

21ST ANNUAL REPORT

ACCOUNTS & AUDIT REPORT

2019-2020



Roads and Bridges Development Corporation of Kerala Ltd.

(A Government of Kerala Undertaking)



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ROADS AND BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED

BOARD OF DIRECTORS

| | |
|--------------------------|-------------------|
| Shri. P.A. Mohamed Riyas | Chairman |
| Shri. Suhas S. 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 JRS & Co.,
Chartered Accountants,
II Floor, The Monarch,
P.T. Usha Road, Kochi, Kerala-682011.

CORPORATE OFFICE

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



NOTICE

Notice is hereby given that the 21st (Adjourned) Annual General Meeting of Roads and Bridges Development Corporation of Kerala Limited (CIN: U45203KL1999SGC013314) will be held on Wednesday, the 22nd day of December, 2021 at 3 P.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, 2020 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: 17/11/2021

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 Twenty First Annual Report together with the Audited Statement of Accounts of your Company for the Year ended 31st March 2020. The Twenty First Annual General meeting was adjourned for adoption of audited annual accounts. Statutory Audit and Supplementary Audit for the FY 2019-20 is completed now. Audited annual accounts for the year ended 31.03.2020 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, 2020 is as follows:

| Particulars | For the year ended 31.03.2020 | For the year ended 31.03.2019 |
|--|----------------------------------|----------------------------------|
| | (Rs. in lakhs) | (Rs. in lakhs) |
| Total Income | 1613.15 | 1569.80 |
| Less: Administrative & Other expenses | 993.92 | 923.36 |
| Operating Profit (PBDIT) | 619.23 | 646.44 |
| Depreciation/Amortisation | 1569.81 | 1630.94 |
| Net Profit/ (Loss) | (950.59) | (984.50) |
| Add: Extraordinary items (net) | (14.74) | (147.20) |
| Profit/(Loss) before Tax | (965.33) | (1131.70) |
| Provision for Income Tax | - | - |
| Profit/(Loss) After Tax | (965.33) | (1131.70) |
| Profit/(Loss) after transfer to reserves | (965.33) | (1131.70) |
| Brought forward profit/(Loss) | (8670.12) | (7538.42) |
| Surplus/(deficit) carried forward to Balance Sheet | (9635.46) | (8670.12) |



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, 2020.

During the Financial Year 2019-20, the Company has reported a net loss of Rs. 9,65,33,653/- due to huge amortization expenses.

PERFORMANCE HIGHLIGHTS

- The company was appointed as a Special Purpose Vehicle (SPV) for implementation of 103 infrastructural projects funded by KIIFB and Government.
- Construction of 13 projects under KIIFB and Government 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:

| SI. No. | Name of Director | Designation |
|---------|---------------------------|---|
| 1 | Shri. P. A. Mohamed Riyas | Chairman (Hon'ble Minister for Public Works, Govt. of Kerala) |
| 2 | Shri. Anand Singh IAS | Independent Director |
| 3 | Shri. Suhas S. IAS | Managing Director |
| 4 | Shri. Pradeep Kumar R | Director |
| 5 | Shri. Ajith Ramachandran | Independent Director |

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



Vide G.O.(Rt)No.591/2021/PWD dated 30/06/2021, Shri. G. Sudhakaran, Former Minister for Public Works, Govt. of Kerala, ceased to be a Director of the Company and Shri. Anand Singh IAS and Shri. Ajith Ramachandran were re-designated as Independent Directors of the Company.

MEETINGS OF BOARD OF DIRECTORS

Four Board Meetings were held during the Financial Year ended March 31, 2020 (*i.e. on 07/06/2019, 17/07/2018, 09/12/2019 & 25/02/2020*).

COMMITTEE MEETINGS

No Audit Committee meeting held during the financial year 2019-20. The Audit Committee Meeting of the Company for considering the audited annual accounts for the year ended 31.03.2020 was held on 24/04/2021. 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 2019-20.

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/-.

EXTRACT OF ANNUAL RETURN AND OTHER PARTICULARS

Extract of the Annual Return of the company in Form MGT 9 is attached as “**Annexure-A**” and forms a part of this Report as per the requirements of Companies Act 2013.



AUDITORS

M/s. JRS & Co. are the Statutory Auditors of the company for the FY 2019-20. M/s. N. Rajan & Associates, Company Secretaries, conducted Secretarial Audit for the FY 2019-20. Report of Secretarial Auditor for FY 2019-20 is attached along with this report as "**Annexure-B**".

AUDITORS QUALIFICATION ON ANNUAL ACCOUNTS OF THE COMPANY

Qualification by Statutory Auditor:- Nil

Qualification by Secretarial Auditor :- Nil

Comments of C&AG :- Reply to the comments of Comptroller and Auditor General of India on Annual Accounts for the year 2019-2020 is attached as "**Annexure C**".

REMARKS BY AUDITORS U/S 143(12)

No fraud u/s 143(12) was reported during the FY 2019-20 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, 2020.

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 are 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 2019-20.

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 2020.*
- (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.*

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/-

**P. A. Mohamed Riyas
Chairman
(DIN: 09346209)**

**Thiruvananthapuram
17/11/2021**

**FORM NO. MGT-9****EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31/03/2020**

[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 |



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-2019] | | | | No. of Shares held at the end of the year [As on 31-March-2020] | | | | % 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 | Nil |
| b) Central Govt | | | | | | | | | |
| c) State Govt(s) | | 62425000 | 62425000 | 99.999998879 | | 62425000 | 62425000 | 99.99999 | Nil |
| 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) | | | | | | | | | |



| | | | | | | | | | |
|---|-----|----------|----------|-----|--|----------|----------|-----|--|
| | | 62425007 | 62425007 | 100 | | 62425007 | 62425007 | 100 | |
| Total shareholding of promoter (A) = (A)(1)+(A)(2) | | | | | | | | | |
| 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):- | | | | | | | | | |
| | Nil | | | | | | | | |
| 2. Non-Institutions | | | | | | | | | |
| 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 | KAMALAVARDHANA RAO | 1 | 0.0000016 | NIL | 0 | 0 | NIL | 0.0000016 |
| 3 | ZULFIKAR RAHMAN A | 1 | 0.0000016 | NIL | 0 | 0 | NIL | 0.0000016 |
| 4 | SREELAL T. V. | 1 | 0.0000016 | NIL | 0 | 0 | NIL | 0.0000016 |
| 5 | SELVAN T. | 1 | 0.0000016 | NIL | 0 | 0 | NIL | 0.0000016 |



| | | | | | | | | |
|----|----------------------|----------|-----------|-----|----------|-----------|-----|-----------|
| 6 | MINI K. | 1 | 0.0000016 | NIL | 1 | 0.0000016 | NIL | NIL |
| 7 | SONIA WASHINGTON | 1 | 0.0000016 | NIL | 1 | 0.0000016 | NIL | NIL |
| 8 | SUPRABHA S | 1 | 0.0000016 | NIL | 1 | 0.0000016 | NIL | NIL |
| 9 | RAJESH KUMAR SINGH | 0 | 0 | 0 | 1 | 0.0000016 | NIL | 0.0000016 |
| 10 | O. N. ZAKEER HUSSAIN | 0 | 0 | 0 | 1 | 0.0000016 | NIL | 0.0000016 |
| 11 | RAJILA BEEVI S. | 0 | 0 | 0 | 1 | 0.0000016 | NIL | 0.0000016 |
| 12 | SREEKALA C. S. | 0 | 0 | 0 | 1 | 0.0000016 | NIL | 0.0000016 |
| | 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 | 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 | | 0 |
| | At the end of the year | 1 | 0.0000016 | 1 | 0.0000016 |



V. INDEBTEDNESS -

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

| Indebtedness at the beginning of the financial year | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| 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 |
| 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 | 464209302 | Nil | 464209302 |
| iii) Interest accrued but not due | Nil | Nil | Nil | Nil |
| Total (i+ii+iii) | Nil | 2561153302 | Nil | 2561153302 |

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 (₹) |
|--------|---|-------------------------|---|---|---|------------------|
| | | Rahul R. IRS | | | | |
| 1 | Gross salary | | | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 8,37,801 | - | - | - | 8,37,801 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - | - | - |
| | (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) | 8,37,801 | - | - | - | 8,37,801 |
| | 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 | 4,68,879 | 18,22,382 | 22,91,261 |
| | (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 | - | 4,68,879 | 18,22,382 | 22,91,261 |

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/-

**P. A. Mohamed Riyas
Chairman
(DIN: 09346209)**

**Thiruvananthapuram
17/11/2021**



CS

**N RAJAN &
ASSOCIATES**

PRACTICING COMPANY SECRETARIES

SRAV House No.30
JANATHA ROAD,
VENNALA P.O
KOCHI - 682028

Email : rajangaudit3214@gmail.com
Phone : 0484 – 2805581, +918547775349

Annexure B

SECRETARIAL AUDIT REPORT OF ROADS AND BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED, KOCHI, FOR THE YEAR ENDED 31ST MARCH 2020 (PERSUANT TO SECTION 204(1) OF THE COMPANIES ACT 2013 AND RULE 9 OF COMPANIES (APPOINTMENT AND REMUNARATION OF PERSONNEL RULES 2014)

To,

The Members,
Roads and Bridges Development Corporation of Kerala Ltd.
Palarivattom, Kochi-682025

We have conducted Secretarial Audit of the compliance of applicable statutory provisions and adherence to good corporate governance by Roads and Bridges Corporation of Kerala Limited (CIN45203KL1999SGC013314) hereinafter called (the company) Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliance and expressing our opinion thereon and also the information provided by the company, its officers and authorized representative during the conduct of secretarial audit, we hereby report that during the period covering the financial year ended 31st March 2020 complied with the statutory provisions listed here under and also that the company has proper board process and compliance mechanism in place to the extent in the manner and subject to the reporting made here under.

We have examined the books and papers, minute book, forms and returns and records maintained by Roads and Bridges Development Corporation of Kerala Ltd. for the financial ended 31st March 2020 according to the provisions of the following Acts.



CS

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ASSOCIATES**

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1. The companies Act 2013 as amended from time to time and rules made thereunder
2. The secretarial standards issued by the Institute of company secretaries of India to the extent applicable

As informed to us the following laws are applicable to the company:-

1. The Companies Act 2013
2. National Highways Act 1956
3. Motor Vehicles Act 1988
4. Arbitration and Conciliation act 1996
5. Environmental Protection Act 1986
6. Contract labour (Regulation and Abolition Act)1970
7. Minimum Wages Act 1948
8. Employee State Insurance Act 1948
9. Employees Provident Fund Act 1958
10. Other Acts where ever applicable

We report that during the year under review the company has complied with the provisions of the Act rules regulations and guidelines mentioned above. The status of the company during the year has been that of unlisted public company (fully owned state Govt. Company). The company has not been a holding or subsidiary company of another.



CS

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We further report that the compliance by the company of applicable financial laws like direct and indirect tax laws has not been reviewed in this audit since the same has been subject to review by statutory financial audit and other designated professionals.

We further report that during the reporting period (2019-20) the Board of directors of the company was not having the required strength of independent directors since request to Govt. of Kerala to post independent directors to the Board of the company, has complied with by Govt. of Kerala only in June 2021.

The changes in the composition of the Board of directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the board meetings, agenda and detailed proposal on agenda were sent in advance duly complying with the time limits and a system exists for seeking and obtaining further information and clarification on agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the meeting and duly recorded and signed by the chairman the decision of the board were unanimous and no descending views have been recorded.

During the year the company has not advanced any loans, given guarantees and provided securities to directors and or persons or firms or companies in which directors are interested The Company has not declared dividend during the year under review.

We further report that there are adequate systems processes in the company commensurate with size and nature of the company to monitor and ensure compliance with applicable laws rules and regulations and guidelines.



CS

**N RAJAN &
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While constituting Audit committee qualifications of members as specified in section 177 of the companies Act 2013 have to be ensured.

The company is regular in filing e forms as required by the Act. This report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

Kochi

Date 17/09/2021

UDIN A020291C000961198

Sd/-

N Rajan

Practicing Company Secretary M No. A 20291

COP No. 19800



CS

**N RAJAN &
ASSOCIATES**

PRACTICING COMPANY SECRETARIES

SRAV House No.30
JANATHA ROAD,
VENNALA P.O
KOCHI - 682028

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Annexure-A

To
Members,
Roads and Bridges Development Corporation of Kerala Ltd.
Palarivattom, Kochi 682025.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected to in secretarial records. We believe that the process and practices we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and books of accounts of the company.
5. Wherever required we have obtained the management representation about the compliance of laws rules and regulations happening of events etc.
6. The compliance of the provisions of corporate and other applicable laws rules regulations standards is the responsibility of the management. Our responsibility was limited to the verification of procedure on test basis.
7. The secretarial audit report is neither an assurance as to the future viability of the company nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

Place : Kochi
Date : 17/09/2021

Sd/-
N Rajan & Associates
Company secretaries
N.Rajan COP No.19800

UDIN A020291C000961198



Annexure C

Reply to the comments of Comptroller and Auditor General of India on Annual Accounts for the year 2019-2020

| Sl.No. | Comments by C&AG | Reply by the Directors |
|---------------|---|---|
| 1 | <p><u>Statement of Profit and Loss for the year ended 31 March, 2020</u></p> <p>A. Income from Continuing Operations 2. Other Income (Note 20) Interest received on Bank deposits- Rs.728.37 lakh</p> <p>1. This includes Rs.11.12 lakh being interest accrued on fixed deposit of Rs. 412.8 lakh, which was the amount collected by invoking the bank guarantee furnished by the contractor of Palarivattom Flyover project, for failure of the contractor to rectify the defects. Since the project was funded by Kerala Road Fund Board and the Company was only an executing agency, the interest accrued on the fixed deposit should not have been treated as income of the company. This resulted in overstatement of 'Interest received on bank deposits' and understatement of 'Other current liabilities' by Rs. 11.12 lakh.</p> | <p>The Company constructed a flyover at Palarivattom Junction in Ernakulam by availing funds from Kerala Road Fund Board. Due to the defects in construction, the flyover happened to be partially reconstructed and the cost of rehabilitation is to be recovered from the contractor as the bridge was under defect liability period. To meet the cost of rehabilitation, the company invoked the Performance Bank Guarantee of the contractor amounting to 412.8 lakhs. Since the exact amount to be recovered from the contractor is not yet finalized, the company kept the amount in Fixed Deposit with bank. The interest accrued on the Fixed Deposit for the year amounting to Rs. 11.12 lakhs was charged to the Profit and Loss Account along with other interest income. Neither the contract terms nor the government guidelines in respect of construction contracts specify the treatment of income by way of interest on such deposits. Since there is no clarity about the utilization of such income, the company has credited the interest income in the Profit and Loss account for the year. However, the recommendations of C&AG on the treatment of interest income will be taken into consideration and appropriate adjustment entries if required will be incorporated in the next year's statement of accounts.</p> |



| | | |
|---|---|--|
| 2 | <p>Balance Sheet as at 31 March, 2020</p> <p>A. Equity and Liabilities</p> <p>3. Non-Current Liabilities</p> <p>d. Long-term provisions (Note 6)</p> <p>provision for EL Surrender-Rs.32.97 lakh</p> <p>2. This represents provision made by the Company towards Privilege Leave Liability of its employees based on Actuarial Valuation as per Accounting Standard (AS) 15. The actuarial valuation included liability in respect of two deputation employees and 13 contract employees. This resulted in overstatement of both Provision for EL Surrender and Loss for the year by Rs.12.53 lakh.</p> | <p>Usually, the company employs four categories of employee namely Permanent, Deputation, Contract, and Daily Wage employees. Terms of engagement and other service conditions are different in the case of each category of employee. The first three categories of employee are eligible for the surrender of earned leave. Every year the Company used to account the provision on account of earned leave based on actuarial valuation as per Accounting Standard 15. Similarly, during the current year, the Company recorded liability on earned leave surrender as per the valuation provided by the actuary in the case of all the three eligible categories of employee. However, the supplementary audit under section 143(6) pointed out that the liability in the case of deputation and contract employees are limited and the company need to record only the actual liability for these two categories of employee. The Company will be reconsidering this matter while preparing accounts in the next year and only the required provision will be included in the books of accounts for the coming years.</p> |
| 3 | <p>Cash flow Statement for the year ended 31 March, 2020</p> <p>Cash flows from operating activities</p> <p>3. As per para 30 of AS 3- Cash Flow Statemens, cash flows arising from interest received should be classified as cash flows from investing activities. The Company arrived Cash generated from operations after including interest received on fixed deposits amounting Rs. 202.42 lakh. Due to this, Cash generated from operations is overstated by Rs. 202.42 lakh with corresponding understatement of cash flow from Investing Activities.</p> | <p>The Company is following the practice of transferring the surplus fund available in the current account with banks to term deposits for earning interest revenue. The bank term deposits of the company are shown under cash and cash equivalents in the Balance Sheet in accordance with Accounting Standard 3. The receipt of interest from these term deposits are shown in the cash flow statements as cash flow from operating activities as the term deposits of the company are not considered as investments.</p> <p>Para 5.1 of AS -3 states that "Cash comprises cash on hand and demand deposits with banks". Again Para 7 of AS-3 states that "Cash</p> |



| | | |
|--|--|---|
| | | <p><i>flows exclude movements between items that constitute cash for cash equivalents because these components are part of the cash management of an enterprise rather than part of its operating, investing and financing activities. Cash management includes the investment of excess cash in cash equivalents”.</i></p> <p>From the above paragraphs, it is clear that Bank Term Deposit and the interest received on them does not qualify for disclosure under investing activities. Transferring funds from current account to term deposits as above is operating activity and interest earned from such activity is cash flow from operating activity. The method of presenting cash flow statements in this regard, followed by the Company is strictly in compliance with Accounting Standard 3.</p> |
|--|--|---|

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

Sd/-

**P. A. Mohamed Riyas
Chairman
(DIN: 09346209)**

**Thiruvananthapuram
17/11/2021**



INDEPENDENT AUDITORS' REPORT

To

Members

**ROADS AND BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED
PREETHY BUILDINGS, MV ROAD, PALARIVATTOM
KOCHI - 682025**

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of M/s. ROADS AND BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED ("The company") which comprise the Balance Sheet as at 31st March 2020, the Statement of Profit & Loss account, the Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Financial Statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, its Profit and Cash Flows for the year ended on that date.

Basis of opinion

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 apposite 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

The Company has accumulated loss amounting to Rs. 96.35 Crores (Previous Year Rs. 86.70 Crores), with a negative net worth of Rs.33.93 Crores (Previous Year Rs.24.28 Crores). These conditions indicate the existence of uncertainty which may cast considerable doubt as to the Company's ability to continue as a going concern without the financial support from the Government of Kerala. However, being a Company wholly owned by the 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

- We draw attention to Note-7 of the financial statements of the Company regarding Short term borrowings. The entire amount of loan of Rs.100 crores from Government of Kerala is due and payable since 01-04-2010.
- Reference is drawn to balances under the heads Other Long Term Liabilities amounting to Rs.8.58 Crores (Note-5), Trade payables amounting to Rs.6.53 Crores (Note-8) and Trade receivable amounting to Rs.8.05 Crores (Note-15), which are subject to confirmation.
- Reference is drawn to Point No. A of Note-9 regarding loan from Kerala Road Fund Board under the head Other Current Liabilities. In reference to aforementioned loan, the entire principal of **Rs. 53.69 Crores** has not been repaid till the end of the financial year 2019-20. Interest & Penal fees of **Rs. 46.42 Crores** has been accrued & outstanding on the loan till 31st March 2020, out of which **Rs. 5.16 Crores** relates to current financial year.
- Reference is drawn to Point no. 4 of Note-9 regarding Other Current Liabilities. The amount received in advance amounting to Rs. 1.4 Crores against Detailed Project Reports submitted during the current year has now been treated as income. The corresponding expense against the same amounting to Rs. 0.75 Crores which was treated as current asset has now been charged to profit & loss Account.
- Reference is drawn to Note No. 17 regarding Short Term Loans & Advances. The company has paid mobilization advance to M/s. RDS Projects Ltd for construction of office cum commercial complex but could not continue to work due to public protests. Out of the total Interest accrued on mobilization advance amounting to Rs. 1.69 Crores, Rs. 0.85 Crores has been adjusted against Capital Work-in-Progress vide Note No. 12 (i). The company has suspended the work and has been claiming and debiting the Interest on mobilization advance to contractors account as receivable. No provision has been made on Interest on such advance, since the company is holding sufficient bank guarantee of the contractor in its favour.



- Reference has been drawn to Note No. 9, point no. 4 - Centage charges received in advance from KIIFB for funded projects amounting to Rs. 12.02 Crores. Rs. 1.16 Crores has been booked as Centage charges income for the projects already started on the basis of percentage of completion method as per Accounting Standard 7 – Construction Contracts.
- Reference is drawn to Note no. 5, regarding Other long term liabilities. The security deposit amounting to Rs.5.95 Crores is inclusive of the Rs. 4.12 Crores received towards the realisation of Performance security from Bank of Baroda of M/s. RDS Projects Ltd in connection with the defect in construction of Palarivattom Flyover.
- Reference is drawn to Note No. 9, point no. A, no confirmation has been obtained for the interest accrued on loan from Kerala Road Fund Board amounting to Rs. 46.42 Crores.
- The Company couldn't start toll collection from nine ROB's due to public protest. The government subsequently entrusted the maintenance of nine ROB's to state PWD division based on the request of the company due to non-generation of income. CAG has a view that the depreciation and amortization expenses do not include the remaining book value of 3.95 Crores in respect of the aforementioned 9 ROB's as on 31.03.19 for complying with the AS 28 – Impairment of Assets. But 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.
- Reference is drawn to Note No. 15, regarding Cash & Cash Equivalents, Auto-sweep Current account with Indian Bank shows credit balance as per books of accounts as cheques issued by the company are not cleared as on 31st March 2020.

Our opinion is not qualified in respect of the above matters.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design,



implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance - 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 are 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:

- 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 that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or overriding of internal control.
- Obtain an understanding of internal financial controls 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.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether any 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 any 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.

- 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.

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

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current 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

- 1 The reporting requirements contained in the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Government of India in terms of sub-section (11) of Sec 143 of The Companies Act, 2013 is attached as "Annexure A" to this report.
- 2 As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of the 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 and the Statement of Profit and Loss dealt with by this report are in agreement with the books of accounts.
- d) In our opinion, the aforesaid 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 5thJune, 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”.
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements- (Refer Note 29B 3(b) and Note 29B 4(a) of the Notes forming parts of Financial Statements for the year ended March 31, 2020).
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- h) 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”.
- i) 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 JRS & Co.
Chartered Accountants
Firm Reg. No. 008085S
Sd/-

Rajesh Ramachandran
Partner
M.No. 206211
UDIN:21206211AAAAEC3877

Place: Cochin
Date: 26/04/2021



ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT

The Annexure A referred to in our Independent Auditors' Report to the members of ROADS & BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED on the financial statements for the year ended 31st March 2020. We report that:

i In respect of Property, Plant and Equipment

- a. The Company has maintained proper records showing full particulars, including quantitative details of Plant & Equipment (PPE) except situation of property and identification marks.
- b. Based on the information and explanations given to us, physical verification of PPE has been done only for intangible assets at reasonable intervals. *In the absence of proper records, we are unable to comment whether material discrepancies if any has been properly dealt with in the books of accounts.*
- 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 In respect of Inventories

- a. The company has not maintained any inventories during the financial year 19-20 and hence paragraph 3 (ii) of CARO is not applicable to the company.

iii In respect of Loan Given by Company

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, clause 3(iii)(a), clause 3(iii)(b) and clause 3(iii)(c) of the order are not applicable to the company.

iv In respect of Loan to Director and Investment by the Company

In our opinion and according to the information and explanations given to us, the company has not granted any loans, investment, guarantees and security covered under section 185 and 186 of the Companies Act, 2013. Accordingly, the provision of clause 3(iv) of the said order is not applicable to the company.

v In respect of Deposits

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 relevant



provisions of the Companies Act, 2013 and rules framed under. Accordingly, the provisions of clause 3(v) of the said Order are not applicable.

vi In respect of Cost Records

According to the information and explanations given to us, the Cost Records specified by the Central Government under sub section (i) of section 148 of the Companies Act, 2013 is not applicable to the company.

vii In respect of Statutory Dues

- 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 has been generally regular in depositing undisputed statutory dues including Provident Fund, Income Tax, Goods and Services Tax, Service Tax, Sales Tax, Customs duty, Excise duty, Cess and other material statutory dues applicable to it with the appropriate authorities during theyear andthere were no outstanding as at March 31, 2020 for a period of more than six months from the date they became payable (excluding interest).
- 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, Goods and Services tax, Sales tax, Wealth tax, Service tax, Customs duty, EP, ESI, Excise duty and Cess as at 31 March, 2020 which have not been deposited on account of dispute, are as follows:

Statement of Arrears of Statutory Dues Outstanding for more than six months

| Name of the Statute | Nature of the dues | Amount (₹ in lakhs) | Period to which the amount relates | Forums where the disputes are pending |
|----------------------|--------------------|---------------------|------------------------------------|---|
| Income Tax Act, 1961 | Income Tax | 49.22 | AY 2002 – 03 | High Court of Kerala |
| Income Tax Act, 1961 | Income Tax | 68.08 | AY 2003 - 04 | The company proposes to appeal before the High Court of Kerala |
| Income Tax Act, 1961 | Income Tax | 20.40 | AY 2004 – 05 | High Court of Kerala |
| Income Tax Act, 1961 | Income Tax | 58.88 | AY 2005 – 06 | Rectification petition before the assessing officer under process |



| | | | | |
|----------------------|------------|--------|--------------|--------------------|
| Income Tax Act, 1961 | Income Tax | 26.55 | AY 2008 – 09 | CIT Appeals, Kochi |
| Income Tax Act, 1961 | Income Tax | 415.19 | AY 2011 – 12 | CIT Appeals, Kochi |

viii In respect of Repayment of Loan

The company has defaulted in repayment of loans or borrowing to financial institutions, banks or Government. The period and the amount of default is as below:

| Particulars | Period of default | Principal Amount Outstanding (in Crores) |
|------------------------|-------------------|--|
| Government of Kerala | 2011 – 20 | 100 |
| Kerala Road Fund Board | 2009 – 20 | 3.75 |
| Kerala Road Fund Board | 2010 – 20 | 3.30 |
| Kerala Road Fund Board | 2009 – 20 | 8.1444 |
| Kerala Road Fund Board | 2009 – 20 | 38.5 |

ix In respect of Utilization of IPO and Further Public Offer

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 In respect of Reporting of Fraud

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 In respect of Approval of Managerial Remuneration

As per notification number G.S.R 463 (E) dated June 5, 2015 issued by Ministry of Corporate Affairs, requisite approval mandated by the provision of section 197 read with schedule V of the Companies Act, 2013 relating to managerial remuneration is not applicable to the Company since it is a Government Company.

xii In respect of NIDHI Company

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 In respect of Related Party Transaction

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 In respect of Private Placement of Preferential Issues

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 In respect of Non-Cash Transaction

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 In respect of Registration under RBI Act, 1934

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 JRS & Co.
Chartered Accountants
Firm Reg. No. 008085S**

Sd/-

**Rajesh Ramachandran
Partner
M.No. 206211
UDIN: 21206211AAAAEC3877**

Place: Cochin

Date: 26/04/2021



“Annexure B”

ANNEXURE TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF “ROADS AND 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 and Bridges Development Corporation of Kerala (“the Company”) as of March 31, 2020 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the



transactions and dispositions of 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 control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020.

**For JRS & Co.
Chartered Accountants
Firm Reg. No.008085S**

**Sd/-
Rajesh Ramachandran
Partner
Membership No. 206211
UDIN: 21206211AAAAEC3877**

**Place: Cochin
Date: 26/04/2021**



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 does not have any land in its own name.

- 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.

- 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 been 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 paragraph 2 of '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.

The Company has not incurred any cost on new projects which were abandoned subsequently during the year.

However, reference is drawn to paragraph 9 of 'Emphasis of Matter' of the Audit Report, where the company couldn't start toll collection from nine ROB's, the projects in respect of which were commissioned during earlier years, due to public protest. The total cost incurred by the company on such projects was 34,64,61,648 and the written down value of such assets as on 31.03.2020 is 1,53,35,540. The company has not written off the amount as the government has in respect of all the projects, vide GO – (Rt)No.1715/2009/PWD dated 28/11/09 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 ROBs does not suffer from impairment on account of short fall in future revenue earning capacity.

**For JRS & Co.
Chartered Accountants
Firm Reg. No. 008085S
Sd/-**

**Rajesh Ramachandran
Partner
M. No. 206211
UDIN: 21206211AAAAEC3877**

**Place: Cochin
Date: 26/04/2021**



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, 2020

| | Note number | March 31,2020 (Figures in rupees) | March 31,2019 |
|--|----------------|--------------------------------------|----------------------|
| A EQUITY AND LIABILITIES | | | |
| 1 Share Holder's Funds | | | |
| (a) Share Capital | 1 | 624,250,070 | 624,250,070 |
| (b) Reserves & Surplus | 2 | (963,546,522) | (867,012,869) |
| (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) Deferred Tax Liabilities(Net) | | - | - |
| (c) Other long-term liabilities | 5 | 85,768,307 | 49,659,916 |
| (d) Long-term provisions | 6 | 8,113,910 | 8,069,107 |
| 4 Current Liabilities | | | |
| (a) Short-term borrowings | 7 | 1,000,000,000 | 1,000,000,000 |
| (b) Trade payables | 8 | 65,286,275 | 149,236,005 |
| (c) Other current liabilities | 9 | 1,337,875,049 | 1,328,345,911 |
| (d) Short-term provisions | 10 | 12,522,457 | 12,390,164 |
| TOTAL | | 2,730,269,546 | 2,864,938,304 |
| B ASSETS | | | |
| 1 Non-current Assets | | | |
| (a) Property, Plant & Equipment | | | |
| (i) Tangible assets | 11 | 3,617,809 | 3,423,346 |
| (ii) Intangible assets | 11 | 955,911,500 | 1,111,945,528 |
| (iii) Capital work in progress | 12 | - | - |
| (iv) Intangible Assets under development | 13 | 120,866,324 | 120,685,967 |
| | | 1,080,395,633 | 1,236,054,841 |
| (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 | 80,531,803 | 68,477,966 |
| (d) Cash and cash equivalents | 16 | 1,076,170,320 | 1,073,333,779 |
| (e) Short-term Loans and Advances | 17 | 147,415,053 | 204,148,239 |
| (f) Other Current Assets | 18 | 345,756,738 | 282,923,479 |
| TOTAL | | 2,730,269,546 | 2,864,938,304 |

Significant Accounting Policies A
Additional Disclosures B
Notes forming part of financial statements (Note 1-26) C

As per our report of even date attached

For and on behalf of Board of Directors

Sd/-

Sd/-

Sd/-

Rajesh Ramachandran
Partner
M.No. 206211
FR.No.008085S

G Sudhakaran
Chairman
DIN :07589740

Jafar Malik, IAS
Managing Director
DIN: 08879543

Sd/-
Sibi J Pulloppillil
Chief Financial officer

Sd/-
Sreenath Sasidharan
Company Secretary



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, 2020

| | Note number | Year ended March 31,2020 | Year ended March 31,2019 |
|--|-----------------------|-----------------------------|-----------------------------|
| (Figures in rupees) | | | |
| A | | | |
| CONTINUING OPERATIONS | | | |
| 1 | 19 | 82,707,449 | 81,344,463 |
| 2 | 20 | 78,607,542 | 75,636,171 |
| 3 | TOTAL REVENUE | 161,314,991 | 156,980,634 |
| 4 | | | |
| EXPENSES | | | |
| (a) | 21 | 24,462,372 | 28,838,860 |
| (b) | 22 | 51,625,629 | 49,187,529 |
| (c) | 23 | 156,981,832 | 163,094,692 |
| (d) | 24 | 23,304,695 | 14,309,802 |
| | TOTAL EXPENSES | 256,374,528 | 255,430,883 |
| 5 | | (95,059,537) | (98,450,249) |
| 6 | | | |
| Exceptional Items | | | |
| Prior Period Items | 25 | (1,474,116) | (14,720,042) |
| 7 | | (96,533,653) | (113,170,291) |
| 8 | | | |
| Extraordinary items | | - | - |
| 9 | | (96,533,653) | (113,170,291) |
| | | | |
| Tax Expense | | | |
| 10 | | | |
| (a) Current Tax: | | - | - |
| (b) Deferred Tax | | - | - |
| Net Tax Expense | | - | - |
| 11 | | (96,533,653) | (113,170,291) |
| 12 | | | |
| Profit/(loss) From discontinuing operations | | - | - |
| Tax Expense on Discontinuing operations | | - | - |
| Profit/(loss) From discontinuing operations after tax | | - | - |
| 13 | | (96,533,653) | (113,170,291) |
| Profit/(Loss) for the year | | | |
| 14 i | | (1.55) | (1.81) |
| Earnings Per Equity Share (Basic) | | | |
| Earnings Per Equity Share (Diluted) | | (1.55) | (1.81) |
| 14.ii | | (1.55) | (1.81) |
| Earnings Per Equity Share (Basic, excluding extraordinary items) | | | |
| Earnings Per Equity Share (Diluted, excluding extraordinary items) | | (1.55) | (1.81) |

Significant Accounting Policies A
Additional Disclosures B
Notes forming part of financial statements (Note 1-26) C

As per our report of even date attached

For and on behalf of Board of Directors

Sd/-

Sd/-

Sd/-

Rajesh Ramachandran
Partner
M.No. 206211
FR.No.008085S

G Sudhakaran
Chairman
DIN :07589740

Jafar Malik,IAS
Managing Director
DIN : 08879543

Sd/-
Sibi J Pulloppillil
Chief Financial officer

Sd/-
Sreenath Sasidharan
Company Secretary

Kochi
26/04/2021



**ROADS AND BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED.
NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2020**

A SIGNIFICANT ACCOUNTING POLICIES:

a. (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.

a. (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.

b. Revenue Recognition

(i) 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.

(ii) 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.

(iii) 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

(iv) Interest received

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

c. Property, Plant & Equipment

Property, Plant & Equipment 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.

d. Depreciation and Amortisation :

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

e. Impairment:

All Property, Plant & Equipment 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.

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.



f. 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 thirtynine ROBs, 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 .

g) 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. Deferred tax asset arising on account of unabsorbed depreciation or carry forward of tax losses 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.

h) 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.

i) 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

j) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased term, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight line basis.

k) Earnings per share

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

l) Provisions , Contingent Liabilities & Contingent Assets

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions for onerous contracts i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.



B ADDITIONAL DISCLOSURES

(1) 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.

(2) 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) Property, Plant & Equipment and cash in hand are physically verified by the management.

(3) Remuneration of Directors And Key Managerial Personnel

| Name of Key Managerial Personnel | Nature of Transaction | As at 31.03.2020 | As at 31.03.2019 |
|---|-----------------------|------------------|------------------|
| Dr Asha Thomas IAS MD | Salary & Allowances | - | 899,315 |
| | Reimbursement of rent | - | - |
| Rahul R IRS MD | Salary & Allowances | 803,641 | - |
| | Reimbursement of rent | 34,160 | - |
| Sibi J Pullopillil- Chief Financial Officer | Salary & Allowances | 1,822,382 | 1,989,966 |
| Varun Kumar C - Company Secretary | Salary & Allowances | 468,879 | 391,938 |

(4) 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 applicable Accounting Standards.

| | As at 31.03.2020 | As at 31.03.2019 |
|---|------------------|------------------|
| Amount of revenue recognized during the year | 27,740,542 | 19,891,436 |
| Direct expenditure incurred for the above | 11,490,515 | 4,622,158 |
| Profit/(Loss) recognized | 16,250,027 | 15,269,278 |
| Agency charges receivable from Government | 1,387,417 | 5,166,619 |
| Consultancy fee payable to Kitco | 7,219,673 | 10,778,759 |
| Amount receivable from Palakkad District Panchayath | 34,275 | 34,275 |
| Amount receivable from Govt. of Kerala | 10,367,430 | 69,193,200 |

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

| | | |
|--|-----|-----------------------|
| (6) a) Expenditure in foreign currency | Nil | (Previous year- Nil). |
| b) Earnings in foreign currency | Nil | (Previous year- Nil) |

(7) Disclosure requirements as per AS 19 -LEASES

Company as lessor :

- a) 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.

| Particulars | Current Year (Rs) | Previous Year (Rs) |
|--|-------------------|--------------------|
| b) Lease Income (Included in miscellaneous income under note 20) | 378,976.00 | 359,952.00 |
| c) Property, Plant & Equipment | | |
| 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. | | |
| d) Total contingent rent recognised as income in the Statement of Profit and Loss for the period | Nil | Nil |
| e) Accounting policy adopted in respect of initial direct cost | N A | N A |

**Company as lessee:**

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 restrictions imposed by lease arrangements. The aggregate amount of operating lease payments recognised in the Statement of Profit and Loss is Rs.18,21,602/- .The company has not recognised any contingent rent as expense in the Statement of Profit and Loss.

(8) 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/-

(9) 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 maintenance 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 maintenance of these bridges to the concerned divisions of State PWD.

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

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

(12) Capital work in progress is shown at net of expense incurred and interest on mobilisation advance received for the purpose, upto the amount of net expense incurred.

(13) 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 31,2020 | March 31,2019 |
|--|---------------|---------------|
| (a) Profit/(Loss) after tax (Rs.) | (96,533,653) | (113,170,291) |
| (b) Number of Equity Shares | 62,425,007 | 62,425,007 |
| (c) Potential Equity shares | - | - |
| (d)Weighted average number of equity shares | 62,425,007 | 62,425,007 |
| (e) Nominal value of shares (Rs.) | 10 | 10 |
| Basic earnings (loss) per share (Rs.) | (1.55) | (1.81) |
| Diluted earnings (loss) per share (Rs.) | (1.55) | (1.81) |
| Earnings Per Equity Share (Basic, excluding extraordinary items) | (1.55) | (1.81) |
| Earnings Per Equity Share (Diluted, excluding extraordinary items) | (1.55) | (1.81) |

(14) 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, 2020 | | | For the year ended 31 March, 2019 | | |
|--|-----------------------------------|---------------|------------------|-----------------------------------|---------------|------------------|
| | Business segments | | Total | Business segments | | Total |
| | Construction Service | PMCS | | Construction Service | PMCS | |
| Revenue | 55,713,585.00 | 27,740,542.24 | 83,454,127.24 | 69,335,723.00 | 19,891,436.00 | 89,227,159.00 |
| Inter-segment revenue | Nil | Nil | Nil | Nil | Nil | Nil |
| Segment result | 55,713,585.00 | 27,740,542.24 | 83,454,127.24 | 69,335,723.00 | 19,891,436.00 | 89,227,159.00 |
| Unallocable expenses (net) | (152,152,772.00) | 16,250,027.24 | (135,902,744.76) | (142,272,078.00) | 15,269,278.00 | (127,002,800.00) |
| Operating income | 37,017,655.85 | Nil | 37,017,655.85 | 39,200,924.15 | Nil | 39,200,924.15 |
| Other income (net) | (189,170,427.85) | 16,250,027.24 | (172,920,400.61) | (181,473,002.15) | 15,269,278.00 | (166,203,724.15) |
| Profit before taxes | Nil | Nil | 77,860,863.61 | Nil | Nil | 67,753,474.78 |
| Tax expense | (189,170,427.85) | 16,250,027.24 | (95,059,537.00) | (181,473,002.15) | 15,269,278.00 | (98,450,249.37) |
| Net profit for the year | Nil | 16,250,027.24 | (95,059,537.00) | Nil | Nil | Nil |
| | (189,170,427.85) | 16,250,027.24 | (95,059,537.00) | (181,473,002.15) | 15,269,278.00 | (98,450,249.37) |
| | | | | | | |
| Particulars | For the year ended 31 March, 2020 | | | For the year ended 31 March, 2019 | | |
| | Business segments | | Total | Business segments | | Total |
| | Construction Service | PMCS | | Construction Service | PMCS | |
| Segment assets | 1,194,545,669.11 | 37,940,364.24 | 1,232,486,033.35 | 1,352,882,734.00 | 73,362,683.00 | 1,426,245,417.00 |
| Unallocable assets | Nil | Nil | 1,497,783,513.00 | Nil | Nil | 1,438,692,887.00 |
| Total assets | 1,194,545,669.11 | 37,940,364.24 | 2,730,269,546.35 | 1,352,882,734.00 | 73,362,683.00 | 2,864,938,304.00 |
| Segment liabilities | 314,246,903.78 | Nil | 314,246,903.78 | 413,442,320.00 | Nil | 413,442,320.00 |
| Unallocable liabilities | 314,246,903.78 | Nil | 2,416,022,642.57 | 413,442,320.00 | Nil | 2,451,495,984.00 |
| Total liabilities | 314,246,903.78 | Nil | 2,730,269,546.35 | 413,442,320.00 | Nil | 2,864,938,304.00 |
| <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) | 156,034,028.00 | Nil | 156,034,028.00 | 162,291,110.00 | Nil | 162,291,110.00 |
| Depreciation and amortisation (unallocable) | 947,804.00 | Nil | 947,804.00 | 803,582.00 | Nil | 803,582.00 |
| 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 |



C NOTE 1: SHARE CAPITAL

| 1 Break up of share capital | March 31,2020 | March 31,2019 |
|---|--------------------|--------------------|
| 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 |

2 Reconciliation statement of shares

| Particulars | March 31,2020 | March 31,2019 |
|---|---------------|---------------|
| 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 |

3 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

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

5 Details of shareholders holding more than 5% shares
6,24,25,000 shares are held by the Government of Kerala (99.99%)

6 The Company has not issued any securities convertible into Equity or Preference Shares

7 No shares have been forfeited till date

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

NOTE 2 :RESERVES AND SURPLUS

| RESERVES AND SURPLUS | March 31,2020 | March 31,2019 |
|--|---------------|---------------|
| Surplus | | |
| Opening Balance | (867,012,869) | (753,842,578) |
| Less. Adjustment for retained earnings | | |
| (+) Net profit/(net loss) for the current year | (96,533,653) | (113,170,291) |
| (-) Transfer to General Reserve | | |
| Closing Balance | (963,546,522) | (867,012,869) |
| Total | (963,546,522) | (867,012,869) |

NOTE 3 :SHARE APPLICATION MONEY PENDING ALLOTMENT

| 1 Particulars | March 31,2020 | March 31,2019 |
|---------------------------------------|---------------|---------------|
| Opening Balance | - | - |
| Add: Received during the year | - | - |
| Less: Shares allotted during the year | - | - |
| Closing balance | - | - |

2 Terms and conditions
N A

3 No. of shares issued during the year - Nil

4 Premium on proposed issue - N A

5 Period before which shares are to be issued - N A

6 Amount due for refund and interest accrued - Nil

7 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

| LONG TERM BORROWINGS | March 31,2020 | March 31,2019 |
|---------------------------------|--------------------|--------------------|
| Other Loans and advances | | |
| Unsecured | | |
| From Government of Kerala | 560,000,000 | 560,000,000 |
| TOTAL | 560,000,000 | 560,000,000 |

TERMS OF REPAYMENT OF LOANS

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

NOTE 5:OTHER LONG-TERM LIABILITIES

| Other Long Term Liabilities | March 31,2020 | March 31,2019 |
|---|-------------------|-------------------|
| Payable On Property, Plant & Equipment-Retention Money | | |
| Consultancy fee | 5,225,943 | 10,490,455 |
| Work Bill | 20,914,991 | 22,131,113 |
| Advance From Customers | | |
| Rent Deposit | 153,220 | 153,220 |
| Security deposit | 59,474,153 | 16,885,128 |
| Total | 85,768,307 | 49,659,916 |

NOTE 6 :LONG TERM PROVISIONS

| Long term provisions | March 31,2020 | March 31,2019 |
|---------------------------------|------------------|------------------|
| Provision for Employee Benefits | | |
| Provision for Gratuity | 4,817,381 | 4,119,433 |
| Provision for EL Surrender | 3,296,529 | 3,949,674 |
| Total | 8,113,910 | 8,069,107 |

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 | |
|------------------|-----------------|----------|--------------------------------|---------|--------------------------|---------|-----------------|------------|
| | 01.04.19 | 01.04.18 | 2019-20 | 2018-19 | 2019-20 | 2018-19 | 31.3.2020 | 31.03.2019 |
| Gratuity | 4388698 | 3416422 | 738721 | 972276 | 0 | 0 | 5,127,419 | 4,388,698 |
| Income Tax | 12000000 | 12000000 | 0 | 0 | 0 | 0 | 12,000,000 | 12,000,000 |
| Leave encashment | 4070573 | 2347008 | -561625 | 1723565 | 0 | 0 | 3,508,948 | 4,070,573 |

**NOTE 7 : SHORT-TERM BORROWINGS**

| SHORT TERM BORROWINGS | March 31,2020 | March 31,2019 |
|---------------------------------------|----------------------|----------------------|
| 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 |
|---------------------------------|--|
| Short term loan from Government | Interest free Loan Entire amount was repayable on 01.04.2010 |

NOTE 8 :TRADE PAYABLES

| TRADE PAYABLES | March 31,2020 | March 31,2019 |
|---|----------------------|----------------------|
| a.Due to Micro , small and medium enterprises | Nil | Nil |
| b.Others | | |
| Liability for Work Bill Claims | 49,313,165 | 146,685,736 |
| Dues to Contractors | 15,973,110 | 2,550,269 |
| | 65,286,275 | 149,236,005 |

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, 2020 | For the year ended 31 st March, 2019 |
|--|--|--|
| The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year. | Nil | Nil |
| 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 |
| 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 |
| The amount of interest accrued and remaining unpaid at the end of the year. | Nil | Nil |
| 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

| | March 31,2020 | March 31,2019 |
|---|----------------------|----------------------|
| (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 | 464,209,302 | 412,583,673 |
| SUB TOTAL | 1,001,153,302 | 949,527,673 |
| (b) Land Acquisition Fund received from Government | 44,126,849 | 58,376,078 |
| (c) Other Payables | | |
| 1.Statutory Remittances | | |
| Taxes and Duties payable | 5,182,227 | 12,493,569 |
| Employees Contribution to P F. | 83,529 | 85,665 |
| Employers Contribution to P F. | 48,525 | 49,284 |
| Employees Contribution to NPS | 14,403 | - |
| Employers Contribution to NPS | 14,403 | - |
| 2.Payable on Acquisition of Property, Plant & Equipment | | |
| Consultancy Fee Payable | 33,375,755 | 36,077,551 |
| Retention money on work bill | 14,429,471 | 15,466,531 |
| Retention money on consultancy fee | 6,578,460 | 522,207 |
| 3.Trade Deposit Received | 2,423,461 | 2,973,461 |
| 4.Advance from Customers | | |
| Fund for AP-SP Road Resurfacing | 6,942,677 | 7,872,935 |
| Auction receipts | 547,262 | 501,000 |
| KIIIFB Centage Charges Advance | 120,160,928 | 98,148,728 |
| KIIIFB -Land Cost | 33,457,506 | 116,303,580 |
| KIIIFB -Contingency Charges for LA | 2,738,793 | 4,704,130 |
| Advertisement income received in advance | 132,000 | 264,000 |
| Govt-DPR Charges for 41 ROB's | 144,140 | 11,480,000 |
| Seaport Airport Road Four Laning | 571,454 | 571,454 |
| Stimulus package Bridges | 5,952,927 | -42,451,529 |
| Cochin University of Science and Technology | 410,820 | -3,583,485 |
| Seaport Airport Road Second Phase | 2,588,119 | 2,588,119 |
| 5.Others | | |
| Creditors for Expenses | 555,000 | 771,280 |
| Security Deposit | - | 1,513,019 |
| Unallocated interest received on Mobilisation advance | 8,456,342 | 5,623,742 |
| Other payables | 3,428,550 | 2,829,498 |
| Assistance from Government for projects | 44,358,145 | 45,637,420 |
| Total | 1,337,875,049 | 1,328,345,911 |

TERMS OF REPAYMENT OF LOANS

| Loan From | Terms of Repayment |
|---|--|
| 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 |
| 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 |
| 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. |
| 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. |



An amount of Rs.53.69 Crores towards Principal and Rs.46.42 Crores towards interest on KRFB Loan is outstanding as on 31.03.2020

Out of the unutilised amount of Rs.5.84 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. 1.55 Cores was resumed from our TSB account by the Government at the year end and recredited subsequently.

The Company has received Rs.1.41 Crore from Government for DPR preparation for 41 ROBs out of the sanctioned amount of Rs.2.87 Crore(Rs. 7.00 lakhs per project),further the Company has completed preparation of DPR for 20 ROBs and transfered Rs. 1.40 crores to the Profit and Loss account during the year.

There are no amounts due and outstanding, to be credited to Investor Education & Protection Fund as at 31st March 2020

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.12.02 crores 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 construction .

NOTE 10: SHORT-TERM PROVISIONS

| | March 31,2020 | March 31,2019 |
|------------------------------------|----------------------|----------------------|
| a. Provision for Employee benefits | | |
| Provision for Gratuity | 310,038 | 269,265 |
| Provision for EL Surrender | 212,419 | 120,899 |
| b.Provisions others | | |
| Income Tax | 12,000,000 | 12,000,000 |
| Total | 12,522,457 | 12,390,164 |

Income tax provision 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 court of Kerala.

ROADS AND BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED.

Note: 11 : Property, Plant & Equipment

| Description | Gross block | | | As at March 31, 2020 | Up to March 31, 2019 | Depreciation / Amortisation For the year | Deletions/ adjustment | Up to March 31, 2020 | Net block | |
|-----------------------------|----------------------|-------------------------|------------------------|----------------------|----------------------|--|-----------------------|----------------------|----------------------|----------------------|
| | As at March 31, 2019 | During the year | Deletions/ adjustments | | | | | | As at March 31, 2020 | As at March 31, 2020 |
| | As at March 31, 2019 | Additions / Adjustments | Deletions/ adjustments | | | | | | As at March 31, 2020 | As at March 31, 2020 |
| 1. Tangible assets | | | | | | | | | | |
| Computer and accessories | 3,301,906 | 50,302 | - | 3,352,208 | 3,026,564 | 117,475 | - | 3,144,039 | 208,167 | 275,341 |
| Plant and machinery | 2,927,909 | 28,047 | - | 2,955,956 | 1,883,787 | 195,313 | - | 2,079,100 | 876,855 | 1,044,122 |
| Furniture and fittings | 2,054,218 | 17,600 | - | 2,071,818 | 1,773,858 | 53,669 | - | 1,827,527 | 244,291 | 280,360 |
| Shop rooms | 1 | - | - | 1 | - | - | - | - | 1 | 1 |
| Motor vehicles | 4,922,830 | 1,126,503 | 715,266 | 5,334,067 | 3,099,309 | 581,347 | 635,081 | 3,045,575 | 2,288,494 | 1,823,523 |
| Sub total | 13,206,864 | 1,222,452 | 715,266 | 13,714,050 | 9,783,518 | 947,804 | 635,081 | 10,096,241 | 3,617,809 | 3,423,346 |
| 2. Intangible assets | | | | | | | | | | |
| Road | 81,700,159 | - | - | 81,700,159 | 77,820,331 | 3,879,829 | - | 81,700,160 | (1) | 3,879,828 |
| River bridge | 28,100,782 | - | - | 28,100,782 | 26,791,681 | 1,309,100 | - | 28,100,781 | 1 | 1,309,101 |
| Road overbridges | 2,252,882,167 | - | - | 2,252,882,167 | 1,151,120,902 | 150,496,363 | - | 1,301,617,265 | 951,264,902 | 1,101,761,265 |
| Toll Booth | 10,201,146 | - | - | 10,201,146 | 5,205,814 | 348,736 | - | 5,554,550 | 4,646,598 | 4,995,334 |
| Sub total | 2,372,884,254 | - | - | 2,372,884,254 | 1,260,938,728 | 156,034,028 | - | 1,416,972,756 | 955,911,500 | 1,111,945,528 |
| TOTAL | 2,386,091,118 | 1,222,452 | 715,266 | 2,386,598,304 | 1,270,722,246 | 156,981,832 | 635,081 | 1,427,068,997 | 959,529,310 | 1,115,368,874 |
| Previous Year | 2,398,969,172 | 1,482,018 | 14,360,072 | 2,386,091,118 | 1,107,701,015 | 163,094,692 | 73,461 | 1,270,722,246 | 1,115,368,874 | 1,291,268,160 |

(Figures in rupees)



**NOTE 12: CAPITAL WORK IN PROGRESS**

| | March 31,2020 | March 31,2019 |
|--|---------------|---------------|
| Office Building project , Kakkanad | 8,482,676 | 8,482,676 |
| Less: Interest on Mobilisation Advance | 8,482,676 | 8,482,676 |
| BALANCE | - | - |

Construction of Office cum commercial complex was started during the year 2014 after executing agreement with the contractor, M/S RDS Projects Ltd, but couldn't continue the work due to protest from local residents. Interest accrued on mobilisation advance of Rs.2.36 crores sanctioned to the contractor is being accounted on due basis as per the conditions of contract, since the agreement is not yet closed and the amount is still outstanding. The company holds live bank guarantee for a total amount of Rs.4.72 crores in relation to this project. The expenses incurred towards the said project is set off against the interest accrued on the mobilisation advance paid to the contractor in respect of the project.

NOTE 13: Intangible Assets Under Development

| | March 31,2020 | March 31,2019 |
|---|--------------------|--------------------|
| Advertisement Charges | 212,653 | 212,653 |
| Contract Work in Progress | 118,375,885 | 118,375,885 |
| Cost of Land | 18,837,105 | 18,837,105 |
| General Administrative Overheads Pending Capitalisation | 4,201,775 | 4,201,775 |
| Project Management Fees | 5,859,768 | 5,859,768 |
| Utility Shifting Expenses | 2,440,894 | 2,260,537 |
| Land Survey Expenses | 9,900 | 9,900 |
| Valuation Fees | 40,233 | 40,233 |
| Total (A) | 149,978,213 | 149,797,856 |
| Less: | | |
| Railway's share of Road Over Bridges Cost | 25,067,386 | 25,067,386 |
| Grant in aid from Government Of Kerala | 3,815,968 | 3,815,968 |
| Interest on Advance / Retention Money | 228,535 | 228,535 |
| Total (B) | 29,111,889 | 29,111,889 |
| BALANCE (A-B) | 120,866,324 | 120,685,967 |

In terms of significant accounting policy Note A (f), cost of construction of ROBs 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,2020 | As at 31 st March,2019 |
|---|-----------------------------------|-----------------------------------|
| | (Rs) | (Rs.) |
| Deferred tax asset: | | |
| Opening balance of net deferred tax assets | 219,584,231.28 | 208,087,291.32 |
| On account of timing difference on Gratuity | 192,067.00 | 252,792.00 |
| On account of Preliminary Expense | - | - |
| Expenses Disallowed on account of Non deduction of Tax | 30,977.00 | - |
| On account of Prior Period Expense | 383,270.00 | - |
| On account of PF Employees Contribution | 25,624.00 | - |
| On account of Carry forward loss | - | - |
| On account of leave Surrender | (146,023.00) | 448,127.00 |
| Total Deferred Tax Assets | 220,070,146.28 | 208,788,210.32 |
| Deferred tax liability | | |
| On account of expense disallowed earlier, now allowed | - | - |
| On account of timing difference on Method of Depreciation | (17,053,590.58) | (10,796,020.96) |
| On account of Preliminary Expense | - | - |
| On account of Timing difference on leave surrender | - | - |
| Total Deferred Tax Liability | (17,053,590.58) | (10,796,020.96) |
| Net Deferred Tax Assets/(Liability) | 237,123,736.86 | 219,584,231.28 |

Deferred Tax being asset is 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

| | March 31,2020 | March 31,2019 |
|--|-------------------|-------------------|
| Debts outstanding for more than six months from the date they became due : | | |
| (Secured, considered good) | | |
| (a) Toll Collection Receivable from contractors | 17,747,728 | 3,720,438 |
| (Unsecured, considered good) | | |
| (b) Toll Collection Receivable from contractors | 15,235,060 | 11,362,585 |
| (c) Share of cost on fixed asset receivable | 20,052,399 | 20,052,399 |
| (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 | 66,235,078 | 48,335,313 |
| (Others:Secured, Considered good) | | |
| (a) Toll Collection Receivable from contractors | 14,296,725 | 15,022,489 |
| (Others: Unsecured, Considered good) | | |
| (a) Toll Collection Receivable from contractors | - | 5,120,164 |
| Total | 80,531,803 | 68,477,966 |

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

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)).

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

| | March 31,2020 | March 31,2019 |
|--------------------------------------|----------------------|----------------------|
| Cash and Cash Equivalants | | |
| Cash in hand | 15,000 | 20,000 |
| Balance with Scheduled Banks in: | | |
| Current Accounts | (97,221,691) | 18,173,827 |
| Demand Deposits | 1,171,866,731 | 1,034,731,448 |
| Balance with Government Treasury in: | | |
| PSTSB Account | 510,280 | 11,480,000.00 |
| Savings account | 1,000,000 | 8,928,504 |
| Total | 1,076,170,320 | 1,073,333,779 |

Current account with Indian Bank shows credit balance as per books of accounts as cheques issued by the company are not cleared as on 31st March 2020. This account is linked by Autosweep facility and since the cheques issued were not presented, the Autosweep instruction was not given effect.

NOTE 17: SHORT-TERM LOANS AND ADVANCES

| | March 31,2020 | March 31,2019 |
|--|--------------------|--------------------|
| Loans and advances to related parties | Nil | Nil |
| Others | | |
| Secured, considered good | | |
| Mobilisation Advance to Contractors | 23,605,000 | 39,405,000 |
| Unsecured, considered good | | |
| Palakkad District Panchayat | 34,275 | 34,275 |
| Seaport Airport Second Phase HMT to NAD Coastal Corridor | 19,479,930 | 26,811,097 |
| Consultancy Fee Advance | - | 3,090,147 |
| Employees Compensation Commission Deposit | 13,517,379 | 13,517,379 |
| Land Acquisition Advance-Funded Projects | 809,111 | 809,111 |
| KIIIFB Projects-Construction | 32,760,000 | 45,960,000 |
| CUSAT-KIIIFB Funded | 14,990,958 | - |
| Kanjangad ROB | 10,755,705 | - |
| Thirunettur ROB | 23,932,043 | 48,719,466 |
| Eroor ROB | - | 18,300,454 |
| Other Loans, Advances and Deposits | 3,218,341 | 3,218,341 |
| Total | 147,415,053 | 204,148,239 |

NOTE 18: OTHER CURRENT ASSETS

| | March 31,2020 | March 31,2019 |
|---|--------------------|--------------------|
| (Unsecured considered good) | | |
| TDS | 40,054,948 | 34,297,606 |
| Advance Income Tax | 7,603,660 | 7,603,660 |
| Interest on Mobilisation Advance Receivable | 13,631,042 | 12,368,273 |
| Interest Accrued on Demand Deposits | 48,175,484 | 37,803,483 |
| Feasibility Study Expenses | 2,261,210 | 2,261,210 |
| Advertisement Charges L A | 364,902 | 364,902 |
| Valuation fees-Funded Projects | 385,303 | 385,303 |
| Utility Shifting-Funded Projects | 144,064 | 144,064 |
| Hire Charges of material | 3,630,649 | 3,630,649 |
| KIIIFB-DPR Charges | 68,829,761 | 49,253,729 |
| KIIIFB-Land Acquisition Expenses | 21,159 | 16,169 |
| Other Receivables | 21,590,666 | 14,425,492 |
| Service tax under protest | 1,158,182 | 1,158,182 |
| Project Preconstruction Expenses | 6,373,325 | 9,542,780 |
| Land Cost- Funded projects | 50,436,083 | 44,853,083 |
| Utility Shifting-KIIIFB Projects | 1,742,673 | - |
| Second Tier Quality Check | 900,000 | - |
| Advertisement Charges-KIIIFB Projects | 1,533,825 | 332,896 |
| Boundary stone laying expenses -KIIIFB | 1,608,376 | 809,419 |
| Survey Charges-Funded projects | 72,579 | 72,579 |
| Compensation for Ponnurunni ROB receivable | 63,600,000 | 63,600,000 |
| KIIIFB Centage Charges Receivable | 11,638,846 | - |
| Total | 345,756,738 | 282,923,479 |

TDS of Rs. 40054948/- is the cumulative figure of tax deducted and deposited by various parties during the previous years, and retained by the Income Tax department for adjustment against the pending demands on the company for previous years. 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 crores 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 31,2020 | March 31,2019 |
|-----------------------------|----------------------|----------------------|
| Project Management Fees | 27,740,542 | 13,846,946 |
| Grant for Project Execution | - | 6,044,490 |
| Advertisement Income | 132,000 | 132,000 |
| User Fee | 54,834,907 | 61,321,027 |
| Total | 82,707,449 | 81,344,463 |

The Company has completed Thirty Nine Road Over bridges (ROB), one road and one River bridge as on 31/3/2020 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. Revenue has not been recognised in respect of such tolls.

NOTE 20: OTHER INCOME

| | March 31,2020 | March 31,2019 |
|-------------------------|----------------------|----------------------|
| Interest Received | | |
| On bank deposits | 72,836,744 | 61,918,976 |
| Others | 4,196,013 | 5,069,932 |
| Miscellaneous Income | 723,417 | 760,924 |
| Profit on sale of Asset | 104,690 | 3,643 |
| Right of Way Fees | 746,678 | 7,882,696 |
| Total | 78,607,542 | 75,636,171 |

NOTE 21 : EMPLOYEE BENEFIT EXPENSES

| | March 31,2020 | March 31,2019 |
|---|----------------------|----------------------|
| Salary and Allowances | 23,090,048 | 27,547,488 |
| Provident Fund and Pension Contribution | 1,297,304 | 1,179,410 |
| Staff welfare Expenses | 75,020 | 111,962 |
| Total | 24,462,372 | 28,838,860 |

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 31.03.2020 | As at 31.03.2019 |
|------------------------------|------------------|------------------|
| Employers Contribution to PF | 654,153 | 654,470 |
| Pension Contribution | 643,151 | 524,940 |

b 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 31.03.2020 | As at 31.03.2019 |
|--|------------------|------------------|
| Present Value of Obligations as at the end of the period | 3,508,948 | 4,070,573 |
| Fair Value of Plan Assets as at the end of the period | - | - |
| Opening Net Liability | 4,070,573 | 2,347,008 |
| Expenses as per Annexure | 518,051 | 2,757,394 |
| Contribution / Benefits paid | (1,079,676) | -1,033,829 |
| Closing Net Liability | 3,508,948 | 4,070,573 |

The calculations have been made as on 31.03.2020 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 31.03.2020 | As at 31.03.2019 |
|------------------------------|------------------|------------------|
| Number of Employees | 29 | 36 |
| Average monthly salary | 47,188 | 49,468 |
| Average Age | 48.83 | 47.67 |
| Superannuation Age | 58 | 58 |
| Average service left (Years) | 9.17 | 10.33 |

Key Assumptions

| Particulars | As at 31.03.2020 | As at 31.03.2019 |
|--|--|--|
| Mortality Table | Indian Assured Lives Mortality (2012-14) - Ultimate table | Indian Assured Lives Mortality (2006-08) - Ultimate table |
| Attrition Rate | 5% at younger ages and reducing to 1% at older ages according to graduated scale | 5% at younger ages and reducing to 1% at older ages according to graduated scale |
| Discount Rate | 6.80% p.a | 7.70% 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 | 9.17 | 10.33 |

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 31.03.2020 | As at 31.03.2019 |
|---|------------------|------------------|
| Present Value of Obligations at the beginning of the period | 4,070,573.00 | 2,347,008.00 |
| Interest Cost | 276,799.00 | 180,720.00 |
| Past Service Cost (non-vested) | - | - |
| Past Service Cost (vested) | - | - |
| Current Service Cost | 491,423.00 | 997,851.00 |
| Benefits Paid | (1,079,676.00) | (1,033,829.00) |
| Actuarial (gain) / loss | (250,171.00) | 1,578,823.00 |
| Present Value of Obligations at the end of the period | 3,508,948.00 | 4,070,573.00 |

Net Asset / Liability to be recognised in the Balance Sheet

| Particulars | As at 31.03.2020 | As at 31.03.2019 |
|---|------------------|------------------|
| Present Value of Obligations at the end of the period | 3,508,948.00 | 4,070,573.00 |
| Fair Value of Plan Assets at the end of the period | - | - |
| Funded Status | (3,508,948.00) | (4,070,573.00) |
| Unrecognised Actuarial (gains)/ losses | - | - |
| Net Asset / (Liability) Recognised in Balance Sheet | 3,508,948.00 | 4,070,573.00 |

Expenses Recognised in the Statement of Profit and Loss

| Particulars | As at 31.03.2020 | As at 31.03.2019 |
|---|------------------|------------------|
| Current Service Cost | 491,423.00 | 997,851.00 |
| Past Service Cost | - | - |
| Interest Cost | 276,799.00 | 180,720.00 |
| Expected Return on Plan Assets | - | - |
| Curtailment Cost / (Credit) | - | - |
| Settlement Cost / (Credit) | - | - |
| Net Actuarial (gain) / loss recognised in the period | (250,171.00) | 1,578,823.00 |
| Expenses Recognised in the Statement of Profit and Loss | 518,051.00 | 2,757,394.00 |



Movement in liability recognised in Balance Sheet

| Particulars | As at 31.03.2020 | As at 31.03.2019 |
|------------------------------|------------------|------------------|
| Opening Net Liability | 4,070,573.00 | 2,347,008.00 |
| Expense as above | 518,051.00 | 2,757,394.00 |
| Contribution / Benefits Paid | (1,079,676.00) | (1,033,829.00) |
| Closing Net Liability | 3,508,948.00 | 4,070,573.00 |

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

b 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 31.03.2020 | As at 31.03.2019 |
|--|------------------|------------------|
| Present Value of Obligations as at the end of the period | 4,388,698 | 4,388,698 |
| Fair Value of Plan Assets as at the end of the period | - | - |
| Opening Net Liability | 4,388,698 | 3,416,422 |
| Expenses as per Annexure | 738,721 | 1,016,247 |
| Contribution paid | - | -43,971 |
| Closing Net Liability | 5,127,419 | 4,388,698 |

The calculations have been made as on 31.03.2020 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 31.03.2020 | As at 31.03.2019 |
|--------------------------|------------------|------------------|
| Number of Employees | 14 | 14 |
| Average salary in Rupees | 48,480 | 47,507 |
| Average Past Service | 13.770 | 12.770 |
| Average Age | 52.36 | 51.36 |
| Superannuation Age | 58 | 58 |

Key Assumptions

| Particulars | As at 31.03.2020 | As at 31.03.2019 |
|---|--|--|
| Mortality Table | Indian Assured Lives Mortality (2012-14) - Ultimate | Indian Assured Lives Mortality (2006-08) - Ultimate |
| Attrition Rate | 5% at younger ages and reducing to 1% at older ages according to graduated scale | 5% at younger ages and reducing to 1% at older ages according to graduated scale |
| Discount Rate | 6.80% p.a | 7.70% 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) | 5.64 | 6.64 |

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 31.03.2020 | As at 31.03.2019 |
|---|------------------|------------------|
| Present Value of Obligations at the beginning of the period | 4,388,698.00 | 3,416,422.00 |
| Interest Cost | 298,431.00 | 263,064.00 |
| Past Service Cost (non-vested) | - | - |
| Past Service Cost (vested) | - | - |
| Current Service Cost | 360,262.00 | 331,698.00 |
| Benefits Paid | - | (43,971.00) |
| Actuarial (gain) / loss | 80,028.00 | 421,485.00 |
| Present Value of Obligations at the end of the period | 5,127,419.00 | 4,388,698.00 |



Net Asset / Liability to be recognised in the Balance Sheet

| Particulars | As at 31.03.2020 | As at 31.03.2019 |
|---|------------------|------------------|
| Present Value of Obligations at the end of the period | 5,127,419.00 | 4,388,698.00 |
| Fair Value of Plan Assets at the end of the period | - | - |
| Funded Status | (5,127,419.00) | (4,388,698.00) |
| Unrecognised Actuarial (gains)/ losses | - | - |
| Net Asset / (Liability) Recognised in Balance Sheet | 5,127,419.00 | 4,388,698.00 |

Expenses Recognised in the Statement of Profit and Loss

| Particulars | As at 31.03.2020 | As at 31.03.2019 |
|---|------------------|------------------|
| Current Service Cost | 360,262.00 | 331,698.00 |
| Past Service Cost | - | - |
| Interest Cost | 298,431.00 | 263,064.00 |
| Expected Return on Plan Assets | - | - |
| Curtailement Cost / (Credit) | - | - |
| Settlement Cost / (Credit) | - | - |
| Net Actuarial (gain) / loss recognised in the period | 80,028.00 | 421,485.00 |
| Expenses Recognised in the Statement of Profit and Loss | 738,721.00 | 1,016,247.00 |

| Particulars | As at 31.03.2020 | As at 31.03.2019 |
|------------------------------|------------------|------------------|
| Opening Net Liability | 4,388,698.00 | 3,416,422.00 |
| Expense as above | 738,721.00 | 1,016,247.00 |
| Contribution / Benefits Paid | - | (43,971.00) |
| Closing Net Liability | 5,127,419.00 | 4,388,698.00 |

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

NOTE 22 :FINANCE COST

| | March 31,2020 | March 31,2019 |
|----------------------|-------------------|-------------------|
| Interest Expense | | |
| Interest on KRF Loan | 51,625,629 | 49,187,529 |
| Total | 51,625,629 | 49,187,529 |

NOTE 23 : DEPRECIATION AND AMORTISATION EXPENSE

| | March 31,2020 | March 31,2019 |
|-----------------------------------|--------------------|--------------------|
| Amortisation on Intangible Assets | 156,034,028 | 162,291,110 |
| Depreciation | 947,804 | 803,582 |
| Total | 156,981,832 | 163,094,692 |

NOTE 24 :OTHER EXPENSES

| | March 31,2020 | March 31,2019 |
|---------------------------------|---------------|---------------|
| Payment to Auditor | | |
| Statutory Auditor | | |
| Audit Fees | 175,000 | 175,000 |
| Tax Audit Fee | 30,000 | 25,000 |
| Auditors out of pocket expenses | 77,876 | 73,869 |
| Internal Audit Fees | 150,000 | 150,000 |
| Secretarial Audit fees | 56,000 | 50,000 |
| Advertisement Charges | 1,978,821 | 1,620,402 |
| Consultancy Fee (Expenses) | 3,961,336 | 4,622,158 |
| DPR Charges | 7,529,179 | - |
| Electricity Charges | 292,139 | 305,652 |
| Interest on TDS | 13,194 | 131,779 |
| Legal and Professional Charges | 561,500 | 300,645 |
| Other Expenses | 736,139 | 1,232,605 |



| | | |
|----------------------------------|-------------------|-------------------|
| Postage and Telephone | 181,223 | 189,349 |
| Printing and Stationery | 173,127 | 201,226 |
| Rates and Taxes | 22,798 | 12,202 |
| Rent | 1,821,602 | 1,678,104 |
| Lease Rent | 200,000 | 200,000 |
| Repairs and Maintenance (ROB) | 2,563,649 | 1,355,095 |
| Repairs and Maintenance (others) | 75,854 | 104,833 |
| Training and seminar | 6,130 | 37,600 |
| Travelling and Conveyance | 533,787 | 742,952 |
| KIIFB-PMC Fees | 1,250,219 | - |
| User fee Collection Expenses | 206,700 | 129,162 |
| Vehicle Expenses | 708,422 | 742,475 |
| Inauguration Expense | - | 152,040 |
| Foundation stone laying expenses | - | 77,656 |
| Total | 23,304,695 | 14,309,802 |

NOTE NO 25: Prior Period Items

| | March 31,2020 | March 31,2019 |
|------------------------------------|------------------|-------------------|
| Interest on arbitration settlement | - | 14,280,905 |
| Agency Charges | - | 384,607 |
| Miscellaneous Income | - | 54,530 |
| Pension Contribution | 1,286,203 | - |
| Advertisement Charges | 26,536 | - |
| Travelling Allowance | 28,552 | - |
| Consultancy Fee | 132,825 | - |
| Total | 1,474,116 | 14,720,042 |

NOTE NO 26: Contingent Liabilities Not Provided For

a. 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

b. Unexecuted portion of contracts pending as on 31/3/2020 amounts to Rs. 16305.07 lakhs (Previous year Rs. 9318.09 Lakhs)

c. Interest claimed by bond holders on delayed payment of annual interest and redemption amount under dispute amounts to Rs.276.98 lakhs.

d. 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)

As per our report of even date attached

For and on behalf of Board of Directors

Sd/-

Sd/-

Sd/-

Rajesh Ramachandran
Partner
M.No. 206211
FR.No.008085S

G Sudhakaran
Chairman
DIN :07589740

Jafar Malik,IAS
Managing Director
DIN : 08879543

Sd/-

Sd/-

Kochi
26.04.2021

Sibi J Pulloppillil
Chief Financial officer

Sreenath Sasidharan
Company Secretary

**ROADS AND BRIDGES DEVELOPMENT CORPORATION OF KERALA LIMITED**

PREETHI BUILDINGS, M.V.ROAD, PALARIVATTOM, KOCHI - 682 025. CIN U45203KL1999SGCO13314

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

| | Year ended March 31, 2020 | Year ended March 31, 2019 |
|---|------------------------------|------------------------------|
| Cash flows from operating activities | | |
| Net profit before taxation | (96,533,653) | (113,170,291) |
| Adjustments for: | | |
| Depreciation | 156,981,832 | 163,094,692 |
| Proceeds from the sale of fixed assets | (104,690) | (3,643) |
| Interest expense | | |
| Operating profit before working capital changes | 60,343,489 | 49,920,758 |
| Decrease/(Increase) in Sundry debtors | (12,053,837) | (9,626,954) |
| Decrease/(Increase) in Loans and advances | 56,733,186 | 29,525,985 |
| Decrease/(Increase) in Other Current Asset | (62,833,259) | (32,537,517) |
| Decrease/(Increase) in Trade payables | (83,949,730) | 1,127,315 |
| Increase/(Decrease) in Current Liabilities and Short term Provisions | 9,661,431 | 124,920,326 |
| Increase/(Decrease) in Long term Liabilities and Long term Provisions | 36,153,194 | 10,113,972 |
| Cash generated from operations | 4,054,475 | 173,443,884 |
| Direct taxes paid (net of refunds) | - | - |
| Net cash from/(used in) operating activities | 4,054,475 | 173,443,884 |
| Cash flows used in investing activities | | |
| Purchase of fixed assets | (1,222,452) | (1,482,018) |
| Work in Progress | - | 2,595,460 |
| Intangible Assets under development | (180,357) | (16,442,937) |
| Sale of Fixed Assets | 184,875 | 14,290,254 |
| Net cash used in investing activities | (1,217,934) | (1,039,241) |
| Cash flows from financing activities | | |
| Increase/(Decrease) in borrowings | - | - |
| Proceeds from Issuance of Share Capital | - | - |
| Interest paid | - | - |
| Net cash from financing activities | - | - |
| Net (decrease) / increase in cash and cash equivalents | 2,836,541 | 172,404,644 |
| Cash and cash equivalents at the beginning of the year | 1,073,333,779 | 900,929,135 |
| Cash and cash equivalents at the end of the year | 1,076,170,320 | 1,073,333,779 |
| Notes: | | |
| 1) Cash and Cash Equivalents include,(as per Schedule 8) | | |
| - Cash in hand | 15,000 | 20,000 |
| - Balances with Scheduled banks in Current Account | 1,076,155,320 | 1,073,313,779 |
| - Balances with Scheduled banks in Fixed Deposit | - | - |
| Cash and bank balances at the end of the year | 1,076,170,320 | 1,073,333,779 |

As per our report of even date attached

For JRS & Co

Chartered Accountants

(Firm Regn No.008085S)

Sd/-

Rajesh Ramachandran
Partner
M.No.206211

For and on behalf of Board of Directors

Sd/-

Sd/-

G Sudhakaran
Chairman
DIN :07589740Jafar Malik, fAS
Managing Director
DIN: 08879543

Sd/-

Sd/-

Sibi J Pulloppillil
Chief Financial OfficerSreenath Sasidharan
Company Secretary

Place:Kochi

Date: 26/04/2021



**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 2020**

The preparation of financial statements of **Roads and Bridges Development Corporation of Kerala Limited, Ernakulam** for the year ended **31 March 2020** 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 **26 April 2021**.

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 2020** 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.

I. COMMENTS ON PROFITABILITY

Statement of Profit and Loss for the year ended 31 March, 2020

A. Income from Continuing Operations

2. Other Income (Note 20)

Interest received on bank deposits - ₹728.37 lakh

1. This includes ₹11.12 lakh being interest accrued on fixed deposit of ₹412.8 lakh, which was the amount collected by invoking the bank guarantee furnished by the contractor of Palarivattom Flyover project, for failure of the contractor to rectify the defects. Since the project was funded by Kerala Road Fund Board and the Company was only an executing agency, the interest accrued on the fixed deposit should not have been treated as income of the company. This resulted in overstatement of 'Interest received on bank deposits' and understatement of 'Other current liabilities' by ₹11.12 lakh.



II. COMMENTS ON FINANCIAL POSITION

Balance Sheet as at 31 March, 2020

A. Equity and Liabilities

3. Non-current Liabilities

d. Long-term provisions (Note 6)

Provision for EL Surrender- ₹32.97 lakh

2. This represents provision made by the Company towards Privilege Leave Liability of its employees based on Actuarial Valuation as per Accounting Standard (AS) 15. The Actuarial valuation included liability in respect of two deputation employees and 13 contract employees. This resulted in overstatement of both Provision for EL Surrender and Loss for the year by ₹12.53 lakh.


III. COMMENTS ON CASHFLOW STATEMENT

Cash flow Statement for the year ended 31 March, 2020

Cash flows from operating activities

3. As per para 30 of AS 3 – Cash Flow Statements, cash flows arising from interest received should be classified as cash flows from investing activities. The Company arrived Cash generated from operations after including interest received on fixed deposits amounting ₹202.42 lakh. Due to this, Cash generated from operations is overstated by ₹202.42 lakh with corresponding understatement of cash flow from Investing Activities.

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



K.P. ANAND

PRINCIPAL ACCOUNTANT GENERAL (AUDIT II), KERALA

Thrissur

Dated: 18.10.2021



Roads and Bridges Development Corporation of Kerala Ltd.

(A Government of Kerala Undertaking)

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