

ANNUAL ADMINISTRATION REPORT 2017-2018



In pursuance of the provision contained in Section 27 (1)
of the Kerala Road Fund Act, 2001

The Report covers the period from 1st April 2017 to 31st March 2018

Sixteenth Annual Report

Introduction

The Year 2017-18 has been remarkable as far as KRFB is concerned. The most significant events during the period of report were the establishment of the Project Management Unit as Special Purpose Vehicle (SPV) under the Administrative control of the KRFB for the execution of the works financed by KIIFB and the inauguration of the Kozhikode City Road Improvement Project Phase I A by the Hon'ble Chief Minister on 14.11.2017. Another remarkable event during the period of report was the execution of the Concession Agreement for the Alappuzha City Road Improvement Project phase I.

CONTENTS

SECTION I : The Structure of the Kerala Road Fund Board (KRFB)	3
1) <i>The Kerala Road Fund Board</i>	3
2) <i>The Executive Committee</i>	4
SECTION II : Governance and Administration	5
<i>Office bearers of KRFB during the period of report</i>	5
SECTION III : Meetings of Executive Committee and Board of Directors	6
SECTION IV- Major Achievements of KRFB during the period of report	7
<i>Execution of KIIFB Funded Projects – Nomination of special purpose vehicle & establishment of Project Management Unit</i>	7
<i>Thiruvananthapuram City Road Improvement Project</i>	7
<i>Kozhikode City Road Improvement Project</i>	8
<i>Alappuzha City Road Improvement Project</i>	8
<i>Extension of City Road Improvement Projects in other District Centers</i>	8
<i>Beatification of Cliff house Road</i>	9
<i>Multi level vehicle parking facility near Secretariat</i>	9
<i>DFIP Works</i>	9
<i>Kannur Highway, Nadukani – Parappanangadi road & Valiyazheekal bridge</i>	9
SECTION V : Funding Operations	10
SECTION VI :	11
(i) <i>AUDITORS REPORT</i>	11
(ii) <i>NOTES ON ACCOUNTS FOR THE YEAR 2017-18</i>	11
(iii) <i>SIGNIFICANT ACCOUNTING POLICIES</i>	11
SECTION VII : Acknowledgements and submission	12
Annexure I – Minutes of the 41 st , 42 nd and 43 rd Executive committee Meeting	
Annexure II – Minutes of the 16 th Board Meeting	
Annexure III – Auditors Report	

SECTION I:

The Structure of the Kerala Road Fund Board (KRFB)

1) The Kerala Road Fund Board

The members of the Board as per KRF Act; 2001.

- The Chief Minister – ex-officio; who shall be the Chairman of the Board
- The Minister in charge of Public Works – ex-officio; who shall be the Vice Chairman of the Board
- The Minister in Charge of Transport –ex- officio – Member
- The Principal Secretary/Secretary to Government in charge of Public Works Department ex-officio; who shall be the Member Secretary of the Board.
- The Law Secretary – ex-officio-Member
- The Chief Engineer, Roads & Bridges –ex-officio – Member

- Three members nominated by the Government from among the heads of financial institutions engaged in the business of infrastructure, scheduled banks or technical or engineering personnel working in national level institutions. The nominated members of the Board of Directors during the period of report were:
 - (i) The Chief General Manager, SBI, Poojappura, Thiruvananthapuram
 - (ii) The Chief General Manager, NABARD, Thiruvananthapuram
 - (iii) The Regional Chief Manager, HUDCO, Kerala Region

2) **The Executive Committee**

The Board has an Executive Committee with the following members as per the KRF Act, 2001

- Minister in charge of Public Works – Chairman of the Executive Committee
- Principal Secretary/Secretary to Government in charge of Public Works Department – Vice Chairman of the Executive Committee
- Secretary to Government, Finance – Member
- Secretary to Government, Law Department – Member
- Chief Engineer, Roads & Bridge – Member
- Two members nominated by the Board from among the nominated members of the Board

The nominated members during the period of report were:

- (i) The Chief General Manager, SBI, Poojappura, Thiruvananthapuram
- (ii) The Chief General Manager, NABARD, Thiruvananthapuram

SECTION II

Governance and Administration

The Administrative Head of KRFB is the Member Secretary who is also Secretary to Government, Public Works Department, Government of Kerala. Sri. Biju Prabhakar IAS and Sri. Kamala Vardhana Rao, IAS Principal Secretary to PWD officiated as Member Secretary of the Board during the period The Board was functioning in the rented building located at Belhaven Garden, Kowdiar. The technical and ministerial functions of the Board were controlled by the Chief Executive Officer who was appointed directly on contract basis as the Head of Office. Sri. Harikesh P.C. continued as Chief Executive Officer during the Period under report.

Officer bears of KRFB during the period of report

- | | | |
|------------------------------|---|--|
| (i) Member Secretary | - | The Principal Secretary, PWD (ex-officio) |
| (ii) Chief Executive Officer | - | Sri. Harikesh P.C. |
| (iii) Administrative Officer | - | Sri. K.G. Vijaya Kumar |
| (iv) Finance Officer | - | 1. Sri. G.Rajakumar
(From 1.4.2017 to 24.5.2017)
2. Smt. Preethy Leonold
(From 10.07.2017 to 31.3.2018) |
| (v) General Manager | - | 1.Sri.K.K.Narayanan
(From 17.5.2017 to 10.10.2017)
2. Sri. V. Gopalakrishna Pillai
(From 23.03.2018 to 31.3.2018) |

SECTION III :

Meeting of the Executive Committee and Board of Directors during the period of report

During the Period of report three Executive Committee meeting were held (41st, 42nd and 43rd on 12.07.2017, 29.11.2017 and on 27.03.2018 respectively).

Minutes of the above meeting of the EC are appended as Annexure I

In addition the 16th meeting the Board of Directors of KRFB was also held on 27.03.2018. Minutes of the meeting of the Board in appended as Annexure II

SECTION IV :

Major achievements during the period of Report

(i) Execution of KIIFB Funded Projects – Nomination of special purpose vehicle & establishment of Project Management Unit.

Govt. vide GO (MS)No.8/2017/PWD dt. 18.02.2017 accorded sanction to create a project Management Unit in KRFB to execute the projects financed by KIIFB. One post of Project Director in the cadre of CE, two posts of Superintending Engineers, one post of Divisional Accountant were created and 61 supporting staff were ordered to be redeployed from PWD. The Project Director, PMU has been nominated as the Tendering Authority and he was authorized to enter into agreement with contractors on behalf of KRFB for implementing the KIIFB funded works. The Project Management Unit started functioning w.e.f. 12.04.2017.

The Executive Committee which met on 12.07.2017 accorded sanction to procure office space on rent for the accommodation PMU and also for the procurement of necessary furniture and other paraphernalia and a vehicle.

A Tripartite Agreement among SPV, Public Agency and KIIFB was executed on 17.07.2017. The first tranche of centage of Rs. 10.25 crore was also received by KRFB on 11.01.2018.

(ii) Thiruvananthapuram City Road Improvement Project

The Period of report witnessed poor performance of the O & M activities in respect of the Thiruvananthapuram City Road Improvement Project and the Executive Committee resolved to take remedial measures. Notices to Remedy were issued to the Concessionaire and joint inspection by a team comprising of CE (R&B), C.T.E, Dy.CE Vigilance, Independent Engineer, officials from TRDCL and the CEO was held. Accordingly directions were issued to TRDCL to carryout B.C. overlay at the road stretches where the roughness value is found to be above the acceptable levels (3000 mm/km).

(iii) Kozhikode City Road Improvement Project

The execution work of KCRIP showed good progress. The 42nd Executive Committee met on 29.11.2017 approved the proposal for the preparation of DPR for phase II KCRIP project. The Phase I(A) was inaugurated by the Hon'ble Chief Minister on 14.11.2017. In addition the EC approved the paving of interlocks for an area of 2410 sq.m. at the 6 major junction of Pananththazham to CWR DM Road.

Further EC resolved to accord sanction for the modification of 53 bus shelters in phase I corridors for a cost of Rs.47,00,000/- .The EC also resolved to release semi annuity payments to the Concessionaire for amount of Rs. 189733100/- w.e.f 01.03.2018 in consideration of the successful completion of the work before the scheduled date of completion.

(iv) Alappuzha City Road Improvement Project

With view to implement the Project in a time bound manner the following steps were taken.

- (a) M/s Dara shaw & Company Pvt Ltd. Chennai was appointed as Transaction Advisor of the Project on 14.06.2017
- (b) A proposal for the construction of 3 bridges at Muppalam Jn. for an estimated cost of Rs. 16.342 crores was submitted to Govt. for accord of Administrative Sanction.

(v) Extension of City Road Improvement Projects in other District Centers

With a view to implement City Road Improvement Projects in the model of TCRIP and KCRIP the 42nd EC met on 29.11.2017 accorded sanction to prepare DPRS for the six towns viz.

Kasaragod. Kalpetta, Munnar, Pathanamthitta, Payyannur and Mananthavady

(vi) Beautification of Cliff house Road

The Executive Committee met on 29.11.2017 considered the proposal from the CE Roads & Bridges requesting for funds to for the beatification and development of the Cliff House Road and accorded sanction to provide Rs.23 lakhs from the funds vested with KRFB.

(vii) Multi level vehicle parking facility near Secretariat

With a view to alleviate the problems relating to parking of vehicles, the Executive Committee resolved to engage M/s NATPAC for the preparation of pre feasibility study of the multi level vehicle parking facility near Secretariat at a cost of Rs. 2.25 lakhs.

DFIP Works

Hill Highway – Kannur, Nadukani – Parappanangadi road & Valiyazheekal bridge

An expenditure of an amount of Rs. 166419361/- was incurred for the construction of Hill highway in Kannur District.

An amount of RS. 165108429/- was also spent for the up gradation of Nadukani – Parappanangadi road and Rs. 305889699/- was spent for the constriction of Valiyazheekkal Bridge.

SECTION V

Funding Operations

The Annual Budget Provision for 2017-18 was Rs. 221.07cr. and the actual receipt was Rs. 73.02cr. The full amount was expended. A detailed Audited report and notes on the accounts prepared by the statutory auditor is placed below.

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SECTION VI:
Auditors Report

- (i) Auditors Report (Attached as Annexure III)
- (ii) Notes on Accounts for the year 2017-18 (Attached as Annexure III)
- (iii) Significant Accounting Policies (Attached as Annexure III)

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SECTION VII:

Acknowledgment and submission

The Executive Committee place on record its sincere appreciations for the guidance and support extended to the Board by the Government of Kerala, PWD and other agencies.

As per Section 27(1) of the Kerala Road Fund Act, the Annual Report along with the Audited accounts are to be submitted to the Government for being placed before the Legislative Assembly. This combined report of Administration and Accounts submitted for being placed before the Legislative Assembly.

For and on behalf of the Kerala Road Fund Board.

Member Secretary

Thiruvananthapuram

Date