



**KERALA STATE WOMEN'S
DEVELOPMENT CORPORATION LTD.**
(A Govt. of Kerala undertaking)

**34th ANNUAL REPORT
2021-2022**



Inauguration of second Phase Vanitha Mithra Kendra Working Women's hostel at Kakkannad, Ernakulam.



Inauguration of Vanitha Mithra Kendra Working Women's hostel at Pathanamthitta



KERALA STATE WOMEN'S DEVELOPMENT CORPORATION LTD.
THIRUVANANTHAPURAM
(A Government of Kerala Undertaking)



34th

ANNUAL REPORT AND ACCOUNTS
2021 - 2022



KERALA STATE WOMEN'S DEVELOPMENT CORPORATION LTD.
THIRUVANANTHAPURAM
(A Government of Kerala Undertaking)

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**THE KERALA STATE WOMENS DEVELOPMENT CORPORATION
LTD THIRUVANANTHAPURAM**
(A Government of Kerala Undertaking)

BOARD OF DIRECTORS

CHAIRPERSON	: Smt. K C Rosakutty
MANAGING DIRECTOR	: Smt. Bindu V C
DIRECTORS	: Sri. Santhoshkumar T K
	: Smt. Beena B
	: Smt. Shyla Surendran
	: Smt. V K Prakashini
	: Adv T V Anitha
	: Smt. Grace M D
	: Smt. Sheela Leon
	: Smt. R Girija
	: Smt. Pennamma joseph

BOARD OF DIRECTORS (Year 2021-2022)

CHAIRPERSON	: Smt. K S Saleekha
	: Smt. K C Rosakutty (From Jan 2022)
MANAGING DIRECTOR	: Smt. Bindu V C
DIRECTORS	: Sri. Mohammed Anzari
	: Smt. Nisha S
	: Smt. Bindu A R
	: Smt. Geenakumari T
	: Adv. Sumathi
	: Smt. Kamala Sadanandan
	: Smt. Annamma Pilipose
	: Smt. Madhavi Amma
Auditors	: M/s Srinivas and Krishna CHARTERED ACCOUNTANT Thiruvananthapuram
Bankers	: M/s IDBI Bank, Canara Bank, SBI Thiruvananthapuram



NOTICE OF THE 34TH ANNUAL GENERAL MEETING OF THE COMPANY

Notice is hereby given that the Thirty Fourth Annual General Meeting of the Company will be held at the Registered Office of the Company at 1st Floor, Transport Bhavan Building, East Fort, Attakulangara Post, Thiruvananthapuram, Kerala- 695023 on **Thursday, 29th September 2022 at 12.30 p.m.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2022, along with the Directors, and Auditor's Reports and Report of Comptroller and Auditor General of India.
2. To fix the statutory audit fee, including reimbursement of out of pocket expenses if any in connection with audit work to the statutory auditors for the financial year 2022-23

By Order of the Board
For The Kerala State Women's Development Corporation Ltd

Bindu Venpala Chandranandan
Managing Director
DIN: 07644408

Thiruvananthapuram
Date: 16.09.2022

Note:

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. The proxy need not be a member of the Company.
- 2) The proxy form duly completed and signed shall be lodged with the Company not less than 48 hours before the date of holding the meeting.



**NOTICE OF THE ADJOURNED 34TH ANNUAL GENERAL MEETING
OF THE COMPANY**

Notice is hereby given that the Adjourned Thirty Fourth Annual General Meeting of the Company will be held at the Registered Office of the Company at 1st Floor, Transport Bhavan Building, East Fort, Attakulangara Post, Thiruvananthapuram, Kerala- 695023 on **Wednesday, 16th August 2023 at 12.00 p.m.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2022, along with the Directors, and Auditor's Reports and Report of Comptroller and Auditor General of India.
2. Declaration of Final Dividend on Equity Shares for the Financial Year ended March 31, 2022:

By Order of the Board
For The Kerala State Women's Development Corporation Ltd

Bindu Venpala Chandranandan
Managing Director
DIN: 07644408

Thiruvananthapuram
Date: 08.08.2023

Note:

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. The proxy need not be a member of the Company.
- 2) The proxy form duly completed and signed shall be lodged with the Company not less than 48 hours before the name of holding the meeting.



DIRECTORS' REPORT

Dear Shareholders,

The Directors of your Company have great pleasure in presenting the 34th Annual Report of the Company on the business and operation of the company together with the Audited Statement of Accounts for the year ended 31st March 2022, the Auditors Report and Comments of Comptroller and Auditor General of India (C& AG).

SHARE CAPITAL

The Authorized Share Capital of the company is Rs. 15,00,00,000/- (Rupees Fifteen Crores only) divided into 15,00,000 (Fifteen Lakhs) equity shares of Rs. 100/- (Rupees Hundred only) each. The Issued, Subscribed and Paid up Capital of the company is Rs. 10,99,91,100/- (Rupees Ten Crore Ninety Nine Lakhs Ninety One Thousand and One Hundred Only) divided into 10,99,911, (Ten Lakhs Ninety Nine Thousand Nine Hundred and Eleven Only) equity shares of Rs. 100/- (Rupees Hundred only) each. During the financial year there is no change in the capital structure of the company.

REGISTERED OFFICE OF THE COMPANY

The Registered Office of the Company is situated at 1st Floor, Transport Bhavan Building, East Fort, Attakulangara Post, Thiruvananthapuram, Kerala- 695023. There were no changes in the registered office of the company during the year under review.



MAIN OBJECT AND BRIEF DESCRIPTION OF THE WORKING OF THE COMPANY DURING THE YEAR

The company is basically engaged in the business to formulate, promote and implement any scheme aimed at the welfare of women and Transgender in Kerala and to enable them to earn a better living. Women herein after referred include Women and Transgender.

There is no change in the nature of business of the Company during the financial year 2021-22. During the year the Company has increased its business income from Rs. 26,34,87,933/- (Rupees Twenty Six Crores Thirty Four Lakhs Eighty Seven Thousand Nine Hundred and Thirty Three only) to Rs. 31,36,22,609/- (Rupees Thirty One Crores Thirty Six Lakhs Twenty Two Thousand Six Hundred and Nine only), and the operation of the Company has resulted in a Profit of Rs.1,93,66,842/- (Rupees One Crore Ninety Three Lakhs Sixty Six Thousand Eight Hundred and Forty Two Only) and the Directors are hopeful that the company can sustain and improve the profit in the ensuing years.

FINANCIAL RESULTS OF THE COMPANY

Particulars	2021-22	2020-21
Revenue	31,36,22,609.00	26,34,87,933.00
Expenses	28,36,52,861.00	25,02,68,410.00
Profit before exceptional & Extra - ordinary Items	2,99,69,749.00	1,32,19,523.00
Exceptional Items	0.00	0.00
Profit before Extraordinary Items and Tax	2,99,69,749.00	1,32,19,523.00
Extraordinary Items	0.00	0.00
Profit before Tax	2,99,69,749.00	1,32,19,523.00
Tax Expenses	(50,81,064.00)	(51,06,931.00)



Profit / (Loss) for the period after Tax	1,93,66,842.00	27,01,091.00
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DIVIDEND

Your Directors have recommended dividend on equity shares for the year 2021-22.

MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL PERIOD AND DATE OF REPORT:

There are no material changes and commitments affecting the financial position of the Company between the end of financial Period and date of report.

BOARD OF DIRECTORS

The details of Directors and the status of appointment and cessation taken place during the year as follows

Sl No.	Name	Date of appointment during the year	Date of cessation during the year
1.	Saleekha Korath Saithu	-	03/01/2022
2.	Bindu Venpala Chandranandan	-	-
3.	A. R Bindu	-	24/03/2022
4.	Thankappan Pillai Geenakumari	-	21/03/2022
5.	Sumathi	-	21/03/2022
6.	Kamala Sadanandan	-	05/08/2021
7.	Annamma Aduparayil Pilopose	-	21/03/2022
8.	Madhavi Amma Thekkeveettil	-	21/03/2022
9.	Mohammed Ansari	-	05/08/2021
10	Nisha Sathyadas	26/04/2021	-
11.	Beena Bhavaniamma	24/03/2022	-
12.	Rosakutty Kurishinkal Chacko	03/01/2022	-
13.	Valiyavalappil Kudukki Prakasini	21/03/2022	-
14.	Sheeba Leon	21/03/2022	-



15.	Maliakkal Devassy Grace	21/03/2022	-
16.	Shyla Surendran	21/03/2022	-
17.	Anitha	21/03/2022	-

There were no other changes occurred during the year.

MEETINGS OF THE BOARD

Six (6) meetings of the Board of Directors on 08.04.2021, 18.06.2021, 30.07.2021, 29.09.2021, 29.11.2021 and 25.03.2022 were held during the year as per the provisions of Section 173 of the Companies Act, 2013. The details of directors who attended the meeting as follows.

Sl.no	Name of the Director	No. of meetings entitled to attend	No. of meetings attended
1.	Saleekha Korath Saithu	5	5
2.	Bindu Venpala Chandranandan	6	6
3.	A. R Bindu	5	5
4.	Thankappan Pillai Geenakumari	5	4
5.	Sumathi	5	4
6.	Kamala Sadanandan	1	1
7.	Annamma Aduparayil Pilopose	5	5
8.	Madhavi Amma Thekkeveettil	5	5
9.	Mohammed Ansari	1	0
10.	Nisha Sathyadas	5	4
11.	Beena Bhavaniamma	1	1
12.	Rosakutty Kurishinkal Chacko	1	1
13.	Valiyavalappil Kudukki Prakasini	1	1
14.	Sheeba Leon	1	1



15.	Maliakkal Devassy Grace	1	1
16.	Shyla Surendran	1	1
17.	Anitha	1	1

GENERAL MEETINGS DURING THE FINANCIAL YEAR

Two (2) General meetings were held during the year under review. The 31st Adjourned Annual General Meeting of the company was held on 29th September, 2021, and the 33rd Annual General Meeting was held on 29th September, 2021. There were no other general meetings conducted during the financial year.

CORPORATE SOCIAL RESPONSIBILITY

As per Section 135 of Companies Act, 2013, the Company is not required to constitute a Corporate Social Responsibility Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee pursuant to Section 178 of Companies Act, 2013 is not applicable to the Company.

AUDIT COMMITTEE

The Audit Committee pursuant to Section 177 of Companies Act, 2013 is duly constituted and no meeting was held during the year under review.

EXTRACT OF ANNUAL RETURN

The Extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Form MGT-9 is attached to this report and placed a copy in the website of the company www.kswdc.org.



SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS

During the year, no significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT.

There are no subsidiaries, associates and joint venture companies, hence consolidated financial statement is not applicable for the Company.

DECLARATION OF INDEPENDENT DIRECTORS.

The provisions of Section 149 pertaining to the appointment of Independent Directors do not apply to the Company

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES.

There was no contract or arrangements made with related parties as defined under Section 188 of the Companies Act, 2013 during the year under review.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORT.

The explanations /comments made by the Board relating to the qualifications, reservations or adverse remarks made by the Auditors in their report are furnished Annexure-1 and is attached to this report.

SHARES

a. BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.



b. SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

c. BONUS SHARES

No Bonus Shares were issued during the year under review.

d. EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

AUDITORS

The Companies accounts for the financial year ended 31st March, 2022 were audited by **M/s. Srinivas & Krishna**, Chartered Accountants, T.C 40/366, Second Puthen Street, Manacaud P.O, Trivandrum, Kerala - 695009. They were appointed till the conclusion of the ensuing Annual General Meeting by the Comptroller and Auditor General of India, to hold office, in accordance with the provisions of the Companies Act, 2013.

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

Conservation of Energy	:	NA
Technological Absorption	:	NA
Foreign Exchange Earnings	:	Nil
Foreign Exchange Outgo	:	Nil

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



Your Director state that during the year under review, there were no cases filed pursuant to the Sexual Harassment at workplace (Prevention, Prohibition and Redressal) Act, 2013.

DIRECTORS RESPONSIBILITY STATEMENT

The Directors of the Company hereby confirm:

- i. that in the preparation of the accounts for the financial year ended 31st March, 2022, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii. that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- iii. that the directors has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. that the directors have prepared the accounts on a going concern basis;
- v. that the Directors, as the Company is not listed, is not required to lay down the internal financial controls to be followed by the Company.
- vi. That the Directors has 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 wish to place on record their thanks and gratitude to the Government of Kerala, The Ministry of Women & Child Development, Government of India, Shareholders and Banks, NMDFC, NBCFDC, NSFDC, NSTFDC



and NSKFDC for their continued patronage and support. Your Directors thank the Statutory Auditors and Office of the Accountant General (G&SSA) Kerala for their valued Co-operation.

Your Directors also express their deep sense of appreciation for the commitment displayed by all officers and staff of the company resulting in the successful performance of the company during the year.

For and on behalf of the Board

CHAIRPERSON

Date: 08.08.2023

Place: Trivandrum



ADDENDUM TO THE DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH 2022

Replies to Statutory Auditor's Comments:-

Sl No	Statutory Auditor's Comments	Reply to Statutory Auditor's Comments
(a)	<p>The total loans outstanding as on 31st March, 2022 as per the Financial Statements is Rs. 3,97,47,97,892/-. However, as per the supporting documents (software), the total loans outstanding as on 31st March, 2022 is Rs.4,00,62,88,740/-. This has resulted in a difference of Rs. 3,14,90,848/-, thereby in an understatement of Assets of the Company to the same extent.</p>	<p>In the year 2011 for the purpose of completing the audit as per management guidance few notional ledger accounts in the books of accounts of FY 2009-10 were created in 2008-09(i.e., opening balance in 2009-10) as the opening balance were not matching. The previous year's audits (1989-90 to 2008-09) were completed only in a later phase, therefore the closing balance of loan and advances of the company could not be reconciled.</p> <p>Software was developed and installed during 2014-15. The same was in its initial stage during FY 2014-15. The above two factors contributed to the difference of loans and advances.</p> <p>Steps are being taken towards clearing the issues.</p>
(b)	<p>There exist several loan accounts as on 31st March, 2022 having credit balances totalling to Rs. 2,70,88,059/- as per books of accounts. As confirmed by the management, these credit balances are receipts from loanees for which no opening receivable balances are identified individually, thereby resulting in the risk of short collection of loans and interest receivable therefrom.</p>	<p>The list of Loan accounts showing credit balance represents receipts from loanees for which no opening balances have been allocated individually. The opening balance of individual loan accounts has not been carried forward from the FY 2008-09. These are shown as a consolidated figure starting from the financial year 2009-10 and currently, they form part of unreconciled balances carried forward. It was decided to incorporate opening balances from 2008-09 w.e.f. FY 2019-20.</p> <p>This also leads to credit balance in the books of account.</p> <p>Steps are being taken towards clearing the issues.</p>
(c)	<p>Self- Employment Loans disbursed by the Company during the FY 2021-22 as per details obtained from supporting documents (software) amounts to Rs 1,65,12,20,191 crores (approx.). Disbursal of loans accounted for in the books of accounts is Rs. 161,61,30,551 crores (approx.). Long-Term Loans and Advances are overstated to the extent of this difference of Rs. 3,99,93,000</p>	<p>The difference between She -Soft (software) and books of accounts (Tally) is mainly due to the timing of entry done in the software. During 2021-22 loans approved in March 2022 were entered in the software for the month of March 2021 itself (i.e., when the agreement against disbursement of loan is made) and the entry for the same was made</p>



	crores (approx.) accounted for in the books of accounts.	in the books of accounts (Tally) only subsequently, i.e., while the cheque issued in April 2022. Therefore the disbursal of loans in 2021-22 will be more in books of accounts when compared to the software due to the timing of these entries. This is noted for future guidance and will be done accordingly henceforth																																															
(d)	As per the Financials, there exists few un-reconciled and unexplainable account balances amounting to Rs. 11.40 crores receivable balance and Rs. 12.36 crores payable balance as on 31 st March, 2022. There exists no documentary evidence to substantiate or confirm the authenticity/accuracy of the receivable as well as payable balances shown in these accounts.	In the year 2011, a few notional ledger accounts against the accounts of FY 2009-10 were created for the purpose of completing the audit. Since the previous years' audits (1989-90 to 2008-09) were completed only in a later phase, the closing balance in 2008-09 and opening balance in 2009-10 were not matching and as such reconciliations are in progress.																																															
		<table border="1"> <thead> <tr> <th rowspan="2">Ledger Name</th> <th colspan="2">Amount (Rs)n 31.03.2021</th> <th colspan="2">Amount (Rs)n 31.03.20</th> </tr> <tr> <th>Debit</th> <th>Credit</th> <th>Debit</th> <th>Credit</th> </tr> </thead> <tbody> <tr> <td>Bank balances - Debit</td> <td>4,57,90,104/-</td> <td></td> <td>45790104</td> <td></td> </tr> <tr> <td>Bank balances - Credit</td> <td></td> <td>(6,43,15,151)</td> <td></td> <td>(6,43,00,337)</td> </tr> <tr> <td>Inter Office Account - Debit</td> <td>4,73,23,901</td> <td></td> <td>4,73,23,901</td> <td></td> </tr> <tr> <td>Inter Office Account - Credit</td> <td></td> <td>(5,71,32,428)</td> <td></td> <td>(5,71,32,428)</td> </tr> <tr> <td>Other Debit balances</td> <td>2,08,95,299</td> <td></td> <td>2,08,95,299</td> <td></td> </tr> <tr> <td>Other Debit balances</td> <td></td> <td>(76,15,697)</td> <td></td> <td>(76,15,697)</td> </tr> <tr> <td>Total (Rs)</td> <td>11,40,09,304</td> <td>(12,36,63,276)</td> <td>11,40,09,304</td> <td>(12,36,48,462)</td> </tr> </tbody> </table>				Ledger Name	Amount (Rs)n 31.03.2021		Amount (Rs)n 31.03.20		Debit	Credit	Debit	Credit	Bank balances - Debit	4,57,90,104/-		45790104		Bank balances - Credit		(6,43,15,151)		(6,43,00,337)	Inter Office Account - Debit	4,73,23,901		4,73,23,901		Inter Office Account - Credit		(5,71,32,428)		(5,71,32,428)	Other Debit balances	2,08,95,299		2,08,95,299		Other Debit balances		(76,15,697)		(76,15,697)	Total (Rs)	11,40,09,304	(12,36,63,276)	11,40,09,304	(12,36,48,462)
Ledger Name	Amount (Rs)n 31.03.2021		Amount (Rs)n 31.03.20																																														
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Total (Rs)	11,40,09,304	(12,36,63,276)	11,40,09,304	(12,36,48,462)																																													



(e)	<p>a) The company has not provided such provision for retirement benefits for employees on deputation which is paid to the respective Parent Departments as and when requested. This has resulted in an understatement of Non-Current Liabilities and overstatements of Net Profit. The effect of this could not be quantified due to lack of sufficient information.</p> <p>b) Provision for Employees Benefits provided in the books of accounts during the year amount to Rs.1,45,93,592/-. This has been disclosed under 'Other Current Liabilities' in the Financial Statements.</p> <p>c) During the current year gratuity payments of Rs. 13,14,598/- has been for which corresponding was not made.</p> <p>d) The Company has not fulfilled the disclosure requirements as required by in accordance with the provisions of Accounting Standard 15 -"Employee Benefits".</p>	<p>Necessary provision shall be made in the books for retirement benefits such as gratuity etc after actuarial valuation of the same.</p>
(f)	<p>The written down value is Rs. 3,27,20,094/- as per Schedule 9 - Fixed Assets schedule.</p> <p>Sale of Fixed assets amounting Rs.1,25,704/- (Rs.1,03,604/- being sale of furniture and fixtures & Rs.22,100/- being sale of she-toilet units) is account as sale of scrap items in the statement of profit & loss. Profit/loss on sale of an asset amounting Rs.15,000 is not recognised in the financial statements. Moreover, we did not evidence a comprehensive Fixed Asset Register being maintained by the company which reconciles with the value of Fixed Assets disclosed as per the financial statements.</p>	<p>Fixed assets register is kept by the regional/branch offices and head offices individually and not as a consolidated register. A consolidated fixed asset register may be prepared in the next year onwards.</p>
(g)	<p>The GST Electronic Cash Ledger in the GST Portal reflects a balance of Rs. 4,09,906/- for the Company as on 31st March,2022. However, this balance is not reflected in the Financial Statements. This has resulted in an understatement of Current Assets of Rs. 4,09,906/-.</p>	<p>Noted. Steps are being taken to identify the variance.</p>
(h)	<p>TDS as per 26AS is Rs.22,49,121/- whereas in books of accounts by the management difference of Rs.77,826 is booked as TDS receivable in the current financial year.</p> <p>The entire amount of Rs.50,74,048/- (including opening balance of Rs.49,96,222) is disclosed as TDS receivable on Bank Deposit.</p>	<p>During the year certain TDS which were deducted by bank for fixed deposit were not reflected in form 26 AS. Therefore the difference between the TDS deducted by bank and form 26 AS was shown as receivable. This matter is being followed up with bank for settlement.</p>
(i)	<p>The Company is receiving funds from various</p>	<p>Steps are being taken in the accounts of the</p>



	<p>LSGDs during the year and retains 10% of the funds received as "Project Management Cost". This fund retained is declared as "shepad Income" by the Company. GST is applicable on the above income as it amounts to Supply, as per the provisions of Section 7 of CGST Act, 2017. The Company is not paying any amount as Goods and Service Tax (GST) to the Government on this income declared, neither through monthly returns nor through the Annual Return filed for the Financial Year. The Company is liable to receive a Show Cause Notice (SCN) as per Section 73 of CGST Act, 2017 within 2 years and 9 months from the due date of filing of Annual Return on account of tax not paid for reason other than fraud or any wilful misstatement or suppression of facts. The Company has declared an income of Rs.14,01,999/- as, shepad Income during the year ended 31st March 2022. The Company has not provided for GST amount payable on the said income.</p>
<p>(j) The Company has collected an amount of Rs.87,88,000/- as Risk Fund during the year. These charges are taxable under the provisions of GST Act as these are charges collected from customers for providing services. The Company has not collected as amount of Goods and Services Tax (GST) and is not paying GST on these charges to the Government during the year 2021-22. The Company is liable to receive a Show Cause Notice (SCN) as per section 73 of CGST Act, 2017 within 2 years and 9 months from the due date of filing of Annual Return on account of tax not paid for reason other than fraud or any wilful misstatement or suppression of facts. The Company having failed to pay GST on the above mentioned income is also liable to attract Section 122(2) of CGST At, 2017 where any registered person who supplies any goods or services or both on which any tax has not been paid or short-paid or erroneously refunded, or where the input tax credit has been wrongly availed or utilised - (a) for any reason, other than the reason of fraud or any wilful misstatement or suppression of facts to evade tax, shall be liable to a penalty of ten thousand rupees or ten per cent of the tax due from such person, whichever is higher; (b) for reason fraud or any wilful misstatement or suppression of facts to evade tax, shall be liable to a penalty equal to ten</p>	<p>FY 2022-23 onwards.</p> <p>Noted and this will be rectified in the subsequent year in the books of accounts</p>



	<p>thousand rupees or the tax due from such person, whichever is higher. (b) for reason of fraud or any wilful misstatement or suppression of facts to evade tax, shall be liable to a penalty equal to ten thousand rupees or the tax due from such person, whichever is higher. The Company having not paid tax on the above income and has not provided a provision for the same.</p>	
(k)	<p>The Company has entered into an agreement on 18th December, 2014 with DIPL for implementing projects undertaken by them for setting up water purification and disinfection systems in various locations in Kerala. DIPL has undertaken to set up water purification and disinfection plant in Kalamassery, Kochi. However, this plant was not set up and the project was cancelled. DIPL has entered into an agreement with the Company on 26th June, 2018 to repay the amount already advanced (Rs. 10,92,262/-) along with an interest of 18% in four instalments. Two instalments have been repaid by DIPL in the Financial Year 2018-19. However, DIPL has requested to adjust the balance instalments against money due from the Company for implementation of water purification plant in Pathanamthitta.</p>	<p>Noted for future.</p>
(l)	<p>As per Section 44 of CGST Act 2017, every registered person is required to furnish GSTR 9/9C if the aggregate turnover exceeds 5 Cr in a financial year. Any registered person who fails to furnish the return required under Section 44 of CGST Act 2017 by the due date shall be liable to pay late fees as per sec 47 of the CGST Act 2017. The total turnover of the Company for the financial year is Rs. 31 crores. Company has failed to furnish the form GSTR-9/9C within the specified due date of 31st March, 2022. Hence the Company shall be liable to pay late fee as per Section 47 of CGST Act, 2017.</p>	<p>Noted. This will be rectified in the subsequent year in the books of accounts</p>

For and on behalf of the Board


CHAIRPERSON

Date: 08.08.2023

Place: Trivandrum



REPLY TO THE COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF THE KERALA STATE WOMEN'S DEVELOPMENT CORPORATION LTD, THIRUVANANTHAPURAM FOR THE PERIOD ENDED 31st MARCH 2022

COMMENTS OF C&AG		REPLY ON COMMENTS BY KSWDC LTD.
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2022		
A	Comments on Profitability Statement of profit and Loss Profit for the year - Rs.193.67 lakh	
A.I	The company was recognizing interest on loan assets without considering the default in repayment by the loanees, which is against prudence, conservatism, and provisions of Accounting Standard 9 - Revenue Recognition, since there exists uncertainty in realization of these loan assets. This has resulted in overstatement of income by Rs.456.21 lakh due to the inclusion of interest accrued (Rs.345.81 lakh) and penal interest (Rs.110.40 lakh) on non-performing assets due to default in repayment for a period of more than two years. The recognition of interest overdue loan accounts has also resulted in corresponding overstatement of Other Current Assets.	In line with the advice received and past practice we have calculated the interest on a portfolio basis of loans outstanding for the last five year period. However, due care and caution will be exercised for calculating the same for the future financial years 2022-23 accounts Accrual of penal interest are recognized for loan balance which are not expired as on the date of financial statements. Accrued penal interest is recognized after deduction of average percentage of penal interest waived of previous years. The accounting policy will be subjected to examination as per provision of AS9 and rectification if any required will be made in the financial year 2022-23 accounts. As on 31 March 2022 we have received Rs.3,75,05,637 on account of penal interest.
A.II	Short provisioning of Guarantee Commission payable to Government of Kerala at the rate of 0.75 per cent on the loan outstanding as on 31 st March 2021 by Rs.6.44 lakh due to reducing the outstanding loan by the installment due for the last quarter of 2021-22 paid during April 2022.this has resulted in understatement of Current Liabilities to the	As per the government order dated 16.10.2004, every year 1 st installment of guarantee commission is being paid by the company to the state government on or before of 15 th April. As per the demand notice received from the national corporations last quarter repayment



<p>were made on 04 th April 2021. Since the company paid the guarantee commission after the remittance of the 4 th quarter repayment, the amount considered for outstanding principal loan balance as Rs.394.91 lakhs. However, company will give due diligence to remit the last quarter repayment by 31 st march itself from next year onwards.</p>	<p>same extent. Consequently, the profit for the year has been turned down to a Loss of Rs.269.01 lakh.</p>	
	<p>Comments on Financial Position</p>	<p>B</p>
	<p>Balance Sheet as on 31 March 2022 Equity and liabilities - Shareholder's Fund</p>	
<p>Company is having a practice of adjusting the fund the received for the implementation of loan scheme under the reserve head. As per the Government order G.O (RT) No139/2021 WCDD dated 15/12/2021 an amount of Rs. 3,02,00,000/-released at the end of the financial year. Even though the fund released in grant, the amount is meant for the disbursement of self-employment loan to support the dependents' of Covid 19 victims. As per AS 12, necessary liability in this regard required if any will be provided in future. In the light of the above the comments may be dropped</p>	<p>B.I Reserves and Surplus (Note 4) - Rs.5088.00 lakh</p> <p>This includes Rs.302.00 lakh being the unutilized portion of grant received for Smile Kerala project. This should have been shown as current liabilities as per Accounting Standard 12.</p>	<p>B.II.</p>
<p>Noted for future reference</p>	<p>Assets Other current assets (Note 14) - 18377.88 lakh</p> <p>This was understand by 40.00 lakh being the amount resumed by Government from the grant released to the company for implementing a self-employment loan scheme to persons belonging to transgender category. As the resumption was a temporary cash management practice and the same was refunded to the Company in October 2022, this should have been accounted as receivable from government. This has resulted in corresponding understatement of Current Liability (unutilized grant).</p>	<p>C.</p>
	<p>Comments on Independent Auditor's Report</p>	



C.1	The fact of revision of the Independent Auditors' Report and reasons for revision were not closed	This happened due to oversight, due care and caution will be exercised in future.
C.11	The Statutory Auditor stated in para XII of Emphasis of Matters that Cash Flow Statement was not prepared as per Accounting Standard 3, which is contradictory to the opinion given in the first paragraph under qualified opinion	This happened due to oversight, due care and caution will be exercised in future.
D	General Shareholder's Fund Share Capital (Note3)	
	The shareholding of Government of Kerala was Rs.1050.91 lakh as against the balance of Rs.998.75 lakh shown in the Finance Accounts of Government of Kerala. The difference of Rs.51.25 lakh has not been reconciled.	As per the annual report of C& AG it is clearly mentioned that the difference of Rs.51.25 lakhs occurred during the period 1994-95 while transferring the value of asset from working women welfare society. The company will take up the reconciliation issue with Govt. of Kerala on urgent basis.

For and on behalf of the Board

CHAIRPERSON

Date: 08.08.2023

Place: Trivandrum