

Tamil Nadu Housing Board

Director's Report 2010

The Directors are pleased to put forth the Annual report of Tamil Nadu housing Board for the financial year 2009-10. Tamil Nadu Housing Board (TNHB) which was formed as a full fledged organization in the year 1961, with the objective of providing "Housing for All" has been instrumental in creating new townships across Tamil Nadu over the years. In order to fulfill the housing needs of growing population of all categories of the public in urban areas, adequate houses/ flats/ plots are being implemented by TNHB with all infrastructure facilities at affordable prices, through hire purchase as well as outright purchase.

From its inception, in the course of 49 years, TNHB has provided 4,01,271 Nos of dwelling units to all categories such as EWS/LIG/MIG/HIG and rental quarters for the Government servants under TNGRHS, in phased manner at a cost of Rs. 3104.83 crores (including maintenance and special repair of Govt. and Board buildings). Tamil Nadu Government servants rental quarters(TNGRHS) are constructed and being maintained by TNHB, on behalf of Government by obtaining funds from Government.

Performance during the year 2009-10:

During the year 2009-10, Tamil Nadu Housing Board has completed 1840 numbers of units, which includes 1156 Nos of flats / houses under SFS, 2 Nos of Ancillary units and reconstruction of 682 Nos of Slum tenements.

Demolition and re-construction of slum tenements at Coimbatore and Madurai, Commercial complex at Thiruvanmiyur, Chennai, and Office cum

commercial complex at Madurai, construction of residential units under Self Finance Scheme at Chennai, Salem, Hosur, and Area Development Schemes at various places have been completed during 2009-10.

The financial achievement during the year 2009-10 is Rs.14026.90 Lakhs as against the Revised Budget provision of Rs.18260.47 Lakhs.

The financial expenditure is towards land acquisition cost, E.C. payment for the acquired lands, area development schemes, reconstruction of slum tenements, and implementation of various schemes such as residential, commercial complexes, and maintenance / special Repair works and payment of Property tax / Water tax to Government and Board buildings etc.

Financial Target and Achievement during the year 2009-10.

Sl.No	Details	Financial (Rs.in Lakhs)	
		Provision	Achievement
1	Land Acquisition	3602.00	883.97
2	L.D	938.50	381.14
3	E.W.S./ L.I.G.	0.50	0.00
5	M.I.G.	13.50	10.00
6	H.I.G.	32.00	49.66
7	Slum	2092.00	1910.21
8	Ancillary	276.00	227.01
9	S.F.S.	8200.00	8114.84
10	Joint Venture.	55.00	10.04
11	TNGRHS - Capital works	15.00	0.00
12.	Deposit	230.00	5.91
13.	Maintenance		
	TNGRHS maintenance	858.66	829.03
	Water tax - TNGRHS	52.07	44.04
	Property tax - TNGRHS	386.23	391.22
14.	Maintenance of M.L.A Hostel		
	a) Regular maintenance 2009-10	179.50	231.64
	Board Maintenance	595.09	484.84
15	Special Repairs		
	Govt -TNGRHS Spl repair-	180.53	177.22
	Board Buildings & Slum Buildings	488.89	211.13
	Computerisation	65.00	65.00
	TOTAL	18260.47	14026.90

Outlook of activities to be taken in the year 2010-11

During the year 2010-11, Board has planned to achieve physical target of 6365 Units, which includes, 2257 units under S.F.S. in various locations, 1964 units of reconstruction of slum tenements at Madurai, Coimbatore Salem, 1643 Nos of developed plots and 30 Nos of TNGRHS flats. Action is being taken to implement the scheme at an approximate cost of Rs.70.00 crore for construction of office complex, residential units and various other buildings for ONGC under Deposit scheme, at Anna Nagar, Chennai. In addition to the above Construction of Office Complexes for District Registrars and Joint Registrars of Co-operative Societies at 10 District Head Quarters at an estimated cost of Rs.957 lakh is also been entrusted to TNHB as deposit work and expected to complete during June 2011.

Under Part-II schemes for the year 2010-11, Rs. 272.26 lakh has been sanctioned for the construction of 12 Tamil Nadu Government Rental Housing flats at Villupuram and 18 Tamil Nadu Government Rental Housing flats at Perambalur, In addition to the above Rs.500.00 lakhs has also been sanctioned under part II scheme towards maintenance of TNGRHS flats at Coimbatore. Action is being taken to implement the above schemes.

TNHB was appointed as nodal agency to implement Central Government Scheme of Interest Subsidy scheme for Housing the Urban Poor (ISHUP). TNHB has collected the applications from the eligible persons and forwarded the same to the concern banks for sanction of loan. District Collectors have been requested to incorporate the target under this scheme

in the Annual Credit Plan of the District and monitor the progress in sanction of loan under the scheme with the Bankers.

Efforts have been taken to revive the defunct Cellular Concrete Plant (CCP) at Ennore under Joint Venture during the financial year 2010-2011. On revival, Cellular Concrete Plant will produce eco friendly light weight building blocks and roof panels which will be in accordance with the Green Building concept.

Long pending issue of demolition of dilapidated Government Rental Quarters at Foreshore Estate has been completed and Conceptual Plan for redevelopment of the Foreshore Estate into a world-class city has been prepared. The reconstruction work at Foreshore Estate will be taken up soon during the financial year 2010-2011. It is proposed to implement scheme for AIS Officers and also for Government Officials at Nerikundram., Chennai. The construction of 120 residential quarters for M.L.C at an approximate scheme cost of Rs.43.84 crore will be implemented by TNHB, and expected to be commenced during 2010-11.

TNHB has proposed to demolish the old dilapidated TNGRH flats at Anna Nagar, Chennai city and Coimbatore and reconstruction work will be taken up by adopting new FSI as per second master plan by the way to fetch revenue both to Government and TNHB.

It is also proposed to form new Townships at Vellaikinar in Coimbatore district Uchapatty and Thopur in Madurai district since plenty of vacant land is available.

Board has planned to incur an expenditure of Rs. 32806.32 lakhs during the year 2010-11, for all the above schemes and towards L.A, Area development schemes, implementation of various schemes such as Deposit scheme, S.F.S, reconstruction of Slum tenements, and maintenance / Special repair works to Government / Board buildings.

Physical and Financial target for the year 2010-11.

Sl.No.	Category	Financial Target (Rs.in Lakhs)	Physical Target
1	Land Acquisition.	4800.00	
2	Land Development	1260.47	1643
3	E.W.S. / L.I.G.	1.00	
4	M.I.G,	3.00	
5	H.I.G.	16.00	
6	Slum	2795.00	1964
8	Ancillary	116.00	
9	Joint Venture	275.00	
10	S.F.S.	17740.00	2257
11	TNGRHS - Capital	272.26	30
12.	Deposit	2670.00	
13.	Maintenance		
	TNGRHS Maintenance	871.00	
	TNGRHS flats at Coimbatore	500.00	
	Property tax - TNGRHS	364.99	
	Water tax - TNGRHS	51.33	
14.	M.L.A. Quarters	175.00	
15.	Boards Rental Buildings	555.27	
16.	Special Repairs		
	Govt. Spl. repairs	0.00	
	Board Spl. repairs	340.00	
	Total	32806.32	5894

Corporate Technical Services

The four sections such as Technical Cell, Project, Monitoring Cell and Architect / Town Planning are assigned the task of co-ordination and serve together to formulate the projects programmed by TNHB under the direct control of C.E./Tamil Nadu Housing Board.

Role of Quality Control wing.

Fully equipped Quality control lab was established in Board Secretariat in the year 1990 based on the G.O.MS. 861, Dated. 30-7-1990, to ensure the quality of building materials utilized in TNHB construction activities. The building materials used in the projects are tested to maintain the quality of construction. Training programmes are also provided to the field staff in the related topics through various organizations to update their technical knowledge for cost effective method by using modern materials, and improve the standard of construction. Quality Control lab also undertakes test of building material samples received from other Govt. agencies like TamilNadu Police Housing Corporation, TNSCB, TamilNadu Tsunami Project Implementation unit, Corporation of Chennai and other private agencies on demand and payment.

Allottee Services

M.M.S / Superintendent in the Division / Unit of Board, help the allottees in paying the monthly installments, to have a tie up with financial institution to get loans and to get sale deeds etc., E-banking system and computerized accounting are also provided in all the TNHB offices to enable the allottees to pay their dues and quick compilation of accounts. A major initiative is being taken to computerise entire activities of Tamil Nadu

Housing Board in an integrated fashion, with a view to improve transparency, easy and quick access to information.

Resources:

- a) Self Finance Scheme.
- b) State / Central Govt. Assistance by way of Grants.
- c) Revenue from Board Asserts.

Acknowledgement:

The Directors wish to place on record their sincere thanks for the active support and positive guidance given by Government of Tamil Nadu, Commercial / scheduled banks and other financial institution.

**2009 - 2010 ACCOUNTING POLICY OF
TAMIL NADU HOUSING BOARD**

1. Accounts are maintained on the accrual basis (Double entry system).
2. Sales are accounted on the basis of selling price fixed by the Board and booked on the basis of allotment orders issued, for schemes, which are completed in all respects for which the initial deposits amounts have been collected from the allottees in full.
3. No provision has been made for excess compensation for land, as the same could not be ascertained, since cases are pending in court.
4. Depreciation is calculated as per norms fixed in the Income Tax Act.
5. Long Term Assets, represents the amount of monthly instalment recoverable from the allottees beyond the financial year.
6. Head Office Control Account - Allottee interest, represents the future interest, recoverable from allottees, which has been included in the long term assets as equated monthly instalment.
7. Instalments are calculated by way of equated monthly instalment comprising principal and interest.
8. The physical verification of stock in Division is conducted by the Departmental Engineers.
9. Deposit work receipts and expenditure for TNGRHS work have been set-off and only the net figure is exhibited in the Balance Sheet.

TAMIL NADU HOUSING BOARD

NOTES ON ACCOUNTS 2009-10

Schedule No.1 (Income from Sales): Sales for the year 2009-10 is Rs.62.05 Crore against Rs.80.73 Crore during the financial year of 2008 -09. The decrease in sales income is mainly due to the fall in business of the real Estate market and the globe economics crises..

Schedule No.2 (Income from Interest): The income from interest during this year is Rs.77.81 Crore as against Rs.76.32 Crore during the financial year of 2008 -09. The increase in interest income is mainly due to collection of Interest capitalization from the allottees to whom sale deeds have been issued..

Schedule No.3 (Other Operating Income): The other operating income during the year is Rs.22.21 Crore against Rs.19.57 Crore during the financial year of 2008 -09. The increase is mainly due to the enhancement of rent mode for the shops & Commercial Complex.

Schedule No.4 (Miscellaneous Income) : The miscellaneous income during this year is Rs.9.55 Crore as against Rs.7.07 Crore in the previous year The increased income is mainly due to the increase in income from sale of application, Registration fee , Scrutiny fee & Penalties etc.,

Schedule No.5 (Cost of Construction) : The cost of construction during the year is Rs.26.87 Crore as against Rs.24.53 Crore in the previous year. The increase in the cost of Construction is mainly due to the increase in sale of L.I.G schemes. The Cost of construction includes the actual land cost, development cost and construction cost only.

Schedule No.6 (Repairs and Maintenance) : The Expenditure on Repairs and Maintenance during the year is Rs.4.99 Crore as against Rs.9.59 Crore in the previous year. The decrease in repairs and Maintenance head is mainly due to the financial position of the Board the lesser work has been executed by the Board during this year. Under Repairs & Maintenance, Special Repair works to Board's rental buildings etc.,

Schedule No.7 (Employees Emoluments & Welfare) : The employees emoluments during the year is Rs.132.94 Crore as against Rs.139.95 Crore in the previous year. The decrease is mainly due to the decrease in contribution to the Pension Trust based on the actuary report.

Schedule No.9 (Administrative Cost) : The Expenditure under the head during the year is Rs.5.41 Crore as against Rs.8.12 Crore in the

previous year. This is due to economy measures adopted by the Board under Advertising Charges & Legal Fees etc.,

Schedule No.10 (Finance Charges) : The expenditure under the head during the year is Rs.1.69 Crore as against Rs.1.93 Crore in the previous year. The decrease is due to the foreclosure of long term loans by the Board.

Schedule No.11 (Depreciation): The Board is adopting the depreciation norms as per the Income Tax Act. The depreciation charged is Rs79.17 lakhs as against Rs.102.34 lakhs in the previous year.

Schedule No.12 (Loans & Bonds) : The Reduction in Loans and Bonds from Rs.17.62 Crore during 2008 -09 to Rs.12.61 Crore during 2009-10 is mainly due to the foreclosure of long term loans to the financial institutions during the year.

Schedule No.14 (Deposit and Retention money) : The Outstanding Deposit and Retention Money during the year is Rs.51.44 Crore as against Rs.43.74 Crore in previous year. The increase is mainly due to Earnest Money Deposit Security and Retention Money Deposit Collected from the contractors for execution of new works.

Schedule No.16 (Bills payable) : The provision for outstanding bills payable made during the year is Rs.140.10 Crore as against Rs.136.36 Crore in previous year. This is as per actual.

Schedule No.20 (Head office Control Account-Allottees Interest)

: This account represents the interest portion of Long Term Asset receivable from the Hirepurchase allottees. This has increased from Rs.228.91 Crore during 2008 -09 to Rs.240.85 Crore during 2009-10. This is due to new allotment made under Hire Purchase Sale.

Schedule No.30. Scheme Completed not allotted and Work in

Progress: The value of Scheme Completed not allotted and work in progress as on 31.3.2010 is Rs.464.55 Crores, as against Rs.348.32 Crores in the previous year. Out of this, the value of unsold units is Rs.214.99 as on 31.3.2010 as against Rs.225.33 Crores in the previous year.