives adopted are as prescribed in Schedule II of the Companies Act, 2013.

(vi) **Impairment:**

a) All fixed assets are assessed for any indication of impairment at the end of each financial year. On such indication, the impairment (being the excess of carrying value over the recoverable value of the asset), if any, is charged to the Statement of Profit and Loss.

b) Construction of ROB's under cost sharing with Railways are prioritized and taken up by the government mainly based on public interest. These ROB works are entrusted with the Company and government allows the Company to collect toll under DTCA. As the projects are taken up in public interest, the economic viability of the projects under DTCA may not be positive. Subsequent to completion of projects, collection of toll had to be abandoned in certain ROB's due to public protest. In such instances the viability gap was funded by the government / local authority. In respect of all the projects, government vide GO -(Rt)No.1715/2009/PWD dated 28/11/09 has affirmed that it will fund the viability gap. On this basis management is of opinion that the intangible assets of the Company represented by the cost of construction of ROB's does not suffer from impairment on account of short fall in future revenue earning capacity as compared to the amount to be amortised. As there is no tool to estimate future revenues from toll collection, deficiency if any on this account cannot be ascertained reasonably.

(vii) **Intangible assets and Amortization:**

The Company has executed Direct Toll Concession Agreement (DTCA) with Kerala Road Fund Board and Public Works Department, Government of Kerala, in respect of thirty seven ROB's, a river bridge and a road project. As per the DTCA, the Company has acquired right to collect user fee (toll) for a period of 15 years from the date of its execution/completion of construction. In view of the above, cost of assets for which DTCA was executed has been treated as Intangible Assets as per Accounting Standard 26 on 'Intangible Assets' issued by the Institute of Chartered Accountants of India (ICAI). In respect of agreements executed prior to 2009, the DTCA is effective from the date of execution and not from the date of completion of work. The request of the Company to amend the agreement is under consideration of the Government. Pending approval from the Government, the Company has amortised all the intangible assets from the date of completion of work. Cost of land and other direct expenses attributable to each project has been capitalised under respective intangible asset under development. 50% of applicable indirect expenses being staff cost and related expenses are capitalised to intangible assets in the proportion of net direct cost. All Projects commenced till the last disbursement of loans are considered as applicable project for the purpose of capitalisation of borrowing cost. Share of cost receivable from railways, assistance received from Govt if any and interest and Miscellaneous receipts are deducted in arriving at Net Direct Cost. Assistance from government to a group of Intangible assets under development are apportioned on the basis of year end direct cost of such assets. In terms of Accounting Standard 26, the cost of intangible assets has been amortized over a period of 15 years from the date of DTCA or date of actual completion of the asset whichever is later, being the tenure of concession as per the DTCA .



(viii) **Taxes on income**

Current tax is determined based on the amount of tax payable in respect of taxable income, if any, for the year. Deferred tax is recognized on timing differences; being the difference between the taxable income and accounting income that originate in one year and are capable of reversal in one or more subsequent years. Deferred tax assets and liabilities have been computed on the timing differences applying the tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Net Deferred tax asset arising on account of unabsorbed depreciation or carry forward of tax losses after adjusting deferred tax liabilities, if any, are not recognized since there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Company have a policy to provide income tax liability, decided against the Company in respect of amounts disputed in appeal by the ITAT unless the matter is fully covered on law and facts by Subsequent Apex Court/Jurisdictional High Court decision.

(ix) **Government Grant/contribution for construction of roads and Road Overbridges**

Grant in Aid for construction of roads and road over bridges from Government of Kerala and other institutions are accounted on receipt of such assistance, or when it becomes certain that the amount will be received. Capital grant received towards ongoing projects are reduced from Intangible assets under development.

(x) **Retirement Benefits**

Provision is made as at the end of each financial year on the basis of actuarial valuation to cover the liability in respect of employees towards

- a) Gratuity on death / retirement ; and
- b) Accumulated leave

B ADDITIONAL DISCLOSURES

(i) **Realisable Value of Assets**

In the opinion of the Management, the current assets, loans and advances are shown in the Balance Sheet at values realizable in the ordinary course of business.

(ii) **Confirmation of Balances/Physical verification**

- a) Balances under current liabilities, sundry debtors, creditors, other current assets, loans and advances are subject to confirmation/reconciliation and consequent adjustments, if any, upon confirmation.
- b) Fixed assets and cash in hand are physically verified by the management.

(iii) **Remuneration of Directors And Key Managerial Personnel**

Name of Key Managerial Personnel	Nature of Transaction	(in Rs.)	
		As at 31.03.2019	As at 31.03.2018
Dr Asha Thomas IAS MD	Salary & Allowances	899,315	2,161,346
	Reimbursement of rent	-	420,000
Sibi J Pullopillil Chief Financial Officer	Salary & Allowances	1,989,966	1,607,810
Thomas Mathen Company Secretary	Salary & Allowances	-	1,411,738
Varun Kumar C Company Secretary	Salary & Allowances	391,938	-

- (iv) The Company is providing project management services for constructing several projects for Government and other government agencies as entrusted . The Agency charges and consultancy fee are accounted on the basis of work measured and billed in conformity with Accounting Standard -7.

Particulars	(in Rs.)	
	As at 31.03.2019	As at 31.03.2018
Amount of revenue recognized during the year	19,891,436	6,237,225
Direct expenditure incurred for the above	4,622,158	2,614,445
Profit/(Loss) recognized	15,269,278	3,622,780
Agency charges receivable from Government	5,166,619	5,402,969
Consultancy fee payable to Kitco	10,778,759	9,300,461
Amount receivable from Palakkad District Panchayath	34,275	34,275
Amount receivable from Govt. of Kerala	69,193,200	175,420,238



(v) Previous year figures are regrouped /recast/reclassified where ever necessary to conform to the classification of the current year.

(vi) a) Expenditure in foreign currency Nil (Previous year- Nil).
b) Earnings in foreign currency Nil (Previous year- Nil)

(vii) **Disclousure requirements as per AS 19 -LEASES**

a) **Company as lessor :**

(i) The Company has entered into cancellable operating lease agreements as a lessor for a space having an area of 169.8 square metres below South Kalamassery ROB.The lease rentals recognised as income in the Statement of Profit and Loss during the year under cancellable operating lease are as follows.

(ii)	Particulars	Current Year (Rs)	Previous Year(Rs)
	Lease Income (Included in miscellaneous income under note 20)	359,952.00	342,689.00

(iii) Fixed Assets

Gross Carrying Amount of leased assets	1.00	1.00
Accumulated Depreciation	Nil	Nil
Accumulated Impairment Losses	Nil	Nil
Depreciation Recognised in Statement of Profit and Loss for the period	Nil	Nil
Impairment Losses Recognised in Statement of Profit and Loss for the period	Nil	Nil
Impairment Losses Reversed in Statement of Profit and Loss for the period	Nil	Nil

As the Company has not incurred any cost on constructing shop rooms under the bridge, the asset is accounted on nominal value.

(iv) Total contingent rent recognised as income in the Statement of Profit and Loss for the period Nil Nil

(v) Accounting policy adopted in respect of initial direct cost Nil Nil

b) **Company as lessee:**

(i) Operating lease are mainly in the nature of lease of office premises- (of HO, Trivandrum and Kannur regional offices) with no restrictions and are renewable / cancellable at the option of either of the parties. There is no escalation clause in the lease agreement . There are no sub-leases. There are no restricions imposed by lease arrangements. The aggregate amount of operating lease payments recognised in the Statement of Profit and Loss is Rs.16,78,104/- .The Company has not recognised any contingent rent as expense in the Statement of Profit and Loss.

(viii) The Government vide GO (Rt) No.1347/2012/PWD dated 28/7/2012 sanctioned lease of 0.4226 hectares of land in Block No.9,Resurvey No.344/1 of Kakkanad village of Kanayannur Taluk in Ernakulam District to the Company for construction of office complex for a period of 30 years at an yearly rent of Rs.2,00,000/-

(ix) The Company could not start toll collection from 11 ROBs completed during the period 2003-2006 due to public protest. Since no income is being derived from these projects the Company found it difficult to maintain these bridges and the Board of Directors of the Company in their meeting held on 23/9/2010 decided to handover the responsibility for maintainance of these ROBs to Government. Based on the request of the Company, the Government vide GO(Rt)No.671/2012/PWD dated 24/4/2012 ordered to handover the maintainance of these bridges to the concerned divisions of State PWD.

(x) The Company has expended Rs.430.12 Crore for developing the intangible assets of the Company and received Rs.80.81Crore from Government/Government agencies and Rs.106.99 Crore from Railways, which were deducted from the cost of the respective assets to arrive at the net cost.

(xi) The additional claims amounting to Rs.4.59 Crore sanctioned in arbitration to M/s K S & Company, contractors for construction of Muzhuppilangad ROB, and confirmed by the H'ble Supreme court of India in appeal during the previous year was treated as addition to the cost of ROB and amortised proportionately during the balance period of DTCA. The AG,while issuing the report of their supplimentary audit, directed to charge the interest portion included in the above amount to profit and loss account as per accounting standard - 26 . Accordingly an amount of Rs.142.81 lakhs being the interest portion capitalised during last year has been transferred to profit and loss account under exceptional items during the current year and necessary adjustments were made in amortisation also.

(xii) Construction of ROB at Kunjippally was completed during the year, but as no DTCA was executed for this project, the amount expended so far is retained as intangible assets under development, pending capitalisation.

(xiii) **Segment Reporting**



Segment information

The Company has identified business segments as its primary segment. Business segments are primarily Construction service and Project Management Services. Revenues and expenses directly attributable to segments are reported under each reportable segment. Expenses which are not directly identifiable to each reportable segment have been allocated on the basis of associated revenues of the segment and manpower efforts. All other expenses which are not attributable or allocable to segments have been disclosed as unallocable expenses. Assets and liabilities that are directly attributable or allocable to segments are disclosed under each reportable segment. All other assets and liabilities are disclosed as unallocable. Fixed assets that are used interchangeably amongst segments are not allocated to primary and secondary segments.

Particulars	For the year ended 31 March, 2019			For the year ended 31 March, 2018		
	Business segments		Total	Business segments		Total
	Construction Service	PMCS		Construction Service	PMCS	
Revenue	69,335,723.00	19,891,436.00	89,227,159.00	73,226,682.00	8,590,443.00	81,817,125.00
Inter-segment revenue	Nil	Nil	Nil	Nil	Nil	Nil
Segment result	69,335,723.00	19,891,436.00	89,227,159.00	73,226,682.00	8,590,443.00	81,817,125.00
Unallocable expenses (net)	(142,272,078.00)	15,269,278.00	(127,002,800.00)	(134,638,023.00)	5,975,998.00	(128,662,025.00)
Operating income	39,200,924.15	Nil	39,200,924.15	41,704,538.99	Nil	41,704,538.99
	(181,473,002.15)	15,269,278.00	(166,203,724.15)	(176,342,561.99)	5,975,998.00	(170,366,563.99)
Other income (net)	Nil	Nil	67,753,474.78	Nil	Nil	61,510,989.13
Profit before taxes	(181,473,002.15)	15,269,278.00	(98,450,249.37)	(176,342,561.99)	5,975,998.00	(108,855,574.86)
Tax expense	Nil	Nil	Nil	Nil	Nil	Nil
Net profit for the year	(181,473,002.15)	15,269,278.00	(98,450,249.37)	(176,342,561.99)	5,975,998.00	(108,855,574.86)
Particulars	For the year ended 31 March, 2019			For the year ended 31 March, 2018		
	Business segments		Total	Business segments		Total
	Construction Service	PMCS		Construction Service	PMCS	
Segment assets	1,352,882,733.71	118,826,243.24	1,471,708,976.95	1,523,746,095.61	111,578,328.00	1,635,324,423.61
Unallocable assets	Nil	Nil	1,429,624,825.42	Nil	Nil	1,243,018,057.01
Total assets	1,352,882,733.71	118,826,243.24	2,901,333,802.37	1,523,746,095.61	111,578,328.00	2,878,342,480.62
Segment liabilities	456,317,761.28	Nil	456,317,761.28	343,458,987.28	Nil	343,458,987.28
Unallocable liabilities	Nil	Nil	2,445,016,041.09	Nil	Nil	2,534,883,493.34
Total liabilities	456,317,761.28	-	2,901,333,802.37	343,458,987.28	-	2,878,342,480.62
<u>Other information</u>						
Capital expenditure (allocable)	Nil	Nil	Nil	Nil	Nil	Nil
Capital expenditure (unallocable)	Nil	Nil	Nil	Nil	Nil	Nil
Depreciation and amortisation (allocable)	162,291,110.00	Nil	162,291,110.00	160,470,116.00	Nil	160,470,116.00
Depreciation and amortisation (unallocable)	803,582.00	Nil	803,582.00	852,896.00	Nil	852,896.00
Other significant non-cash expenses (allocable) (give details)	Nil	Nil	Nil	Nil	Nil	Nil
Other significant non-cash expenses (unallocable)	Nil	Nil	Nil	Nil	Nil	Nil



(xiv) Capital work in progress is shown at net of expense incurred and interest on mobilisation advance received for the purpose

(xv) Earnings per share

The Company reports basic and Diluted Earnings per Share in accordance with AS 20. Basic Earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding at the end of the year. Diluted Earnings per share have been computed using the weighted average number of equity shares and potential equity shares outstanding at the end of the year. The effect of antidilutive potential shares are ignored in calculating Diluted Earnings Per Share.

CALCULATION OF EARNINGS PER SHARE

	March 31,2019	March 31,2018
Profit/(Loss) after tax (Rs.)	(113,170,291)	(101,555,964)
Number of Equity Shares	62,425,007	62,425,007
Potential Equity shares		
Weighted average number of equity shares	62,425,007	62,425,007
Nominal value of shares (Rs.)	10	10
Basic earnings (loss) per share (Rs.)	(1.81)	(1.63)
Diluted earnings (loss) per share (Rs.)	(1.81)	(1.63)
Earnings Per Equity Share (Basic, excluding extraordinary items)	(1.81)	(1.63)
Earnings Per Equity Share (Diluted, excluding extraordinary items)	(1.81)	(1.63)

C NOTES FORMING PART OF FINANCIAL STATEMENT

NOTE 1: SHARE CAPITAL

(i) Break up of share capital	March 31,2019	March 31,2018
Authorised Capital: 14,00,00,000 (PY14,00,00,000) Equity shares of Rs 10 each	1,400,000,000	1,400,000,000
Issued, Subscribed and Fully paid up Capital: 6,24,25,007 (P.Y 6,24,25,007) Equity shares of Rs.10 each fully paid up	624,250,070	624,250,070
Total	624,250,070	624,250,070

(ii) Reconciliation statement of shares

Particulars	March 31,2019	March 31,2018
No: of equity shares at the beginning of the year	62,425,007	62,425,007
Add: Fresh issue	-	-
Less: shares bought back	-	-
No: of equity shares at the end of the year	62,425,007	62,425,007

(iii) During the last five years, the Company has not issued any shares pursuant to any contract without payment being received in cash, as bonus shares. It has not brought back any shares

(iv) No shares has been reserved for issue under options and contracts /commitments for the sale of shares/ disinvestment

(v) Details of shareholders holding more than 5% shares
6,24,25,000 shares are held by the Government of Kerala (100%)

(vi) The Company has not issued any securities convertible into Equity or Preference Shares

(vii) No shares have been forfeited till date

(viii) Out of the total share capital issued and called up, no calls is outstanding as unpaid

NOTE 2 :RESERVES AND SURPLUS

Particulars	March 31,2019	March 31,2018
Surplus		
Opening Balance	(753,842,578)	(652,286,614)
Less: Adjustment for retained earnings		
(+) Net profit/(net loss) for the current year	(113,170,291)	(101,555,964)
Less: Transfer to General Reserve		
Closing Balance	(867,012,869)	(753,842,578)
Total	(867,012,869)	(753,842,578)



NOTE 3 :SHARE APPLICATION MONEY PENDING ALLOTMENT

(i) Particulars	March 31,2019	March 31,2018
Opening Balance	-	-
Add: Received during the year	-	-
Less: Shares allotted during the year	-	-
Closing balance	-	-

(ii) Terms and conditions
N A

(iii) No. of shares issued during the year - Nil

(iv) Premium on proposed issue - N A

(v) Period before which shares are to be issued - N A

(vi) Amount due for refund and interest accrued - Nil

(vii) The period for which the share application money has been pending beyond the period for allotment as mentioned in the share application form along with the reasons for such share application money being pending-N.A

NOTE 4 : LONG TERM BORROWINGS

Particulars	March 31,2019	March 31,2018
Other Loans and advances		
Unsecured		
From Government of Kerala	560,000,000	560,000,000
TOTAL	560,000,000	560,000,000

(i) TERMS OF REPAYMENT OF LOANS

Interest free Loan from Government -Rs.56 Crore,though Government has not Specified any repayment terms,considering the circumstances under which the loan is given and the conduct of the government,it has been classified as Long Term.

NOTE 5:OTHER LONG-TERM LIABILITIES

Particulars	March 31,2019	March 31,2018
<u>Payable On Fixed Assets-Retention Money</u>		
Consultancy fee	10,490,455	10,870,917
Work Bill	22,131,113	14,514,925
Advance From Customers		
Rent Deposit	153,220	152,467
Security deposit	16,885,128	16,332,183
	49,659,916	41,870,492

NOTE 6 :LONG TERM PROVISIONS

Particulars	March 31,2019	March 31,2018
Provision for Gratuity	4,119,433	3,416,422
Provision for EL Surrender	3,949,674	2,328,137
Total	8,069,107	5,744,559

(i) Details of Provisions Pursuant to Accounting Standard - 29 - Provisions, Contingent Liabilities and Contingent Assets.

	In Rupees							
	Opening Balance		Provision made during the year		Utilized during the year		Closing Balance	
	01.04.18	01.04.17	2018-19	2017-18	2018-19	2017-18	31.3.2019	31.03.2018
Gratuity	3416422	3801264	972276	-384842	0	0	4388698	3416422
Income Tax	12000000	12000000	0	0	0	0	12000000	12000000
Leave encashment	2347008	2520437	1723565	-173429	0	1070820	4070573	2347008

NOTE 7 : SHORT-TERM BORROWINGS

Particulars	March 31,2019	March 31,2018
From Government of Kerala (Unsecured)	1,000,000,000	1,000,000,000
Total	1,000,000,000	1,000,000,000

SHORT TERM BORROWINGS	REPAYMENT TERMS
(i) Short term loan from Government	Interest free Loan Entire amount was repayable on 01.04.2010


NOTE 8 :TRADE PAYABLES

Particulars	March 31,2019	March 31,2018
a.Due to Micro , small and medium enterprises	Nil	Nil
b.Others		
Liability for Work Bill Claims	146,685,736	144,671,986
Dues to Contractors	2,550,269	3,436,704
	149,236,005	148,108,690

(i) Based on the information available with the Company as at the year-end, there are no balances due to undertakings defined under Micro, Small and Medium Enterprises development Act 2006

Particulars	For the year ended 31 st March, 2019	For the year ended 31 st March, 2018
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year.	Nil	Nil
b) The amount of interest paid by the Company along with the amounts of the payment made to the supplier beyond the appointed day during the year.	Nil	Nil
c) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act.	Nil	Nil
d) The amount of interest accrued and remaining unpaid at the end of the year.	Nil	Nil
e) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise.	Nil	Nil

NOTE 9: OTHER CURRENT LIABILITIES

Particulars	March 31,2019	March 31,2018
(a) Current Maturity of Long term debts		
a.Kerala Road Fund Board	536,944,000	536,944,000
b.Interest accrued and due on unsecured loans from KRFB	412,583,673	363,396,144
SUB TOTAL	949,527,673	900,340,144
(b) Land Acquisition Fund received from Government	58,376,078	86,252,225
(c) Other Payables		
1.Statutory Remittances		
Taxes and Duties payable	12,493,569	12,893,010
Employees Contribution to P F.	85,665	90,931
Employers Contribution to P F.	49,284	50,658
2.Payable on Acquisition of Fixed Assets		
Consultancy Fee Payable	36,077,551	38,329,224
Retention money on work bill	15,466,531	16,925,159
Retention money on consultancy fee	522,207	1,921,840
3.Trade Deposit Received	2,973,461	2,682,361
4.Advance from Customers		
Fund for AP-SP Road Resurfacing	7,872,935	16,845,036
Palarivattom Flyover	(856,200)	(856,200)
Auction receipts	501,000	425,000
KIIFB Centage Charges Advance	98,148,728	99,762,158
KIIFB -Land Cost	116,303,580	-
KIIFB -Contingency Charges for LA	4,704,130	-
Advertisement income received in advance	264,000	396,000
User fee collection received in advance	-	544,119
Government-DPR Charges for 41 ROB's	11,480,000	-
Work Deposit-Funded Projects	-	9,403,594
5.Others		
Creditors for Expenses	771,280	880,600
Security Deposit	1,513,019	5,079,303
Other payables	2,829,498	2,589,794
Assistance from Government for projects	45,637,420	45,637,420
Total	1,364,741,410	1,240,192,377



(i) TERMS OF REPAYMENT OF LOANS	
Loan From	Terms of Repayment
a) Kerala Road Fund Board- Loan of Rs.3.75 Crore received on 09.08.2007 unpaid.	Repayment in four equal annual instalments starting from the second anniversary of the date of drawal along with interest @ 9.5% per annum on the principal payable on each anniversary and in case of default in payment of instalment and/or interest, interest at enhanced rate of 11.5% on such overdue payments
b) Kerala Road Fund Board - Loan of Rs.3.30 Crore received on 09.08.2007 unpaid.	Repayment in lumpsum within two years from the first anniversary of the date of drawal along with Interest @ 9.5% per annum on the principal payable on each anniversary and in case of default in payment of instalment and/or interest , interest at enhanced rate of 11.5% on such overdue payments
c) Kerala Road Fund Board - Loan of Rs.8.1444 Crore received on 01.01.2008 unpaid.	For the first one year after disbursement of loan no repayment of principal or interest.In second and third years interest calculated @ 6% will be paid in 24 monthly instalments.During the fourth and fifth year of repayment principal amount and balance of interest will be payable in 24 instalments.
d) Kerala Road Fund Board - Loan of Rs.38.5 Crore received on 09.09.2008 unpaid	For the first one year after disbursement of loan no repayment of principal or interest.In second and third years interest calculated @ 6% will be paid in 24 monthly instalments.During the fourth and fifth year of repayment principal amount and balance of interest will be payable in 24 instalments.

(ii) An amount of Rs.53.69 Crore towards Principal and Rs.41.26 Crore towards interest on KRFB Loan is outstanding as on 31.03.2019

(iii) Out of the unutilised amount of Rs.8.64 Crore, received from Government of Kerala during earlier years for the purpose of land acquisition, carried in the balance sheet as "land acquisition fund received from Government", an amount of Rs. 2.80 Cores was transferred during the year towards land cost for kumaranalloor ROB (stimulus package bridges) to the extent of shortfall in funds for land acquisition for the said project.

(iv) The Company is the project management agency for the implementation of Thirunettoor Road over bridge, Kundannur Flyover, Kanjangad ROB and Seaport-Airport road, the respective bills were invoiced in the name of the Company and GST input tax credit amounting to Rs. 3.10 Crore was reflected in the Companies GST credit ledger erroneously, since the Company is only a project management agency for implementation of the above said projects and eligibility criteria for availing input tax credit under GST law has not been met, the said amount has not been considered as an eligible input tax credit in the books of accounts. There is a mismatch between the GST input tax credit ledger and GST input credit recognised in the books to the above mentioned extent. The GST credit ledger needs to be corrected to the above extend in the subsequent annual GST filing.

(v) The Company has received Rs.1.15 Crore from Government for DPR prepartion for 41 ROB as first installment out of the sanctioned amount of Rs.2.87 Crore(Rs. 7.00 lakhs per project),furthur the Company has spent Rs. 49.11 lakhs for DPR preperation.However the expense and the corresponing income has not been recognized by the Company as the DPR preparation is in the initial stages.

(vi) There are no amounts due and outstanding, to be credited to Investor Education & Protection Fund as at 31st March 2019

(vii) The Company was appointed as special purpose vehicle for implementation of certain infrastructure projects in the state under Kerala Infrastructure Investment Fund Board. M/S KIIFB has sanctioned Rs.9.98 Crore as advance for meeting preconstruction activities with the condition that the amount will be adjusted against centage charges due on execution of the project. The unallocated portion of this amount and payments made for pre-construction activities are included in the Balance Sheet for future allocation to respective projects on starting of construction.

NOTE 10: SHORT-TERM PROVISIONS

Particulars	March 31,2019	March 31,2018
a. Provision for Gratuity	269,265	-
Provision for EL Surrender	120,899	18,871.00
b. Provisions others		
Income Tax	12,000,000	12,000,000
Total	12,390,164	12,018,871

(i) Income tax provison amounting to Rs. 1.20 Crore pertains to Income tax liability for the assessment year 2002-03 - Rs. 38 lakhs, 2003-04 - Rs.68 lakhs and 2004-05 - Rs.15 lakhs as confirmed by the ITAT and appeal pending before the Hon'ble High cout of Kerala.



ROADS AND BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED.

Note: 11 : Property, Plant and Equipment

Description	Gross block			Depreciation/ Amortisation			Net block	
	As at March 31, 2018	During the year		Up to March 31, 2018	For the year	Up to March 31, 2019	As at March 31, 2019	As at March 31, 2018
		Additions / Adjustments	Deletions/ adjustments					
1. Tangible assets								
Computer and accessories	3,170,869	168,937	37,900	2,890,919	172,844	3,026,564	275,341	279,949
Plant and machinery	2,800,443	168,733	41,267	1,697,574	222,475	1,883,787	1,044,122	1,102,869
Furniture and fittings	1,973,501	80,717	-	1,723,774	50,084	1,773,858	280,360	249,727
Shop rooms	1	-	-	-	-	-	1	1
Motor vehicles	3,859,199	1,063,631	-	2,741,130	358,179	3,099,309	1,823,523	1,118,070
Sub total	11,804,013	1,482,018	79,167	9,053,397	803,582	9,783,518	3,423,346	2,750,616
2. Intangible assets								
Road	81,700,159	-	-	72,373,654	5,446,677	77,820,331	3,879,828	9,326,505
River bridge	28,100,782	-	-	24,918,296	1,873,385	26,791,681	1,309,101	3,182,486
Road overbridges	2,267,163,072	-	14,280,905	996,498,590	154,622,312	1,151,120,902	1,101,761,265	1,270,664,482
Toll Booth	10,201,146	-	-	4,857,078	348,736	5,205,814	4,995,334	5,344,070
Sub total	2,387,165,159	-	14,280,905	1,098,647,618	162,291,110	1,260,938,728	1,111,945,528	1,288,517,543
TOTAL	2,398,969,172	1,482,018	14,360,072	1,107,701,015	163,094,692	1,270,722,246	1,115,368,874	1,291,268,160
Previous Year	2,353,837,407	46,674,555	1,542,790	947,377,277	161,323,012	1,107,701,015	1,291,268,160	1,406,460,130

(Figures in rupees)



NOTE 12: CAPITAL WORK IN PROGRESS

Particulars	March 31,2019	March 31,2018
Office Building project , Kakkanad	8,482,676	8,245,536
Less: Interest on Mobilisation Advance	14,106,418	11,273,818
BALANCE	(5,623,742)	(3,028,282)

(i) Construction of Office cum commercial complex was started during the year 2014 after executing agreement with the contractor, M/S RDS Projects Ltd, however, the Company could not continue the work due to public protest. Interest accrued on mobilization advance of Rs.2.36 Crore sanctioned to the contractor is being accounted on due basis as per the conditions of contract and has been adjusted against capital work-in progress , since the agreement is not yet closed and the amount is still outstanding. The Company holds bank guarantee for a total amount of Rs.4.72 Crore in relation to this project.

NOTE 13: Intangible Assets Under Development

Particulars	March 31,2019	March 31,2018
Advertisement Charges	212,653	406,453
Contract Work in Progress	118,375,885	101,721,287
Cost of Land	18,837,105	18,837,105
Boundary Stone Laying Expenses	-	722,480
General Administrative Overheads Pending Capitalisation	4,201,775	4,201,775
Project Management Fees	5,859,768	5,155,148
Utility Shifting Expenses	2,260,537	2,260,537
Land Survey Expenses	9,900	9,900
Valuation Fees	40,233	40,233
Total (A)	149,797,856	133,354,918
Less:		
Railway's share of Road Over Bridges Cost	25,067,386	25,067,384
Grant in aid from Government Of Kerala	3,815,968	3,815,968
Interest on Advance / Retention Money	228,535	228,536
Total (B)	29,111,889	29,111,888
BALANCE (A-B)	120,685,967	104,243,030

(i) In terms of significant accounting policy Note A (f), cost of construction of ROB's for which DTCA is executed has been treated as intangible assets. The present policy of Government is to construct all infrastructure projects under Government funding without collecting toll, no further DTCA is expected to be executed in future and hence all projects are treated as funded projects.

NOTE 14 : Deferred Tax Asset/Liability

Calculation of Deferred tax Assets/(liabilities)(in Rs)	As at 31 st March,2019	As at 31 st
	(Rs)	March,2018 (Rs.)
Deferred tax asset:		
Opening balance of net deferred tax assets	208,087,291.32	205,766,538.06
On account of timing difference on Gratuity	252,792.00	(118,916.00)
On account of Preliminary Expense	-	-
Expenses Disallowed on account of Non deduction of Tax	-	-
On account of Carry forward loss	-	-
On account of leave Surrender	448,127.00	(53,590.00)
Total Deferred Tax Assets	208,788,210.32	205,594,032.06
Deferred tax liability		
On account of expense disallowed earlier, now allowed	-	-
On account of timing difference on Method of Depreciation	(10,800,525.13)	(2,493,259.26)
On account of Preliminary Expense	-	-
On account of Timing difference on leave surrender	-	-
Total Deferred Tax Liability	(10,800,525.13)	(2,493,259.26)
Net Deferred Tax Assets/(Liability)	219,588,735.45	208,087,291.32

(i) Deferred Tax being asset not recognized since there is no virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax can be realised.



NOTE 15: Trade Receivables

Particulars	March 31,2019	March 31,2018
Debts outstanding for more than six months from the date they became due :		
(Secured, considered good)		
(a) Toll Collection Receivable from contractors	3,720,438	-
(Unsecured, considered good)		
(b) Toll Collection Receivable from contractors	11,362,585	18,300,205
(c) Share of cost on fixed asset receivable	20,052,399	18,409,660
(d) Agency Charges Receivable	13,199,891	13,199,891
(Unsecured, considered doubtful)		
(a) Toll Collection Receivable from contractors	6,044,310	6,044,310
Less: Provision for doubtful debts	(6,044,310)	(6,044,310)
Total	48,335,313	49,909,756
(Others:Secured, Considered good)		
(a) Toll Collection Receivable from contractors	15,022,489	7,298,517
(Others: Unsecured, Considered good)		
(a) Toll Collection Receivable from contractors	5,120,164	-
(b) Share of cost on fixed asset receivable	-	1,642,739
(c) Agency Charges Receivable		
Total	68,477,966	58,851,012

Debts due by:

1.Directors	- Nil
2.Officers	- Nil
3.Firms in which any director is a partner	- Nil
4.Private Companies in which any Director is a director or member	- Nil

Share of cost on Road Overbridges receivable from Railways

- (i) Construction of Road overbridges at 19 locations are covered by MOU between Government of Kerala and Railways, construction of all of which are completed and hence 100% share of cost of Railways has been recognised as receivable (Rs.444.75 lacs (PY-Rs.444.75 lakhs)), In respect of 20 ROB's which are not covered by MOU , 50% of the difference between estimated cost or actual cost whichever is lower of approach portion and estimated cost of Railway portion as per approved norms of Railways has been recognised as receivable (Rs.244.23 Lacs (PY-Rs.244.23Lacs)).
- (ii) The ROB at Angadipuram was initially sanctioned on cost sharing basis, but subsequently the Railways informed vide letter no.W193/1/CN/ERS/ROB-AMM dated.4/4/14 that instead of 50% cost sharing, the Railways will bear only the cost of construction of Railway portion of the ROB and the cost of construction of approaches has to be borne by the state Government as the ROB is in National Highway. Hence no railway share has been booked for this ROB.

NOTE 16: CASH AND BANK BALANCES

Particulars	March 31,2019	March 31,2018
Cash in hand	20,000	20,000
Balance with Scheduled Banks in:		
Current Accounts	18,173,827	18,801,269
Demand Deposits	1,034,731,448	873,179,362
Balance with Government Treasury in:		
PSTSB Account	11,480,000	-
Savings account	8,928,504	8,928,504
Total	1,073,333,779	900,929,135

- (i) The amount of Rs.1,14,80,000.00 received from Government as part payment of fund sanctioned for DPR preparation of 41 ROB's entrusted to the Company, is deposited in the Plan Scheme Treasury Savings Bank account as per terms of release of plan fund.


NOTE 17: SHORT-TERM LOANS AND ADVANCES

Particulars	March 31,2019	March 31,2018
Loans and advances to related parties	Nil	Nil
Others		
Secured, considered good		
Mobilisation Advance to Contractors	39,405,000	60,904,999
Advance to Contractors against material at site	-	914,641
Unsecured , considered good		
Palakkad District Panchayat	34,275	34,275
Seaport Airport Road Four Laning	(571,454)	(3,481,454)
Seaport Airport Road Second Phase	(2,588,119)	7,660,279
Seaport Airport Second Phase HMT to NAD	26,811,097	73,819,207
Stimulus package Bridges	42,451,529	94,333,059
Coastal Corridor	3,090,147	3,089,147
Consultancy Fee Advance	13,517,379	17,776,404
Employees Compensation Commission Deposit	809,111	809,111
Land Acquisition Advance-Funded Projects	45,960,000	-
Cochin University of Science and Technology	3,583,485	-
Kanjangad ROB	48,719,466	-
Thirunettur ROB	18,300,454	13,591,319
Eroor ROB	3,218,341	3,097,341
Other Loans, Advances and Deposits	4,282,969	4,001,337
Total	247,023,680	276,549,665

NOTE 18: OTHER CURRENT ASSETS

Particulars	March 31,2019	March 31,2018
(Unsecured considered good)		
TDS	34,297,606	30,134,979
Advance Income Tax	7,603,660	7,603,660
Interest on Mobilisation Advance Receivable	12,368,273	11,229,512
Interest Accrued on Demand Deposits	37,803,483	29,611,426
Feasibility Study Expenses	2,261,210	2,014,970
Advertisement Charges L A	364,902	364,902
Valuation fees-Funded Projects	385,303	385,303
Utility Shifting-Funded Projects	144,064	18,865
Hire Charges of material	3,630,649	3,630,649
KIIFB-DPR Charges	49,253,729	38,137,241
KIIFB-Land Acquisition Expenses	16,169	-
Other Receivables	13,569,292	9,967,825
Service tax under protest	1,158,182	1,158,182
Project Preconstruction Expenses	9,542,780	10,194,464
Land Cost- Funded projects	44,853,083	41,374,705
Advertisement Charges-KIIFB Projects	332,896	-
Boundary stone laying expenses -KIIFB	809,419	30,500
Survey Charges-Funded projects	72,579	72,579
Compensation for Ponnurunni ROB receivable	63,600,000	63,600,000
Total	282,067,279	249,529,762

TDS of Rs. 3,42,97,606/- represents the cumulative figure of tax deducted and deposited by various parties during the previous years. Advance Tax of Rs.76,03,660 represents tax paid by the Company during previous years. The income tax department adjusted this amount against pending demands, which has been disputed by the Company and pending in various appellate forums, without providing details of individual adjustments. Since the pending demands are under dispute, no adjustments are made in the accounts.

Feasibility study expenses include Rs.10,47,850/- spent for initial project study and DPR preparation for an office complex at Attipra, Thiruvananthapuram for the Government. Later on as per decision in the 52nd meeting of the Board of Directors, the Company has withdrawn from the project and claimed reimbursement of the amount expended, from Government. Pending decision from Government, no provision has been made in the accounts.

As per MOU dated 2/3/2016 with cochin Corporation, RBDCK stoped userfee collection from ROB at Ponnurunni and in turn the corporation agreed to pay an amount of Rs 12.74 Crore in four equal yearly installments along with 9.5% interest. Based on the request of the corporation, the Government vide letter No.PWD-D2/144/2017-PWD dated 2/12/2019, waived the payment of interest by the corporation and hence no interest has been accounted.



NOTE 19: REVENUE FROM OPERATIONS

INCOME FROM SERVICES	March 31,2019	March 31,2018
Project Management Fees	13,846,946	8,590,443
Grant for Project Execution	6,044,490	-
Advertisement Income	132,000	132,000
User Fee	61,321,027	69,871,172
Total	81,344,463	78,593,615

The Company has completed Thirty Seven Road Over bridges (ROB), one road and one River bridge as on 31/3/2019 under DTCA with Government of Kerala and KRFB. Of the above , the Company could collect user fee from Fifteen ROB's, and one river bridge only. Toll could not be collected from others despite executing Direct Toll concession agreement for all the projects, due to public resistance.

The Company has constructed ROB at Thirunetoor using MLA's asset development fund, for which no agency charges has been accounted, as centage chages are not payable on works using the MLA fund. During the year the Company received grant of Rs. 32,34,490/- out of MLA's asset development fund for the construction of ROB at Thirunetoor. A grant of Rs. 28,10,000/- received earlier for Seseaport-Airport road and carried in the balance sheet was also credited to profit and loss account on completion of the project as per terms of the Grant.

NOTE 20: OTHER INCOME

Particulars	March 31,2019	March 31,2018
Interest Received		
On bank deposits	61,918,976	50,734,642
Others	5,069,932	9,807,030
Miscellaneous Income	760,924	917,489
Profit on sale of Asset	3,643	51,829
Right of Way Fees	7,882,696	3,223,510
Total	75,636,171	64,734,499

NOTE 21 : EMPLOYEE BENEFIT EXPENSES

Particulars	March 31,2019	March 31,2018
Salary and Allowances	27,547,488	24,942,448
Provident Fund and Pension Contribution	1,179,410	1,826,212
Staff welfare Expenses	111,962	79,432
Total	28,838,860	26,848,092

Details of Employee Benefits : Disclosures required under Accounting Standard 15 - Employee Benefits (Revised 2005)

Defined Contribution Plans : During the year , the following amounts have been recognised in the statement of Profit and loss on account of defined contribution plan

Particulars	As at 31.03.2019	As at 31.03.2018
Employers Contribution to PF	654,470	607,508
Pension Contribution	524,940	1,218,704

a) **Defined benefit plans- Leave Plan in respect of the Employees of the Company**

The Leave plan of the Company is a defined benefit scheme for its employees which is payable while in service or on exit of the employee as per the Company's Rules .The value of the permissible accumulation leave balance is payable in any case on attaining superannuation.

Summary of Results

Particulars	As at 31.03.2019	As at 31.03.2018
Present Value of Obligations as at the end of the period	4,070,573	2,347,008
Fair Value of Plan Assets as at the end of the period	-	-
Opening Net Liability	2,347,008	2,520,437
Expenses as per Annexure	2,757,394	897,391
Contribution / Benefits paid	(1,033,829)	-1,070,820
Closing Net Liability	4,070,573	2,347,008

The calculations have been made as on 31.03.2019 based on the data supplied on the membership details of the plan and particulars of Plan assets. The liability side has been valued as per actuarial basis stated above and plan is operated unfunded and so there are no assets to value.



Membership Summary

Particulars	As at 31.03.2019	As at 31.03.2018
Number of Employees	36	25
Average monthly salary	49,468	47,440
Average Age	47.67	46.88
Superannuation Age	58	58
Average service left (Years)	10.33	11.12

Key Assumptions

Particulars	As at 31.03.2019	As at 31.03.2018
Mortality Table	Indian Assured Lives Mortality (2006-08) - Ultimate table	Indian Lives Mortality (1994-96) -Ultimate table
Attrition Rate	5% at younger ages and reducing to 1% at older ages according to graduated scale	Modified q(x) value under above Mortality table
Discount Rate	7.70% p.a	7.50% p.a
Inter Valuation Leave Accrual	Annual Leave -30 days p.a	Annual Leave -30 days p.a
Rate of increase in compensation level	5.00% p.a	5.00% p.a
Rate of Return on Plan Assets	Not applicable	Not applicable
Expected Average Remaining Working Lives of Employees (years)	10.33	11.12

Project Unit Credit Actuarial method was applied to assess the Plan liabilities owing to all forms of admissible exit and accumulation of the benefits . The Plan is a Defined Benefit Scheme and is operated in terms of the Plan Rules of the Company. This plan is neither funded nor insured and so there are no Plan Assets to value.

Reconciliation of opening and closing balances of the present value of the defined benefit obligations :

Particulars	As at 31.03.2019	As at 31.03.2018
Present Value of Obligations at the beginning of the period	2,347,008	2,520,437
Interest Cost	180,720	208,822
Past Service Cost (non-vested)	-	-
Past Service Cost (vested)	-	-
Current Service Cost	997,851	474,399
Benefits Paid	(1,033,829)	(1,070,820)
Actuarial (gain) / loss	1,578,823	214,170
Present Value of Obligations at the end of the period	4,070,573	2,347,008

Net Asset / Liability to be recognised in the Balance Sheet

Particulars	As at 31.03.2019	As at 31.03.2018
Present Value of Obligations at the end of the period	4,070,573	2,347,008
Fair Value of Plan Assets at the end of the period	-	-
Funded Status	(4,070,573)	(2,347,008)
Unrecognised Actuarial (gains)/ losses	-	-
Net Asset / (Liability) Recognised in Balance Sheet	4,070,573	2,347,008

Expenses Recognised in the Statement of Profit and Loss

Particulars	As at 31.03.2019	As at 31.03.2018
Current Service Cost	997,851	474,399
Past Service Cost	-	-
Interest Cost	180,720	208,822
Expected Return on Plan Assets	-	-
Curtailment Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Net Actuarial (gain) / loss recognised in the period	1,578,823	214,170
Expenses Recognised in the Statement of Profit and Loss	2,757,394	897,391



Movement in liability recognised in Balance Sheet

Particulars	As at 31.03.2019	As at 31.03.2018
Opening Net Liability	2,347,008	2,520,437
Expense as above	2,757,394	897,391
Contribution / Benefits Paid	(1,033,829)	(1,070,820)
Closing Net Liability	4,070,573	2,347,008

The above disclosures are based on information furnished by the independent Actuary.

Defined benefit plans- Gratuity Plan in respect of the Employees of the Company

The Gratuity plan of the Company is a defined benefit scheme for its employees which is payable on exit of the employee after completion of atleast 5 years of service .However any exit due to death or total disability to do any gainful employment this service minimum is ignored The benefit is payable in any case on attaining superannuation.

Summary of Results

Particulars	As at 31.03.2019	As at 31.03.2018
Present Value of Obligations as at the end of the period	4,388,698	3,416,422
Fair Value of Plan Assets as at the end of the period	-	-
Opening Net Liability	3,416,422	3,801,264
Expenses as per Annexure	1,016,247	(25,742)
Contribution paid	(43,971)	(359,100)
Closing Net Liability	4,388,698	3,416,422

The calculations have been made as on 31.03.2019 based on the data supplied on the membership details of the plan and particulars of Plan assets. The liability side has been valued as per actuarial basis stated above and plan has no assets as it is neither funded nor insured.

Membership Summary

Particulars	As at 31.03.2019	As at 31.03.2018
Number of Employees	14	25
Average salary in Rupees	47,507	24,489
Average Past Service	12.770	8.195
Average Age	51.36	46.88
Superannuation Age	58	58

Key Assumptions

Particulars	As at 31.03.2019	As at 31.03.2018
Mortality Table	Indian Assured Lives Mortality (2006-08) - Ultimate	Indian Assured Lives Mortality (1994-96) - Ultimate
Attrition Rate	5% at younger ages and reducing to 1% at older ages according to graduated scale	Modified q(x) values under above Mortality Table
Discount Rate	7.70% p.a	7.50% p.a
Rate of increase in compensation level	5.00% p.a	5.00% p.a
Rate of return on Plan Assets	Not Applicable	Not Applicable
Expected Average Remaining Working Lives of Employees (years)	6.64	11.12

Project Unit Credit actuarial method was applied to assess the Plan liabilities owing to all forms of admissible exit . The benefit part was taken as defined in terms of the Payment of Gratuity Act or the Company Gratuity Rules whichever more favourable to the beneficiaries.Gratuity ceiling has been taken at Rs.20 lakhs.

Reconciliation of opening and closing balances of the present value of the defined benefit obligations:

Particulars	As at 31.03.2019	As at 31.03.2018
Present Value of Obligations at the beginning of the period	3,416,422	3,801,264
Interest Cost	263,064	295,538
Past Service Cost (non-vested)	-	-
Past Service Cost (vested)	-	-
Current Service Cost	331,698	278,494
Benefits Paid	(43,971)	(359,100)
Actuarial (gain) / loss	421,485	(599,774)
Present Value of Obligations at the end of the period	4,388,698.00	3,416,422.00



Net Asset / Liability to be recognised in the Balance Sheet

Particulars	As at 31.03.2019	As at 31.03.2018
Present Value of Obligations at the end of the period	4,388,698	3,416,422
Fair Value of Plan Assets at the end of the period	-	-
Funded Status	(4,388,698)	(3,416,422)
Unrecognised Actuarial (gains)/ losses	-	-
Net Asset / (Liability) Recognised in Balance Sheet	4,388,698	3,416,422

Expenses Recognised in the Statement of Profit and Loss

Particulars	As at 31.03.2019	As at 31.03.2018
Current Service Cost	331,698	278,494
Past Service Cost	-	-
Interest Cost	263,064	295,538
Expected Return on Plan Assets	-	-
Curtailment Cost / (Credit)	-	-
Settlement Cost / (Credit)	-	-
Net Actuarial (gain) / loss recognised in the period	421,485	(599,774)
Expenses Recognised in the Statement of Profit and Loss	1,016,247	(25,742)

Particulars	As at 31.03.2019	As at 31.03.2018
Opening Net Liability	3,416,422	3,801,264
Expense as above	1,016,247	(25,742)
Contribution / Benefits Paid	(43,971)	(359,100)
Closing Net Liability	4,388,698	3,416,422

The above disclosures are based on information furnished by the independent Actuary.

NOTE 22 : FINANCE COST

Particulars	March 31, 2019	March 31, 2018
Interest Expense		
Interest on KRF Loan	49,187,529	47,000,889
Total	49,187,529	47,000,889

NOTE 23 : DEPRECIATION AND AMORTISATION EXPENSE

Particulars	March 31, 2019	March 31, 2018
Amortisation on Intangible Assets	162,291,110	160,470,116
Depreciation	803,582	852,896
Total	163,094,692	161,323,012



NOTE 24 :OTHER EXPENSES

Particulars	March 31,2019	March 31,2018
Payment to Auditor		
Statutory Auditor		
Audit Fees	175,000	173,125
Tax Audit Fee	25,000	8,250
Auditors out of pocket expenses	73,869	41,980
Fee for other services - Certification	-	15,000
Internal Audit Fees	150,000	123,000
Secretarial Audit fees	50,000	50,000
Advertisement Charges	1,620,402	2,214,521
Consultancy Fee (Expenses)	4,622,158	2,614,445
Electricity Charges	305,652	260,014
Interest on TDS	131,779	44,944
Legal and Professional Charges	300,645	392,000
Other Expenses	1,232,605	1,285,506
Postage and Telephone	189,349	280,181
Printing and Stationery	201,226	142,359
Rates and Taxes	12,202	129,169
Rent	1,678,104	2,197,386
Lease Rent	200,000	200,000
Repairs and Maintenance (ROB)	1,355,095	4,156,766
Repairs and Maintenance (others)	104,833	407,536
Training and seminar	37,600	69,541
Travelling and Conveyance	742,952	577,377
User fee Collection Expenses	129,162	393,700
Vehicle Expenses	742,475	763,532
Inaugration Expense	152,040	112,210
Foundation stone laying expenses	77,656	179,582
Loss on sale of Asset	-	179,573
Total	14,309,802	17,011,696

NOTE NO 25: Prior Period Items

Particulars	March 31,2019	March 31,2018
Interest on arbitration settlement	14,280,905	-
Agency Charges	384,607	-
Miscellaneous Income	54,530	-
Total	14,720,042	-

NOTE NO 26: Contingent Liabilities Not Provided For

- (i) In the case of land acquisition made on behalf of the Government for the construction of road over bridges, landowners have filed petitions in courts for enhanced compensation and amount of such claims cannot be quantified, as the Revenue authorities have not intimated the details. Further all LAR claims from the year 2012 onwards are being met directly by government on the basis of GO No.24404 H2/2012/PWD dated 26.11.2012. Hence Company is not expecting any liability in this regard in future
- (ii) Unexecuted portion of contracts pending as on 31/3/2019 amounts to Rs. 9318.09 lakhs (Previous year Rs. 3858.14 Lakhs)
- (iii) Interest claimed by bond holders on delayed payment of annual interest and redemption amount under dispute amounts to Rs.276.98 lakhs.
- (iv) Interest on loan from KRFB as per books of the Company has not yet reconciled with the books of KRFB.

Signature to NOTES A,B & C(1-26)

Subject to our report of even date attached

For PAULSON & COMPANY
Chartered Accountants
Firm registration No. 002620S

For and on behalf of Board of Directors

Sd/-
CA. K.P. Paulson
Partner
Membership No. 21855

Sd/-
G Sudhakaran
Chairman
DIN :07589740

Sd/-
Rahul R, IRS
Managing Director
DIN: 06994483

Kochi
23.06.2020

Sd/-
Sibi J Pulloppillil
Chief Financial officer



ROADS AND BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED
PREETHI BUILDING, M.V.ROAD, PALARIVATTOM, COCHIN – 682 025

CASH FLOW STATEMENT FOR THE YEAR 2018-19

	March 31,2019	March 31,2018
	(Figures in rupees)	
A. CASH FLOW FROM OPERATING ACTIVITIES		
Restoration and Other Income	64,664,273	67,786,069
Deposits	81,885,331	64,259,939
Payments to Employees	(24,943,302)	(25,770,804)
Administration Expenses	(8,371,163)	(8,646,205)
Payment of Taxes and Duties	(20,535,631)	(20,402,973)
Net cash flow from Operating Activities	92,699,508	77,226,025
B. CASH FLOWS FROM INVESTING ACTIVITIES		
Receipts towards project cost	-	23,206,682
Grant in aid received	-	-
Investments	-	-
Project expense including land acquisition	141,911,039	54,369,060
Payments to contractors/creditors	(112,981,072)	(197,831,190)
Payments to employees	-	-
Administration expenses	-	-
Interest Received	52,247,837	37,278,583
Capital WIP	-	-
Income from Investments	-	-
Purchase of fixed assets	(1,472,669)	(635,832)
Net cash flow from investing activities	79,705,135	(83,612,697)
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Capital contribution from Government	-	-
Fixed Deposit	-	-
Term loan received	-	-
Term loan repaid	-	-
Interest and charges on borrowings	-	-
Net cash flow from financing activities	-	-
Net increase/decrease in cash and cash equivalents (A+B+C)	172,404,644	(6,386,672)
Cash and cash equivalents at the beginning of the year	900,929,135	907,315,807
Cash and cash equivalents at the end of the year	1,073,333,779	900,929,135

Note: 1. Cash and Cash equivalents consists of balance with banks/ treasury and demand deposits with bank.
2. Figures in brackets represent outflows.

As per our report of even date attached

For PAULSON & COMPANY
Chartered Accountants
Firm registration No. 002620S

For and on behalf of Board of Directors

Sd/-
CA. K.P. Paulson
Partner
Membership No. 21855

Sd/-
G Sudhakaran
Chairman
DIN :07589740

Sd/-
Rahul R, IRS
Managing Director
DIN: 06994483

Sd/-
Sibi J Pulloppillil
Chief Financial Officer

Kochi
23.06.2020



**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA
UNDER SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL
STATEMENTS OF ROADS AND BRIDGES DEVELOPMENT CORPORATION OF
KERALA LIMITED, ERNAKULAM FOR THE YEAR ENDED 31 MARCH 2019**

The preparation of financial statements of **Roads and Bridges Development Corporation of Kerala Limited, Ernakulam** for the year ended **31 March 2019** in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the Company. The statutory auditors appointed by the Comptroller and Auditor General of India under Section 139(5) of the Act are responsible for expressing opinion on the financial statements under Section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under Section 143(10) of the Act. This is stated to have been done by them vide their Audit Report dated **23 June 2020**.

I, on behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of **Roads and Bridges Development Corporation of Kerala Limited, Ernakulam** for the year ended **31 March 2019** under Section 143(6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the Statutory Auditors and Company personnel and a selective examination of some of the accounting records.

Based on my supplementary audit, I would like to highlight the following significant matters under Section 143(6) (b) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report.



A. COMMENTS ON PROFITABILITY

Statement of profit and loss for the year ended 31 March 2019

4. Expenses

(a) Employee benefit expenses- ₹2.88 crore

1. This does not include contribution of pension payable in respect of deputation staff for an amount of ₹ 12.85 lakh. This resulted in understatement of Employee benefit expenses by ₹ 12.85 lakh leading to understatement of Loss with corresponding understatement in Current Liabilities by the same amount.

(c) Depreciation and amortization exp. ₹ 16.31 crore

2. This does not include remaining book value of ₹ 3.95 crore in respect of nine RoBs (As on 31 March 2019) constructed by the Company during the period 2003-06. The construction cost was recognized by the Company as intangible assets on the basis of the right to collect user fee for 15 years. The Company could not start toll collection till date (September 2020) from the nine RoBs due to public protest. The Government subsequently entrusted (April 2012) the maintenance of the nine RoBs to State PWD Divisions based on the request of the Company due to no income generated to meet the maintenance expenditure of the nine RoBs. This showed an indicator as required by AS- 28 for impairment of Assets. Further, as per AS 26 an intangible asset should be derecognized when no future economic benefits are expected from its use. Since there is no estimated future cash flow in the form of toll collection from the intangible assets as on 31 March 2019, these intangible assets should have been derecognized as per the provisions of AS 26 and AS 28. The non-compliance of the provisions of the Accounting Standards resulted in understatement of loss by ₹ 3.95 crore with corresponding overstatement of intangible assets.

B. COMMENTS ON FINANCIAL POSITION

Balance Sheet as on 31 March 2019

B. Assets

I. Noncurrent Assets-

- iii. Capital work in progress ₹(56,23,742)



3. This includes interest on mobilization advance for an amount of ₹ 1.17 crore recoverable from the Contractor for the construction of Office cum Commercial Complex during the year 2014. The Company suspended the work due to objection from various parties. Eventhough the Company claimed and debited the interest on mobilization advance to contractor's account as receivable, the contractor neither admitted nor paid the same for the suspended period of the work. As such, provision should have been made for the interest on mobilization advance for an amount of ₹ 1.17 crore. This has resulted in understatement in Capital Work in Progress with corresponding overstatement in Current Assets by ₹ 1.17 crore.

C. COMMENTS ON DISCLOSURE

4. The bank deposits with more than twelve months maturity period included in the cash and cash equivalent have not disclosed separately.

For and on behalf of
The Comptroller & Auditor General of India



K.P. ANAND

PRINCIPAL ACCOUNTANT GENERAL (AUDIT II), KERALA

Thiruvananthapuram

Dated: 16 .01.2021