



ANNUAL REPORT

2019-2020

**Kerala State Industrial Development
Corporation Limited**

Annual Report 2019-2020



KSIDC

KERALA STATE INDUSTRIAL DEVELOPMENT
CORPORATION LTD.

BOARD OF DIRECTORS OF KSIDC

Chairman

Shri. Christy Fernandez IAS (Retd.) (w.e.f 27-10-2016)

Managing Directors

Dr. Sharmila Mary Joseph IAS (20-12-2018 to 22-06-2019)

Dr. K Ellangovan IAS (23-06-2019 to 03-07-2019)

Shri Sanjay Kaul IAS (04-07-2019 to 21-11-2019)

Shri M. G. Rajamanickam IAS (22-11-2019 to 25-03-2020)

Shri S. Harikishore IAS (w.e.f. 25-03-2020)

Directors

Dr. K Ellangovan IAS (w.e.f 06-01-2018)

Shri E S Jose (w.e.f 10-06-2017)

Dr. Sharmila mary Joseph (w.e.f 10-10-2017 to 27-06-2019)

Shri Sanjay Kaul IAS (13-09-2018 to 22-11-2019)

Shri Sanjeev Kaushik IAS (07-05-2019 to 19-03-2020)

Executive Director

Shri B Jothikumar (28-01-2015 to 30-09-2019)

Shri NSK Umesh IAS (w.e.f 24-01-2020)

Company Secretary

Shri. K. Suresh Kumar



ഡയറക്ടർ ബോർഡ്

ചെയർമാൻ

ശ്രീ. ക്രിസ്റ്റി ഫെർണാൻഡസ്, ഐ.എ.എസ്. (റിട്ട) (w.e.f 27-10-2016)

മാനേജിംഗ് ഡയറക്ടർമാർ

ഡോ. ഷർമ്മിള മേരി ജോസഫ് ഐ.എ.എസ് (w.e.f 20-12-2018 to 22-06-2019)

ഡോ. കെ. ഇളങ്കോവൻ ഐ.എ.എസ് (23-06-2019 to 03-07-2019)

ശ്രീ. സഞ്ജയ് എം കൗൾ ഐ.എ.എസ് (04-07-2019 to 21-11-2019)

ശ്രീ. എം. ജി. രാജമാണിക്യം ഐ.എ.എസ് (22-11-2019 to 25-03-2020)

ശ്രീ. എസ്. ഹരികിഷോർ ഐ.എ.എസ് (w.e.f. 25-03-2020)

ഡയറക്ടർമാർ

ഡോ. കെ. ഇളങ്കോവൻ ഐ.എ.എസ് (w.e.f 06-01-2018)

ശ്രീ. ഇ. എസ്. ജോസ് (w.e.f 10-06-2017)

ഡോ. ഷർമ്മിള മേരി ജോസഫ് ഐ.എ.എസ് (w.e.f 10-10-2017 to 27-06-2019)

ശ്രീ. സഞ്ജയ് എം കൗൾ ഐ.എ.എസ് (13-09-2018 to 22-11-2019)

ശ്രീ. സഞ്ജീവ് കൗശിക് ഐ.എ.എസ് (07-05-2019 to 19-03-2020)

എക്സിക്യൂട്ടീവ് ഡയറക്ടർ

ശ്രീ. ബി. ജ്യോതികുമാർ (28-01-2015 to 30-09-2019)

ശ്രീ. എൻ.എസ്.കെ. ഉമേഷ് (w.e.f 24-01-2020)

കമ്പനി സെക്രട്ടറി

ശ്രീ. കെ. സുരേഷ്കുമാർ



BANKERS

District Treasury, Thiruvananthapuram

HDFC Bank

ICICI Bank

State Bank of India

REGISTERED OFFICE

T.C. XI/266, Keston Road

Kowdiar, Thiruvananthapuram - 695 003

CIN: U45309KL1961SGC001937

GSTIN: 32AAACK9434D1ZV

Fax : 0471-2315893

e-mail : enquiry@ksidcmail.org

Web Site : www.ksidc.org

Telephone :Chairman : 0471-2316241

Managing Director : 0471-2318189

GENERAL : 0471-2318922 (EPABX)

KOCHI OFFICE

II Floor, Choice Towers

Manorama Junction

Kochi - 682 016

Fax : 0484-2323011

Telephone : 0484-2323010, 2323101

AUDITORS

RENJITH KARTHIKEYAN & ASSOCIATES

Chartered Accountants

TC 37/1510-133, 201 Nandini Garden, Fort

Thiruvananthapuram - 695 023

ADVOCATE

SHRI P.U. SHAILAJAN

Advocate

Chamber No. 726, KHCAA Chamber Complex,

High Court P.O., Ernakulam - 682 031

കേരള സംസ്ഥാന വ്യവസായ വികസന കോർപ്പറേഷൻ ലിമിറ്റഡ്

(ഒരു കേരള സർക്കാർ സ്ഥാപനം)

ബാങ്കേഴ്സ്

ഡിസ്ട്രിക്ട് ട്രഷറി, തിരുവനന്തപുരം
എച്ച്.ഡി.എഫ്.സി. ബാങ്ക്
ഐ.സി.ഐ.സി.ഐ. ബാങ്ക്
സ്റ്റേറ്റ് ബാങ്ക് ഓഫ് ഇന്ത്യ

രജിസ്റ്റേർഡ് ഓഫീസ്

റ്റി. സി. 11/266, കെസ്സൺ റോഡ്
കവടിയാർ, തിരുവനന്തപുരം 695 003
CIN: U45309KL1961SGC001937
GSTIN: 32AAACK9434D1ZV
ഫാക്സ്: 0471 2315893
ഇ മെയിൽ: enquiry@ksidcmail.org
വെബ്സൈറ്റ് : www.ksidc.org
ടെലിഫോൺ : ചെയർമാൻ : 0471-2316241
മാനേജിംഗ് ഡയറക്ടർ : 0471-2318189
ജനറൽ : 0471-2318922 (ഇപിഎബിഎക്സ്)

കൊച്ചി ഓഫീസ്

രണ്ടാം നില, ചോയ്സ് ടവേഴ്സ്, മനോരമ ജംഗ്ഷൻ
കൊച്ചി 682 016
ഫാക്സ് : 0484-2323011
ടെലിഫോൺ : 0484 - 2323010, 2323101

ഓഡിറ്റർമാർ

രൻജിത്ത് കാർത്തികേയൻ ആന്റ് അസ്സോസിയേറ്റ്സ്
ചാർട്ടേർഡ് അക്കൗണ്ടന്റ്സ്
റ്റി.സി. 37/1510-133, 201, നന്ദിനി ഗാർഡൻ, ഫോർട്ട്
തിരുവനന്തപുരം - 695 023.

അഡ്വക്കേറ്റ്

ശ്രീ. പി. യു. ഷൈലജൻ
അഡ്വക്കേറ്റ്
ചേമ്പർ നമ്പർ 726
KHCAA ചേമ്പർ കോംപ്ലക്സ്
ഹൈകോർട്ട് പി.ഓ.
എറണാകുളം - 682 031

NOTICE TO SHAREHOLDERS

Notice is hereby given that the 59th Adjourned Annual General Meeting of Kerala State Industrial Development Corporation Limited (KSIDC) will be held on Friday the 24th day of November, 2021 at 11.30 A.M. at the Registered Office of the Corporation at KSIDC Building, Keston Road, Kowdiar, Thiruvananthapuram- 695 003 to transact the following business.

Ordinary Business

1. To receive, consider and adopt the Boards' Report together with addendum to Boards Report, Auditors' and the Audited Standalone and Consolidated Financial Statements as on 31st March 2020..
2. To authorise the Board of Directors to fix remuneration payable to the Statutory Auditors of the Company appointed by the Comptroller and Auditor General of India.

In this context, to consider, and if thought fit, to pass the following resolution, with or without modification as an Ordinary Resolution:

“ Resolved That pursuant to the provisions of Section 142 (1) of the Companies Act 2013, the Board of Directors of the Company be and are hereby authorised to fix the remuneration to the Statutory Auditors appointed by the Comptroller and Auditor General of India, periodically.

By order of the Board of Directors

Sd/-

K. SURESH KUMAR
Company Secretary & Head
(Legal & CA)

Thiruvananthapuram
17-11-2021

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member. For appointing a proxy, the enclosed form of proxy duly filled, stamped and signed should be deposited at the registered office of the Company not later than 48 hours before the Meeting.
2. Pursuant to Section 139(5) of the Companies Act, 2013, the Statutory Auditors of a Government company are appointed by the Comptroller and Auditor General of India (C&AG). In terms of Section 142 (1) of the companies Act, 2013, the remuneration of auditors has to be fixed by the company in the annual general meeting or in such manner as the company in annual general meeting may determine. Necessary resolution has been placed before the Members for authorising the Board of Directors to fix the remuneration to the Statutory Auditors of the company periodically.

ഓഹരി ഉടമകൾക്കുള്ള അറിയിപ്പ്

കേരള സംസ്ഥാന വ്യവസായ വികസന കോർപ്പറേഷൻ ലിമിറ്റഡിന്റെ 59-മതു വാർഷിക പൊതുയോഗം 2021 നവംബർ മാസം 24 നു വെള്ളിയാഴ്ച രാവിലെ 11.30 മണിയ്ക്ക് കോർപ്പറേഷന്റെ രജിസ്ട്രേഡ് ഓഫീസായ തിരുവനന്തപുരത്തെ കവടിയാർ കെസ്റ്റൺ റോഡിലുള്ള കെ.എസ്.ഐ.ഡി.സി കെട്ടിടത്തിൽ താഴെപ്പറയുന്ന കാര്യപരിപാടി അനുസരിച്ചു നടക്കുന്നതാണെന്ന വിവരം ഇതിനാൽ അറിയിച്ചുകൊള്ളുന്നു. പ്രസ്തുത യോഗത്തിൽ ചുവടെ കൊടുത്തിരിക്കുന്ന വ്യവഹാരങ്ങൾ നിർവഹിക്കുകയാണ്.

സാധാരണ കാര്യപരിപാടികൾ

1. 2020 മാർച്ച് 31 നു അവസാനിച്ച സാമ്പത്തിക വർഷത്തിലെ ആഡിറ്റ് ചെയ്ത കോർപ്പറേഷന്റെ സാമ്പത്തിക പ്രസ്താവന കണക്കുകൾ സ്വീകരിക്കുകയും, പരിഗണിക്കുകയും, അംഗീകരിക്കുകയും ചെയ്യുക.
2. കോർപ്പറേഷന്റെ സ്റ്റാറ്റ്യൂട്ടറി ആഡിറ്റർമാരായി കംപ്ലോളർ ആന്റ് ഓഡിറ്റർ ജനറൽ ഓഫ് ഇന്ത്യ നിയമിച്ചവർക്കുള്ള പ്രതിഫലം നിജപ്പെടുത്താൻ ഡയറക്ടർ ബോർഡിനെ ചുമതലപ്പെടുത്തിയിട്ടുണ്ട്.

ഈ സാഹചര്യത്തിൽ ചുവടെ കൊടുത്തിരിക്കുന്ന പ്രമേയം യുക്തമാണെന്ന് പരിഗണിച്ച് അനുയോജ്യമായ മാറ്റങ്ങൾ വരുത്തിയോ, വരുത്താതെയോ ഒരു സാധാരണ പ്രമേയമായി പാസാക്കാവുന്നതാണ്.

കമ്പനീസ് ആക്ട് 2013 സെക്ഷൻ 142 (1) ലെ വ്യവസ്ഥകൾ പാലിച്ചുകൊണ്ട് കമ്പനിയുടെ ബോർഡ് ഓഫ് ഡയറക്ടേഴ്സിന് കംപ്ലോളർ ആന്റ് ഓഡിറ്റർ ജനറൽ ഓഫ് ഇന്ത്യ ആനുകാലികമായി നിയമിക്കുന്ന സ്റ്റാറ്റ്യൂട്ടറി ആഡിറ്റേഴ്സിനുള്ള പ്രതിഫലം നിശ്ചയിക്കുവാനുള്ള അധികാരം ഇതുവഴി അനുവദിച്ചിട്ടുണ്ട്.

ബോർഡിന്റെ ഉത്തരവു പ്രകാരം
(ഒപ്പ്)
കെ. സുരേഷ് കുമാർ
കമ്പനി സെക്രട്ടറി & ഡെ.ജനറൽ മാനേജർ
(ലീഗൽ & കോർപ്പറേറ്റ് അഫയേഴ്സ്)

തിരുവനന്തപുരം
17-11-2021

കുറിപ്പ്

1. യോഗത്തിൽ പങ്കെടുക്കാനും വോട്ടു ചെയ്യാനും അർഹതയുള്ള അംഗത്തിന് തനിക്കു പകരം യോഗത്തിൽ സംബന്ധിക്കുന്നതിനും വോട്ടു ചെയ്യുന്നതിനും, പകരക്കാരനെ നിയോഗിക്കാൻ അർഹതയുണ്ടായിരിക്കുന്നതാണ്. ഇപ്രകാരം നിയോഗിക്കപ്പെടുന്നയാൾ അംഗമായിക്കൊള്ളണമെന്നില്ല.

പകരക്കാരനെ നിയോഗിക്കുന്നതിന് ഇതോടൊപ്പം നൽകിയിരിക്കുന്ന പ്രോക്സി ഫോറം പൂരിപ്പിച്ച്, മുദ്രപതിച്ച്, ഒപ്പു രേഖപ്പെടുത്തി യോഗത്തിനു 48 മണിക്കൂർ മുമ്പായി കമ്പനിയുടെ രജിസ്റ്റേർഡ് ഓഫീസിൽ സമർപ്പിക്കേണ്ടതാണ്.

2. കമ്പനീസ് ആക്ട് 2013 ലെ സെക്ഷൻ 139 (5) പ്രകാരം ഗവൺമെന്റ് ഉടമസ്ഥതയിലുള്ള കമ്പനികളിലെ സ്റ്റാറ്റ്യൂട്ടറി ഓഡിറ്റർമാരെ നിയമിക്കുന്നത് കംപ്ലോളർ ആന്റ് ഓഡിറ്റർ ജനറൽ ഓഫ് ഇന്ത്യയാണ് (സി & എ ജി). കമ്പനീസ് ആക്ട് 2013 ലെ സെക്ഷൻ 142 (1) പ്രകാരം ആഡിറ്റർമാരുടെ പ്രതിഫലം കമ്പനിയുടെ ആനുകൂല്യം ജനറൽ മീറ്റിംഗുകളിലോ സമാനമായ ആനുകൂല്യം ജനറൽ മീറ്റിംഗുകളിലോ വച്ച് കമ്പനിക്ക് തീരുമാനിക്കാവുന്നതാണ്. കാലാനുസൃതമായി സ്റ്റാറ്റ്യൂട്ടറി ആഡിറ്റർമാർക്കുള്ള പ്രതിഫലത്തിൽ ആവശ്യമായ മാറ്റങ്ങൾ വരുത്തണമെങ്കിൽ അത് ഡയറക്ടർ ബോർഡ് മെമ്പർമാരുടെ മുമ്പാകെ സമർപ്പിക്കേണ്ടതാണ്.

BOARDS REPORT

Your Directors have pleasure in presenting the 59th Annual Report together with the Audited Accounts for the year ended 31 March 2020.

FINANCIAL RESULTS

		(₹. in lakhs)	
Sl. No	Particulars	Year ended 31-03-2020	Year ended 31-03-2019
1	Revenue from operations	4086.11	4350.56
2	Other Income	1735.05	1388.66
3	Gross Income	5821.17	5739.21
4	Personnel, Administrative Expenses etc.,	1447.88	1439.92
5	Depreciation	35.95	34.39
6	Net loss on derecognition of financial instruments under amortised cost & Impairment of Financial Instrument	170.34	-
7	Profit before tax and provisions	4167.00	4264.90
8	Taxes and provisions (Current Tax & Deferred Tax)	211.40	883.95
9	Profit after Tax	3955.61	3380.95
10	Other Comprehensive Income/loss with tax impact thereon	-12035.17	-10527.46
11	Total Comprehensive Income/loss for the year	-8079.56	-7146.51
12	Transfer to Special Reserve under Sec.36 (1) (vii) of Income Tax Act	220.07	246.88
13	Transfer to Provision for bad and doubtful debts under Sec.36 (1) (viiia) of Income Tax Act	153.64	113.81
14	Transfer to Statutory reserve under Sec 451C of RBI act	791.12	676.19
15	Proposed Dividend	-	-
16	Tax on Dividend	-	-
17	Balance profit carried to General Reserve	-9250.54	-8388.66

Company Performance

The economy suffered very badly during the year 2019-20 due to Covid 19 pandemic and related lockdowns.

The general economic outlook remains highly uncertain in view of continuous surge in Covid 19. Given the success of vaccination drive initiated by the Government, your Directors hope to overcome the sluggish economic situation in the year ahead.

During the year 2019-20, KSIDC's revenue from operations and other income amounted to ₹ 5821.17lakhs. The profit before tax for the year stood at ₹ 4167 lakhs as compared to ₹ 4264.90 lakhs in 2018-19. After providing for tax of ₹ 211.4 lakhs as against ₹ 883.95 lakhs in 2018-19, the profit after tax for the year stood at ₹ 3955.61lakhs as against ₹ 3380.95 lakhs during the previous year.

ബോർഡ് റിപ്പോർട്ട്

കമ്പനിയുടെ 59-ാമതു വാർഷിക റിപ്പോർട്ട്, 2020 മാർച്ച് 31 ന് അവസാനിച്ച വർഷത്തെ ഓഡിറ്റു ചെയ്ത കണക്കുകളും അവതരിപ്പിക്കുന്നതിൽ നിങ്ങളുടെ ഡയറക്ടർമാർക്ക് തികഞ്ഞ സന്തോഷമുണ്ട്.

സാമ്പത്തിക ഫലങ്ങൾ

(തുക ലക്ഷത്തിൽ)

ക്രമ നമ്പർ	വസ്തുസ്ഥിതികൾ	31.03.2020 ൽ അവസാനിച്ച വർഷം	31.03.2019 ൽ അവസാനിച്ചവർഷം
1	പ്രവർത്തനങ്ങളിൽ നിന്നുള്ള വരുമാനം	4086.11	4350.56
2	മറ്റു വരുമാനം	1735.05	1388.66
3	മൊത്ത വരുമാനം	5821.17	5739.21
4	ഉദ്യോഗസ്ഥഭരണ നിർവഹണച്ചെലവുകൾ	1447.88	1432.92
5	തേയ്മാനച്ചെലവ്	35.95	5739.21
6	അനിശ്ചിതകടങ്ങൾ വകയിരുത്തൽ	170.34	-
7	അസാധാരണ ഇനങ്ങൾ	-	-
8	നികുതികൾക്കും, പ്രൊവിഷനുകൾക്കും മുമ്പുള്ള ലാഭം	4167.00	4264.90
9	നികുതികൾക്കും, പ്രൊവിഷനുകളും (ഇപ്പോഴത്തെ നികുതിയും, മാറ്റിവയ്ക്കപ്പെട്ട നികുതിയും)	211.40	883.95
10	നികുതിയടച്ചശേഷമുള്ള ലാഭം	3955.61	3380.95
11	മറ്റ് സമഗ്ര വരുമാനം / നഷ്ടം നികുതി ഉൾപ്പെടെ	-12035.17	-10527.46
12	ഈ സാമ്പത്തികവർഷത്തിലെ മൊത്തം സമഗ്ര വരുമാനം/ നഷ്ടം	-8079.56	-7146.51
13	ആദായനികുതി നിയമത്തിലെ 36 (i) (viii) വകുപ്പ് പ്രകാരം നീക്കിവച്ച പ്രത്യേക കരുതൽ ധനം	220.07	246.88
14	ആദായനികുതി നിയമത്തിലെ 36 (i) (viii) (എ) വകുപ്പ് പ്രകാരം കിട്ടാക്കടത്തിന്റെയും അനിശ്ചിത കടത്തിന്റെയും പേരിൽ നീക്കിവച്ച കരുതൽ ധനം	153.64	113.81
15	ആർ ബി ഐ ആക്ടിലെ 451 സി വകുപ്പ് പ്രകാരം സ്റ്റാറ്റ്യൂട്ടറി റീസർവീനായി നീക്കി വച്ചത്	791.12	676.19
16	നിർദ്ദിഷ്ട ലാഭവിതം	-	-
17	ലാഭ വിഹിതത്തിന്മേലുള്ള നികുതി	-	-
18	പൊതുകരുതൽ ധനത്തിലേക്കു നീക്കി വച്ച ലാഭ ബാക്കി	-9250.54	-8388.66

കമ്പനിയുടെ പ്രവർത്തനഫലം

കോവിഡ് 19 മഹാമാരിയും അനുബന്ധ ലോക്ഡൗണുകളും കാരണം 2019-20 സാമ്പത്തിക വർഷത്തിൽ സമ്പദ് വ്യവസ്ഥ വളരെ മോശമായിരുന്നു.

കോവിഡ് 19 മഹാമാരിയുടെ കുതിച്ചുചാട്ടം കണക്കിലെടുത്ത് പൊതുവിൽ സാമ്പത്തിക വീക്ഷണം അനിശ്ചിതത്വത്തിൽ തുടരുകയാണ്. എന്നാൽ സർക്കാർ നടപ്പിലാക്കിയ കോവിഡ് വാക്സിനേഷൻ പ്രവർത്തനങ്ങളുടെ വിജയം സൂചിപ്പിക്കുന്നത് മന്ദഗതിയിലുള്ള ഈ സാമ്പത്തിക സ്ഥിതിവിശേഷം വരും വർഷങ്ങളിൽ മറികടക്കാനാവുമെന്ന് നിങ്ങളുടെ ഡയറക്ടർമാർ പ്രതീക്ഷിക്കുന്നു.

2019-2020 വർഷത്തിൽ കെ.എസ്.ഐ.ഡി.സി. യുടെ പ്രവർത്തനങ്ങളിൽ നിന്നും മറ്റു മാർഗ്ഗങ്ങളിൽ നിന്നുമുള്ള വരുമാനം 5821.17 ലക്ഷം രൂപയാകുന്നു. നികുതി കിഴിക്കുന്നതിന് മുമ്പുള്ള ലാഭം 2018-19 ൽ 4167.00 ലക്ഷം രൂപയായിരുന്നുവെങ്കിൽ ആ സ്മാനത്ത് ഇക്കൊല്ലം അത് 4264.00 ലക്ഷം രൂപയാണ്. 2018-19 ലെ നികുതികളും പ്രൊവിഷനുകളും 883.95 ലക്ഷം രൂപയിൽ നികുതി കിഴിച്ച ശേഷമുള്ള ലാഭം 876.55 ലക്ഷം രൂപയായിരുന്നെങ്കിൽ ഇക്കൊല്ലം ആ സ്ഥാനത്ത് 3955.61 ലക്ഷം രൂപ നികുതികളും പ്രൊവിഷനുകളും കിഴിച്ചുള്ള ലാഭം 211.4 ലക്ഷം രൂപയാകുന്നു.

Your Corporation has also provided Seed Fund assistance to 16 start-up companies for their creative ideas/innovations and creating enterprise. The total amount sanctioned under this scheme was ₹ 295.96 Lakhs.

Sanction of loans was made after completing the required due diligence and the disbursements were started after the project monitoring committee completed its inspection processes. Professionally qualified officers have been put in place to ensure proper monitoring of projects. Your Corporation also continues to spearhead the Single Window Clearance Board constituted by the Government of Kerala for giving clearances to new project proposals through KSWIFT, online portal.

Corporate Social Responsibility

Your Corporation has been taking initiative under Corporate Social Responsibility well before it has been prescribed under Companies Act, 2013. The Corporation has a well-defined policy on Corporate Social Responsibility, pursuant to the provisions of Section 135 of the Companies Act, 2013, read with The Companies (Corporate Social Responsibility Policy) Rules, 2014. The said policy is posted on the website of the Company www.ksidc.org.

In terms of Section 135 of the Companies Act, 2013, read with The Companies (Corporate Social Responsibility Policy) Rules, 2014, the Annual Report on Corporate Social Responsibility activities of the Company is given in Annexure 1 to this report.

Extract of Annual Return

As per Companies (Amendment) Act, 2017 the extract of Annual Return is given on website of the Company www.ksidc.org

Nominee Directors

Your corporation appoints Nominee directors on the Boards of assisted companies. The Nominee Directors endeavour to play a proactive role in the development of professional management and formulation of proper corporate policies and strategies to improve the performance and Corporate Governance of the assisted companies. The feedback reports received from Nominee Directors act as a useful tool for credit monitoring and performance review of the assisted units.

Fixed Deposits:

Your Corporation has not accepted any public deposit within the meaning of the provisions of Section 2 (59) of the Companies Act, 2013 read with the Companies (Acceptance of Deposit by Companies) Rules, 2014, and as such no amount of principal or interest is outstanding as on the balance sheet date.

Human Resource

Your Corporation has always believed that human resource is critical and as such continues to work for its development. The functions of different personnel were aligned to the Corporation's business objectives and senior officers with functional background have been put in strategic positions to augment business growth.

കേരള സംസ്ഥാന വ്യവസായ വികസന കോർപ്പറേഷൻ ലിമിറ്റഡ്

നിങ്ങളുടെ കോർപ്പറേഷൻ 16 സ്റ്റാർട്ട് അപ്പ് കമ്പനികൾക്ക് അവരുടെ പുതിയ ആശയങ്ങളിൽ നിന്നും നൂതനമായ സംരംഭങ്ങൾ കെട്ടിപ്പടുക്കുന്നതിലേക്കായി സീഡ് ഫണ്ട് അസിസ്റ്റൻസ് നൽകുകയുണ്ടായി. ഈ പദ്ധതി പ്രകാരം കോർപ്പറേഷൻ മൊത്തം 295.95 ലക്ഷം രൂപ അനുവദിച്ചിട്ടുണ്ട്.

എല്ലാ നടപടിക്രമങ്ങളും കൃത്യമായി പാലിച്ചുകൊണ്ടാണ് വായ്പകൾ അനുവദിച്ചിട്ടുള്ളത്. വായ്പ വിതരണം ചെയ്യുന്നതിന് മുൻപായി പദ്ധതി അവലോകനം ചെയ്യാൻ നിയുക്തമായ സമിതി പരിശോധന കളെല്ലാം പൂർത്തിയാക്കിയെന്ന് ഉറപ്പ് വരുത്തിയിരുന്നു. പദ്ധതികൾ ശരിയായ വിധത്തിൽ അവലോകനം ചെയ്യുന്നത് ഉറപ്പ് വരുത്താനായി പ്രൊഫഷണൽ യോഗ്യത നേടിയ ഉദ്യോഗസ്ഥരെ നിയോഗിച്ചിട്ടുണ്ട്. പുതിയ പദ്ധതി നിർദ്ദേശങ്ങൾക്ക് അനുമതി നൽകുന്നതിനായി കേരള സർക്കാർ രൂപവൽക്കരിച്ച ഏക ജാലക സമിതിയുടെ സേവനം പ്രയോജനപ്പെടുത്തുന്ന രീതി നിങ്ങളുടെ കോർപ്പറേഷൻ തുടർന്നു പോരുന്നു.

സാമൂഹിക പ്രതിജ്ഞാബദ്ധത

2013 ലെ കമ്പനീസ് ആക്ട് ലെ വ്യവസ്ഥകൾ പ്രകാരവും 2014 ലെ കമ്പനീസ് (കോർപ്പറേറ്റ് സോഷ്യൽ റെസ്പോൺസിബിലിറ്റി പോളിസി) നിയമം അനുശാസിക്കുന്ന പ്രകാരവും കോർപ്പറേഷന്റെ ഡയറക്ടർ ബോർഡ് അംഗീകരിച്ച ഭംഗിയായി നിർവ്വഹിച്ചിരിക്കുന്ന ഒരു സോഷ്യൽ റെസ്പോൺസിബിലിറ്റി പോളിസി (CSR) നിലവിലുണ്ട്. ഈ പോളിസി കമ്പനിയുടെ വെബ് സൈറ്റിൽ www.ksidc.org ചേർത്തിട്ടുണ്ട്.

2013 ലെ കമ്പനീസ് ആക്ടിന്റെ സെക്ഷൻ 135 അനുസരിച്ച് കമ്പനീസ് (കോർപ്പറേറ്റ് സോഷ്യൽ റെസ്പോൺസിബിലിറ്റി പോളിസി) നിയമം 2014 പ്രകാരം കമ്പനിയുടെ സാമൂഹിക പ്രതിജ്ഞാ പദ്ധതിയെ സംബന്ധിക്കുന്ന പ്രവർത്തന റിപ്പോർട്ട് വാർഷിക റിപ്പോർട്ടിന്റെ കൂടെ അനുബന്ധം (1) ആയി ചേർത്തിട്ടുണ്ട്.

വാർഷികവരുമാനത്തിന്റെ സംക്ഷിപ്തം

കമ്പനീസ് (AMENDMENT) ആക്ട് 2017 പ്രകാരം കോർപ്പറേഷന്റെ വാർഷിക വരുമാനത്തിന്റെ സംക്ഷിപ്ത രൂപം കമ്പനിയുടെ വെബ്സൈറ്റിൽ www.ksidc.org കൊടുത്തിട്ടുണ്ട്.

നോമിനി ഡയറക്ടർമാർ

നിങ്ങളുടെ കോർപ്പറേഷൻ ധനസഹായം നൽകുന്ന കമ്പനികളുടെ ഡയറക്ടർ ബോർഡിൽ കെ.എസ്.ഐ.ഡി.സി. ഡയറക്ടർമാരെ നോമിനേറ്റ് ചെയ്തു വരുന്നു. ധനസഹായം നൽകപ്പെട്ട കമ്പനികളുടെ പ്രവർത്തനങ്ങൾ മെച്ചപ്പെടുത്തുന്നതിലും ശരിയായ നയപരിപാടികൾ ആവിഷ്കരിക്കുന്നതിലും നോമിനി ഡയറക്ടർമാർ ക്രിയാത്മകമായ പങ്ക് വഹിച്ചു വരുന്നുണ്ട്. കമ്പനിയുടെ പ്രവർത്തനം നിരന്തരം നിരീക്ഷിച്ചുകൊണ്ടിരിക്കുന്നതിനും വിശകലനം ചെയ്യുന്നതിനും നോമിനി ഡയറക്ടർമാർ നൽകുന്ന റിപ്പോർട്ടുകൾ സഹായിക്കുന്നു.

സ്ഥിര നിക്ഷേപങ്ങൾ

2013 ലെ കമ്പനി നിയമത്തിലെ 2(59) (ഏ) വകുപ്പ് പ്രകാരമോ, പൊതുജനങ്ങളിൽ നിന്നു കമ്പനികൾ നിക്ഷേപം സ്വീകരിക്കുന്നതു സംബന്ധിച്ച 2014 ലെ കമ്പനീസ് (acceptance of deposit) റൂൾസ് പ്രകാരമോ നിങ്ങളുടെ കോർപ്പറേഷൻ പൊതുനിക്ഷേപങ്ങൾ സ്വീകരിച്ചിട്ടില്ല. ഇക്കാരണത്താൽ ബാക്കി പത്രം തയ്യാറാക്കിയ തീയതിയിൽ മുതലോ പലിശയോ കൊടുത്തു തീർക്കേണ്ടതായി അവശേഷിക്കുന്നില്ല.

മനുഷ്യ വിഭവശേഷി

കമ്പനിയുടെ വളർച്ചയിൽ മനുഷ്യ വിഭവശേഷി നിർണ്ണായക പങ്കു വഹിക്കുന്നുണ്ടെന്നും, അതിന്റെ വികസനത്തിനുവേണ്ടി പ്രവർത്തിച്ചു കൊണ്ടിരിക്കുന്നുണ്ടെന്നും നിങ്ങളുടെ കോർപ്പറേഷൻ വിശ്വസിച്ചു വരുന്നു. കമ്പനിയുടെ പ്രവർത്തന ലക്ഷ്യങ്ങൾ സാക്ഷാൽക്കരിക്കുകയെന്ന ലക്ഷ്യത്തോടെയാണ് വിവിധ വിഭാഗങ്ങളിലുള്ള ഉദ്യോഗസ്ഥർ പ്രവർത്തിക്കുന്നത്. ബിസിനസ്സിന്റെ വളർച്ച ത്വരിതപ്പെടുത്തുന്നതിനായി ഉന്നതശ്രേണിയിലുള്ള ഉദ്യോഗസ്ഥരെ തന്ത്ര പ്രധാന സ്ഥാനങ്ങളിൽ നിയോഗിച്ചിരിക്കുന്നു.

Particulars regarding conservation of energy, technology absorption and foreign exchange earnings and expenditure.

Your Corporation has no manufacturing activity. However, it has taken adequate steps to conserve energy and is now utilizing solar power at its office premises.

Share Capital

The investment of the Government of Kerala in the equity of the company as at 31st March 2020 was ₹ 301.24 Crores.

Details of Directors / Key Managerial Personnel (KMP)

Details of Board of Directors:

- 1) Dr. Christy Fernandez IAS (Retd)-Chairman(w.e.f 20-09-16)
- 2) Dr. K. Ellangovan IAS (w.e.f 27-02-2018)
- 3) Dr.Sharmila Mary Joseph IAS (upto 27-06-2019)
- 4) Shri. Sanjay M Kaul IAS (upto 22-11-2019)
- 5) Shri. Sanjeev Kaushik IAS (upto 19-03-2020)
- 6) Shri. E.S. Jose (w.e.f 16-06-2017)

Details of Key Managerial Personnel :

- 1) Shri. S. Harikishore IAS – Managing Director (w.e.f 25-03-2020)
- 2) Shri. Sanjay Kaul IAS - Managing Director (4-07-2019 to 21-11-2019)
- 3) Dr. Sharmila Mary Joseph IAS - Managing Director (upto 22-06-2019)
- 4) Dr.K Ellangovan IAS – Managing Director (23-06-2019 to 03-07-2019)
- 5) Shri. M G Rajamanickam IAS - Managing Director (w.e.f 17-09-2020)
- 6) Shri. K. Suresh Kumar–Company Secretary & Head (Legal & CA)

Board of Directors

a) Composition

The Board of Directors comprises the Chairman, Managing Director and Directors nominated by the Government of Kerala.

b) Meeting of the Board of Directors

During the year the Board of Directors of your Corporation met 5 times on 05-08-2019, 05-09-2019, 18-11-2019, 07-01-2020 & 19-03-2020. The Company Secretary & Head (Legal & Corporate Affairs) circulates the Agenda and Notes in advance to all the Directors. The minutes of the meeting are prepared immediately after each meeting and circulated to all the Directors.

കേരള സംസ്ഥാന വ്യവസായ വികസന കോർപ്പറേഷൻ ലിമിറ്റഡ്

ഊർജ്ജ സംരക്ഷണം, സാങ്കേതികവിദ്യ ആർജ്ജിക്കൽ, വിദേശനാണ്യ സംരംഭവും, വിനിയോഗവും തുടങ്ങിയ കാര്യങ്ങൾ

നിങ്ങളുടെ കോർപ്പറേഷൻ നിർമ്മാണ പ്രവർത്തനങ്ങളിൽ ഏർപ്പെട്ടിട്ടില്ല. എന്നാൽ ഊർജ്ജ സംരക്ഷണത്തിനാവശ്യമായ നടപടികൾ സ്വീകരിക്കുകയും. ഓഫീസിലും, പരിസരത്തും സൗരോർജ്ജം പ്രയോജനപ്പെടുത്തുകയും ചെയ്യുന്നു.

ഓഹരി മൂലധനം

2020 മാർച്ച് 31 തീയതിയിലെ കണക്കനുസരിച്ച് കോർപ്പറേഷന്റെ ഓഹരി മൂലധനത്തിൽ കേരള സർക്കാരിന്റെ മുതൽ മുടക്ക് 301.24 കോടി രൂപയാണ്.

ഡയറക്ടർമാർ, മർമ്മ പ്രധാന സ്ഥാനങ്ങൾ വഹിക്കുന്ന ഉദ്യോഗസ്ഥർ എന്നിവരെ സംബന്ധിച്ച വിവരങ്ങൾ

ഡയറക്ടർ ബോർഡ് അംഗങ്ങളെ സംബന്ധിച്ച വിവരങ്ങൾ :

- 1. ഡോ. ക്രിസ്റ്റി ഫെർണ്ണാണ്ടസ് IAS (റിട്ടയേർഡ്)ചെയർമാൻ 20.09.2016 മുതൽ)
- 2. ഡോ. കെ. ഇളങ്കോവൻ IAS (27.02.2018 മുതൽ)
- 3. ഡോ.ഷർമ്മിളമേരി ജോസഫ് IAS (10.10.2017 മുതൽ 27.06.2019 വരെ)
- 5. ശ്രീ. സഞ്ജയ് എം കൗൾ IAS (13.09.2018 മുതൽ 22.11.2019 വരെ)
- 6. ശ്രീ സഞ്ജീവ് കൗശിക് IAS (17.05.2019 മുതൽ 19.03.2020 വരെ)
- 7. ശ്രീ. ഇ.എസ്. ജോസ് (16.06.2017 മുതൽ)

മർമ്മ പ്രധാന സ്ഥാനങ്ങളിലുള്ള ഉദ്യോഗസ്ഥർ

- 1. ശ്രീ. എസ്. ഹരികിഷോർ IAS മാനേജിംഗ് ഡയറക്ടർ (25.03.2020 വരെ)
- 2. ശ്രീ. സഞ്ജയ് കൗൾ IAS മാനേജിംഗ് ഡയറക്ടർ (13.09.2018 മുതൽ 19.12.2018 വരെ)(04.07.2019 മുതൽ 21.11.2019 വരെ)
- 3. ഡോ. ഷർമ്മിള മേരി ജോസഫ് IAS മാനേജിംഗ് ഡയറക്ടർ (20.12.2018 മുതൽ 22.06.2019 വരെ)
- 4. ഡോ. കെ. ഇളങ്കോവൻ IAS മാനേജിംഗ് ഡയറക്ടർ (23.06.2019 മുതൽ 03.07.2019 വരെ)
- 4. ശ്രീ. എം.ജി. രാജമാണിക്യം IAS മാനേജിംഗ് ഡയറക്ടർ (22.11.2019 മുതൽ 25.03.2020) (17.09.2020 മുതൽ 24.03.2020 വരെ)
- 5. ശ്രീ. കെ. സുരേഷ്കുമാർ കമ്പനി സെക്രട്ടറി & ഹെഡ് (ലീഗൽ & കോർപ്പറേറ്റ് അഫയേഴ്സ്)

ഡയറക്ടർ ബോർഡ്

(എ) ഘടന

ചെയർമാനും, മാനേജിംഗ് ഡയറക്ടറും കേരള സർക്കാർ നോമിനേറ്റ് ചെയ്യുന്ന ഡയറക്ടർമാരും ഉൾപ്പെടുന്നതാണ് ഡയറക്ടർ ബോർഡ്.

(ബി) ഡയറക്ടർ ബോർഡ് മീറ്റിങ്ങുകൾ

നടപ്പു വർഷത്തിൽ 05.08.2019, 18.11.2019, 07.01.2020 & 19.03.2020 എന്നീ തീയതികളിലായി അഞ്ചു തവണ നിങ്ങളുടെ കോർപ്പറേഷന്റെ ഡയറക്ടർ ബോർഡ് സമ്മേളിക്കുകയുണ്ടായി. കമ്പനി സെക്രട്ടറി & ഹെഡ് (ലീഗൽ & കോർപ്പറേറ്റ് അഫയേഴ്സ്) അജണ്ട നോട്ടുകൾ എല്ലാ ഡയറക്ടർ മാർക്കും മുൻകൂറായി അയച്ചുകൊടുക്കുന്നു. ഓരോ ബോർഡ് മീറ്റിങ്ങും കഴിഞ്ഞാലുടൻ തന്നെ അതിന്റെ മിനിറ്റ്സ് തയ്യാറാക്കി ഡയറക്ടർമാർക്ക് അയച്ചുകൊടുക്കുന്നു.

c) Information to the Board of Directors

The Board of Directors have complete access to the information within the Corporation which includes:-

- Annual revenue budgets and capital expenditure plans
- Result of operations of operating divisions and business segments.
- Financing plans of the Corporation.
- Minutes of Meeting of Sub-Committees of the Board
- Developments in respect of Human Resources
- Compliance or Non- compliance of any Regulatory/Statutory guidelines

d) Board Committees

The Board currently has 4 Committees:

1. Audit Committee
2. Corporate Social Responsibility Committee
3. Sub-committee for Seed Fund Assistance
4. Sub Committee for Non-Performing Assets.

The Board is responsible for constituting, assigning and co-opting the members of the Committees. The Committees meet periodically and take decisions as per the mandate of the Board.

Members of the Audit Committee

Shri. Sanjay M Kaul, IAS	:	Chairman
Shri. E.S. Jose	:	Member

Members of the CSR Committee

Dr. K Ellangovan IAS	:	Chairman
Shri. MG Rajamanickam IAS	:	Member

Members of the Sub- Committee for Seed Fund Assistance

Dr. K Ellangovan IAS	:	Chairman
Shri. MG Rajamanickam IAS	:	Member
Shri.S.R.R. Nair	:	Invitees
Shri.Suresh Mohan, C A	:	Invitees

Members of the Sub- Committee for Non-Performing Assets

Dr. Sanjay Kaul IAS	:	Chairman
Shri. E.S. Jose	:	Member

(സി) ഡയറക്ടർമാരുടെ അറിവിലേക്ക്

കോർപ്പറേഷനെ സംബന്ധിച്ച സമ്പൂർണ്ണ വിവരങ്ങൾ ഡയറക്ടർ മാർക്ക് ലഭ്യമാണ്. ഇവയിൽ താഴെപ്പറയുന്ന വിവരങ്ങൾ ഉൾപ്പെടുന്നു.

- വാർഷിക റവന്യൂ ബഡ്ജറ്റും മൂലധനച്ചെലവ് സംബന്ധിച്ച ആസൂത്രണങ്ങളും
- ഓപ്പറേറ്റിങ്ങ് ഡിവിഷന്റെയും ബിസിനസ്സ് വിഭാഗത്തിന്റെയും പ്രവർത്തനഫലങ്ങൾ
- കോർപ്പറേഷന്റെ സാമ്പത്തിക ആസൂത്രണം
- ബോർഡിന്റെ ഉപസമിതി യോഗ തീരുമാനങ്ങൾ
- മനുഷ്യ വിഭവശേഷിയിലെ പുരോഗതി
- വ്യവസ്ഥാപിതമോ നിയമാനുസൃതമോ ആയ മാർഗ്ഗ നിർദ്ദേശക തത്വങ്ങൾ പാലിക്കപ്പെടുകയോ പാലിക്കപ്പെടാതിരിക്കുകയോ ചെയ്യുന്നതു സംബന്ധിച്ച വിവരങ്ങൾ

(ഡി) ബോർഡിന്റെ ഉപ സമിതികൾ

ഡയറക്ടർ ബോർഡിന് അഞ്ച് ഉപസമിതികളുണ്ട്.

1. ഓഡിറ്റ് കമ്മിറ്റി
2. കോർപ്പറേറ്റ് സോഷ്യൽ റെസ്പോൺസിബിലിറ്റി കമ്മിറ്റി
3. സീഡ് ഫണ്ട് അസിസ്റ്റൻസിനുള്ള സബ് കമ്മിറ്റി
5. നോൺ പേർഫോമിങ്ങ് അസറ്റിനുള്ള സബ് കമ്മിറ്റി

ഉപസമിതികൾ രൂപവൽക്കരിക്കുന്നതിനും അതിലെ അംഗങ്ങളെ നാമ നിർദ്ദേശം ചെയ്യുന്നതിനും അവർക്ക് ചുമതലകൾ ഏല്പിച്ചു കൊടുക്കുന്നതിനുമുള്ള ഉത്തരവാദിത്വം ഡയറക്ടർ ബോർഡിനാണ്. ഉപസമിതികൾ നിശ്ചിത കാലയളവിൽ സമ്മേളിക്കുകയും ഡയറക്ടർ ബോർഡിന്റെ വിഷയ നിർദ്ദേശങ്ങൾക്ക് അനുസൃതമായി തീരുമാനങ്ങൾ കൈകൊള്ളുകയും ചെയ്യുന്നു.

1. ഓഡിറ്റ് കമ്മിറ്റി അംഗങ്ങൾ

- | | |
|-----------------------------|---------|
| 1. ശ്രീ. സഞ്ജയ് കൗൾ ഐ.എ.എസ് | ചെയർമാൻ |
| 2. ശ്രീ. ഇ. എസ്. ജോസ് | മെമ്പർ |

2. CSR കമ്മിറ്റി അംഗങ്ങൾ

- | | |
|----------------------------------|---------|
| 1. ഡോ. കെ. ഇളങ്കോവൻ ഐ.എ.എസ് | ചെയർമാൻ |
| 2. ഡോ. എം.ജി.രാജമാണിക്യം ഐ.എ.എസ് | മെമ്പർ |

3. സീഡ് ഫണ്ട് അസിസ്റ്റൻസിനുള്ള സബ് കമ്മിറ്റി അംഗങ്ങൾ

- | | |
|-----------------------------------|-----------|
| 1. ഡോ. കെ. ഇളങ്കോവൻ ഐ.എ.എസ് | ചെയർമാൻ |
| 2. ഡോ. എം.ജി. രാജമാണിക്യം ഐ.എ.എസ് | മെമ്പർ |
| 3. ശ്രീ എസ്. ആർ. ആർ നായർ | ക്ഷണിതാവ് |
| 4. ശ്രീ. സുരേഷ് മോഹൻ, സി.എ. | ക്ഷണിതാവ് |

4. നോൺ പേർഫോമിങ്ങ് അസറ്റിനുള്ള സബ് കമ്മിറ്റി അംഗങ്ങൾ

- | | |
|-----------------------------|---------|
| 1. ശ്രീ. സഞ്ജയ് കൗൾ ഐ.എ.എസ് | ചെയർമാൻ |
| 2. ശ്രീ. ഇ. എസ്. ജോസ് | മെമ്പർ |

The Board of the Corporation placed on record their appreciation of the invaluable services rendered by Dr.Sharmila Mary Joseph IAS, Shri. Sanjay M Kaul IAS, Shri. Sanjeev Kaushik IAS & Shri. M G Rajamanickam IAS during their tenure as Director on the Board of the Corporation.

The Internal control Systems & their adequacy

As part of the internal control systems, a comprehensive and well-documented system of Internal Audit is in place in your Corporation. The Internal Audit Reports along with implementation and recommendations contained therein are constantly reviewed by the Audit Committee of the Board and placed before the Board for its information.

As mandated by the Government of Kerala, your Corporation has appointed Shri K Suresh Kumar, Company Secretary & Head (Legal, HR & Corporate Affairs) as Vigilance Officer. During the year, there were no instance of any vigilance case either against the Corporation or its officials.

There were no instances of non-compliances of any matter related to statutory issues during the financial year under review.

Statutory Auditors

The Comptroller and Auditor General have appointed M/s. Ranjit Karthikeyan & Associates, Chartered Accountants, as the Statutory Auditors for the Year 2019-2020.

The firm verified the records, obtained explanations, wherever necessary, and finalized the audit work in a reasonable time frame. The report of the Statutory Auditors is placed as part of this Report

Report of the Accountant General (Economic and Revenue Sector Audit)

The Accountant General (Economic & Revenue Sector Audit), Thiruvananthapuram, vide their Audit report dated 24th September 2021 conveyed under Section 143(6)(b) of the Companies Act, 2013, have issued comments on the Accounts for the year 2019-20. A copy of the same is placed as part of this Report together with the reply in the form of an Addendum to the Board's Report.

Related Party Transactions

No Related Party Transaction as defined under Section 188 of Companies Act, 2013 read with Companies (Meetings of the Board and its Powers) Rules, 2015 was undertaken by the Corporation during the F.Y 2019-20.

Directors Responsibility Statement

As required under Section 134(5) of the Companies Act, 2013, subject to the comments of the Statutory Auditors and the Accountant General (E&RSA), Kerala, your Directors confirm that:

a) In the preparation of the Annual Accounts, the applicable accounting standards with proper explanation relating to material departures if any have been used;

കേരള സംസ്ഥാന വ്യവസായ വികസന കോർപ്പറേഷൻ ലിമിറ്റഡ്

ഡോ. ശർമിള മേരി ജോസഫ് ഐ.എ.എസ്., ശ്രീ സഞ്ജയ് എം. കൗൾ ഐ.എ.എസ്., ശ്രീ.സഞ്ജയ് എം. കൗൾ ഐ.എ.എസ്., ശ്രീ എം. ജി. രാജമാണിക്കം ഐ.എ.എസ് എന്നിവർ കോർപ്പറേഷൻ ഡയറക്ടർ ബോർഡ് മെമ്പർമാരായിക്കുന്ന കാലഘട്ടത്തിൽ ചെയ്ത വിലമതിക്കുന്നവായ സേവനങ്ങൾക്ക് ബോർഡ് പ്രത്യേകം അഭിനന്ദനം രേഖപ്പെടുത്തി.

ആഭ്യന്തര നിയന്ത്രണ സംവിധാനവും അവയുടെ പര്യാപ്തതയും

ആഭ്യന്തര നിയന്ത്രണ സംവിധാനങ്ങളുടെ ഭാഗമെന്ന നിലയിൽ സമഗ്രവും കാര്യക്ഷമവുമായ ഒരു ആഭ്യന്തര ഓഡിറ്റ് സംവിധാനം നിങ്ങളുടെ കോർപ്പറേഷനിൽ നിലനില്ക്കുന്നുണ്ട്. അവലോകനം ചെയ്യപ്പെട്ട കാലയളവിൽ ആഭ്യന്തര ഓഡിറ്റിന്റെ വ്യാപ്തിയും ഉദ്ദേശ്യവും ഡയറക്ടർമാരുടെ ഓഡിറ്റ് കമ്മിറ്റി വിലയിരുത്തുകയുണ്ടായി. ആഭ്യന്തര ഓഡിറ്റ് സംബന്ധിച്ച റിപ്പോർട്ടുകളും അവയോടൊപ്പമുള്ള ശുപാർശകളും അവയുടെ നടത്തിപ്പും ഓഡിറ്റ് കമ്മിറ്റി നിരന്തരം വിലയിരുത്തുകയും ഡയറക്ടർ ബോർഡ് മുമ്പാകെ സമർപ്പിക്കുകയും ചെയ്യുന്നുണ്ട്.

കേരള സർക്കാർ അനുശാസിക്കുന്ന പ്രകാരം ശ്രീ കെ. സുരേഷ്കുമാർ കമ്പനി സെക്രട്ടറി ആന്റ് ഹെഡ് (ലീഗൽ, എച്ച്. ആർ ആന്റ് കോർപ്പറേറ്റ് അഫയേഴ്സ്) നെ കോർപ്പറേഷൻ വിജിലൻസ് ഓഫീസറായി നിയോഗിച്ചിട്ടുണ്ട്. നടപ്പു വർഷം കോർപ്പറേഷനെതിരെയോ അതിലെ ഉദ്യോഗസ്ഥർക്കെതിരെയോ വിജിലൻസ് കേസുകൾ ഉണ്ടായിട്ടില്ല.

നടപ്പു വർഷം നിയമപ്രകാരമുള്ള വ്യവസ്ഥകൾ ലംഘിക്കപ്പെട്ടതായുള്ള സംഭവങ്ങളൊന്നും തന്നെ ഉണ്ടായിട്ടില്ല.

സ്റ്റാറ്റ്യൂട്ടറി ഓഡിറ്റർമാർ

ചാർട്ടേഡ് അക്കൗണ്ടന്റുമാരായ മെസേഴ്സ് രജിമിന്റേ കൗൺസിലർമാർ ആൻറ് അസോസിയേറ്റ്സിനെ 2019-20 സാമ്പത്തിക വർഷത്തിലെ സ്റ്റാറ്റ്യൂട്ടറി ഓഡിറ്റർമാരായി കൺട്രാക്ടർ ആൻറ് ഓഡിറ്റർ ജനറൽ നിയമിച്ചിരിക്കുന്നു.

രേഖകൾ പരിശോധിച്ചും ആവശ്യമായ സന്ദർഭങ്ങളിൽ വീശദീകരണങ്ങൾ തേടിയും, ന്യായമായ കാലയളവിനുള്ളിൽ അവർ ഓഡിറ്റ് പൂർത്തിയാക്കുകയുണ്ടായി. സ്റ്റാറ്റ്യൂട്ടറി ഓഡിറ്റർമാരുടെ റിപ്പോർട്ട് വാർഷിക റിപ്പോർട്ടിന്റെ ഭാഗമായി നൽകിയിരിക്കുന്നു. സ്റ്റാറ്റ്യൂട്ടറി ഓഡിറ്റർമാരുടെ പരാമർശങ്ങൾക്കുള്ള മറുപടിയും വിശദീകരണങ്ങളും അനുബന്ധമായി ചേർത്തിരിക്കുന്നു.

അക്കൗണ്ടന്റ് ജനറലിന്റെ (ഇക്കണോമിക് ആന്റ് റവന്യൂ സെക്ടർ ഓഡിറ്റ്) റിപ്പോർട്ട്

2013 ലെ കമ്പനി നിയമം സെക്ഷൻ 143 (6) (ബി) പ്രകാരം അക്കൗണ്ടന്റ് ജനറലിന്റെ (ഇക്കണോമിക് ആന്റ് റവന്യൂ സെക്ടർ ഓഡിറ്റ്) 16.11.2019 ലെ ഓഡിറ്റ് റിപ്പോർട്ട് മുഖേന 2018-19 സാമ്പത്തിക വർഷത്തിലെ അക്കൗണ്ടിംഗിനെ സംബന്ധിച്ച പരാമർശങ്ങളും അവയ്ക്കുള്ള ബോർഡിന്റെ മറുപടിയും വിശദീകരണങ്ങളും അനുബന്ധമായി ഉൾക്കൊള്ളിച്ചിരിക്കുന്നു.

അനുബന്ധ കരാർ ഇടപാടുകൾ

2013 ലെ കമ്പനി നിയമം സെക്ഷൻ 188, 2015 ലെ കമ്പനി (ബോർഡ് മീറ്റിങ്ങുകളും അതിന്റെ അധികാരങ്ങളും) വ്യവസ്ഥകൾ ഇവയിൽ നിർവ്വചിച്ചിരിക്കുന്ന വിധത്തിലുള്ള ഇടപാടുകളൊന്നും 2019-20 സാമ്പത്തിക വർഷത്തിൽ കോർപ്പറേഷൻ നടത്തിയിട്ടില്ല.

ഡയറക്ടർമാരുടെ ഉത്തരവാദിത്വം സംബന്ധിച്ച പ്രസ്താവന

2013 ലെ കമ്പനി നിയമം 134 (5) വകുപ്പ് പ്രകാരം സ്റ്റാറ്റ്യൂട്ടറി ഓഡിറ്റർമാരുടേയും കേരള അക്കൗണ്ടന്റ് ജനറലി (E&RSA) ന്റെയും അഭിപ്രായത്തിനു വിധേയമായി, നിങ്ങളുടെ ഡയറക്ടർമാർ താഴെപ്പറയുന്ന വസ്തുതകൾ സ്ഥിരീകരിച്ചുകൊള്ളുന്നു.

എ) വാർഷിക വരവ് ചെലവ് കണക്കാക്കുന്നതിൽ വസ്തുതാപരമായ വ്യതിയാനങ്ങൾ സംഭവിച്ചിട്ടുണ്ടെങ്കിൽ അവയ്ക്ക് മതിയായ വിശദീകരണങ്ങൾ നൽകുകയും ശരിയായ അക്കൗണ്ടിംഗ് മാനദണ്ഡങ്ങൾ പാലിക്കുകയും ചെയ്തിരിക്കുന്നു.

b) The Directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of your Corporation at the end of the financial year and of the profit of your Corporation for that period.

c) The Directors had 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 your Company and for preventing and detecting fraud and other irregularities.

d) These Accounts have been prepared on a going concern basis.

e) The Directors had laid down internal financial controls to be followed by your Corporation and that such internal financial controls were adequate and operating effectively.

f) 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.

Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013:

The Corporation has constituted an internal Committee of Officers to redress complaints received regarding Sexual Harassment. All employees of the Corporation are free to approach the internal committee for redressal of their grievances. Corporation has not received any complaints during the year under review.

Acknowledgements:

The Board of Directors of your Corporation wishes to express its gratitude for the cooperation, guidance and support received from the Department of Industries, Government of Kerala, other Departments of the Government of Kerala, Government of India and the Reserve Bank of India and other Statutory Authorities. The Board of Directors also acknowledges the continued cooperation received from Investors especially from overseas.

The Board of Directors sincerely thank various Banks, Financial Institutions and shareholders, the Media and all other stakeholders for their continued support.

The Board of Directors place on record their appreciation of the dedicated and sincere services rendered by the Officers and Staff at all levels.

Date: 18.10.2021

Paul Antony IAS (Retd)
Chairman

- ബി) ശരിയായ അക്കൗണ്ടിങ്ങ് മാനദണ്ഡങ്ങൾ അവലംബിക്കുകയും അവ പ്രായോഗികമായി പിന്തുടരുകയും യുക്തിസഹവും വിവേകപൂർവ്വവുമായ നിഗമനങ്ങളിലെത്തിച്ചേരുകയും ചെയ്യുക വഴി 31.03.2020 ൽ അവസാനിച്ച സാമ്പത്തിക വർഷത്തെ കോർപ്പറേഷന്റെ കുറ്റമറ്റതും നിഷ്പക്ഷവുമായ ചിത്രവും ലാഭ നഷ്ടകണക്കുകളുടെ യഥാർത്ഥനിലയും അവതരിപ്പിക്കാൻ സാധിച്ചിട്ടുണ്ട്.
- സി) കോർപ്പറേഷന്റെ ആസ്തികൾ സംരക്ഷിക്കുകയും കൃത്രിമങ്ങളോ ക്രമക്കേടുകളോ നടന്നിട്ടുണ്ടെങ്കിൽ അവ കണ്ടെത്തി ഒഴിവാക്കുകയും ചെയ്യുന്നതിനായി 2013 ലെ കമ്പനി നിയമപ്രകാരം മതിയായ അക്കൗണ്ടിങ്ങ് രേഖകളും പ്രമാണങ്ങളും സൂക്ഷിക്കുന്നതിൽ കോർപ്പറേഷൻ ജാഗ്രത പുലർത്തിയിരിക്കുന്നു.
- ഡി) മുന്നോട്ട് പോകുന്ന കമ്പനിയെന്ന നിലയ്ക്കാണ് കോർപ്പറേഷന്റെ അക്കൗണ്ടുകൾ തയ്യാറാക്കിയിരിക്കുന്നത്.
- ഇ) നിങ്ങളുടെ കമ്പനി പിന്തുടരേണ്ട ആഭ്യന്തര സാമ്പത്തിക നിയന്ത്രണങ്ങൾ പ്രയോഗികവും ഫലപ്രദവുമായി പ്രവർത്തിക്കുന്നു.
- എഫ്) ബാധകമായ നിയമ വ്യവസ്ഥകൾ എല്ലാം തന്നെ പാലിക്കുന്നുണ്ടെന്ന് ഉറപ്പ് വരുത്തുന്നതിന് ഡയറക്ടർമാർ ഉചിതമായ സംവിധാനം ആസൂത്രണം ചെയ്യുകയും, അവ മതിയായതും കാര്യക്ഷമവുമാണെന്ന് ഉറപ്പാക്കുകയും ചെയ്തിട്ടുണ്ട്.

ജോലി സ്ഥലത്ത് സ്ത്രീകൾക്കു നേരെയുള്ള ലൈംഗികാതിക്രമം (തടയൽ, നിരോധനം, പരിഹാരം) നിയമം 2013 പ്രകാരം വെളിപ്പെടുത്തൽ

ജോലി സ്ഥലത്ത് സ്ത്രീകൾക്കു നേരെയുള്ള ലൈംഗികാതിക്രമവുമായി ബന്ധപ്പെട്ട പരാതികൾ പരിഹരിക്കുന്നതിനായി, ഉദ്യോഗസ്ഥർ അംഗങ്ങളായ ഒരു അഭ്യന്തരകമ്മിറ്റി കോർപ്പറേഷൻ രൂപീകരിച്ചിട്ടുണ്ട്. കോർപ്പറേഷനിലെ എല്ലാ ജീവനക്കാർക്കും തങ്ങളുടെ പരാതികൾ പരിഹരിക്കുന്നതിനായി ആഭ്യന്തരകമ്മിറ്റിയെ നിർബന്ധം സമീപിക്കാവുന്നതാണ്. നടപ്പ് വർഷത്തിൽ ഇത്തരത്തിലുള്ള പരാതികളൊന്നും തന്നെ കോർപ്പറേഷൻ ലഭിച്ചിട്ടില്ല.

കൃതജ്ഞത

കേരള സർക്കാരിന്റെ വ്യവസായ വകുപ്പ്, ഇതര വകുപ്പുകൾ, കേന്ദ്ര സർക്കാർ, റിസർവ്വ് ബാങ്ക് ഓഫ് ഇൻഡ്യ, മറ്റ് അധികാരികൾ തുടങ്ങിയവർ നൽകിപ്പോരുന്ന സഹകരണത്തിനും, മാർഗ്ഗ നിർദ്ദേശങ്ങൾക്കും നിങ്ങളുടെ കോർപ്പറേഷന്റെ ഡയറക്ടർ ബോർഡ് കൃതജ്ഞത പ്രകാശിപ്പിച്ചുകൊള്ളുന്നു. വിദേശ നിക്ഷേപകരിൽ നിന്നു തുടർച്ചയായി ലഭിച്ചു കൊണ്ടിരിക്കുന്ന സഹകരണത്തിൽ ഡയറക്ടർമാർ കൃതാർത്ഥരാണ്.

ബാങ്കുകൾ, ധനകാര്യസ്ഥാപനങ്ങൾ, ഓഹരി ഉടമകൾ, മാധ്യമങ്ങൾ എന്നിവ നൽകി വരുന്ന പിന്തുണയ്ക്ക് ഡയറക്ടർമാർ നന്ദി പ്രകാശിപ്പിക്കുന്നു.

തികഞ്ഞ ആത്മാർത്ഥതയോടും അർപ്പണ മനോഭാവത്തോടെയും സേവനം നടത്തി വരുന്ന എല്ലാ തലങ്ങളിലുമുള്ള ഓഫീസർമാരെയും ജീവനക്കാരെയും നിങ്ങളുടെ ഡയറക്ടർമാർ അഭിനന്ദിക്കുന്നു.

(ഒപ്പ്)
പോൾ ആന്റണി, ഐ.എ.എസ് (റിട്ടയേർഡ്)
ചെയർമാൻ

തീയതി : 18.10.2021

ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the Company's CSR policy , including overview of projects of programmes undertaken or proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

The CSR initiatives of KSIDC are based on activities relating to promoting education, health care and sanitation.

The projects undertaken during the Financial Year 2019-20 were within the broad framework of Schedule VII to the Companies Act, 2013.

Details of the CSR policy and projects or programs undertaken by the Company are available on the website of the Company at <http://www.ksidc.org/documents/CSR.pdf>.

2. The composition of the CSR committee: The Company has constituted a CSR Committee of the Board, consisting of Dr. K Ellangovan IAS and Shri. M G Rajamanickam IAS. The constitution is in line with the provisions of Section 135(1) of the Companies Act, 2013. Dr. K Ellangovan IAS is the Chairman of the Committee.
3. Average Net Profit of the Corporation for the preceding three financial years was Rs. 2832.50 lakhs.
4. Prescribed Corporate Social Responsibility expenditure (2% of the amount as in item 3 above) for 2019-209, total amount is Rs.56.65 lakhs.
5. Details of Corporate Social Responsibility Amount spent during the financial year:
 - a) Total amount spent for the Financial Year : Rs.18.47 lakhs
 - b) Amount unspent, if any: Rs. 38.18 lakhs, kept in separate bank account namely unspent CSR Account.
 - c) Manner in which amount spent during the Financial Year is detailed below:

സി.എസ്. ആർ. പ്രവർത്തനങ്ങളുടെ വാർഷിക റിപ്പോർട്ട്

1. കമ്പനിയുടെ സി.എസ്. ആർ നയത്തിന്റെ ഒരു ഹ്രസ്വ രൂപരേഖ തയ്യാറാക്കിയിട്ടുണ്ട്. അതിൽ കമ്പനി ഏറ്റെടുത്തതോ, നിർദ്ദേശിച്ചതോ ആയ എല്ലാ പ്രോജക്ടുകളുടെയും, പ്രോഗ്രാമുകളുടെയും വിവരണം നൽകിയിട്ടുണ്ട്.

കെ.എസ്.ഐ.ഡി.സി.യുടെ സി.എസ്.ആർ. സംരഭങ്ങൾ പ്രത്യേകിച്ചു വിദ്യാഭ്യാസം, ആരോഗ്യ സംരക്ഷണം, ശുചിത്വം എന്നിവ പ്രോത്സാഹിപ്പിക്കുന്നതുമായി ബന്ധപ്പെട്ട പ്രവർത്തനങ്ങളെ അടിസ്ഥാനമാക്കിയുള്ളതാണ്.

2019-2020 സാമ്പത്തിക വർഷത്തിൽ കെ.എസ്.ഐ.ഡി.സി ഏറ്റെടുത്ത പ്രോജക്ടുകൾ കമ്പനീസ് ആക്ട് 2013 ഷെഡ്യൂൾ അനുശാസിക്കുന്ന ചട്ടകുടിനുള്ളിൽ നിന്നു കൊണ്ടുള്ളതാണ്.

കെ.എസ്.ഐ.ഡി.സി. യുടെ സി.എസ്. ആർ പോളിസിയും ഏറ്റെടുത്ത പ്രോജക്ടുകളുടെയും പ്രോഗ്രാമുകളുടെയും വിശദവിവരങ്ങളും കെ. എസ്.ഐ.ഡി.സി.യുടെ <http://www.ksidc.org/documents/CSR.pdf>. എന്ന വെബ്സൈറ്റിലുണ്ട്.

2. CSR കമ്മിറ്റിയുടെ ഘടന:

ഡോ. കെ. ഇളങ്കോവൻ ഐ.എ.എസ്. ശ്രീ. എം.ജി. രാജമാണിക്യം ഐ.എ.എസ്. എന്നിവർ അംഗങ്ങളായ ഒരു സി.എസ്.ആർ കമ്മിറ്റി കെ. എസ്.ഐ.ഡി.സി. ബോർഡ് രൂപീകരിച്ചിട്ടുണ്ട്. കമ്പനീസ് ആക്ട് 2013 ലെ 135 (1) വകുപ്പിലെ വ്യവസ്ഥകൾക്ക് അനുസൃതമായാണ് സി.എസ്. ആർ കമ്മിറ്റിയുടെ ഭരണഘടന ഡോ. കെ. ഇളങ്കോവൻ ഐ. എ. എസ് ആണ് കമ്മിറ്റിയുടെ ചെയർമാൻ.

3. കഴിഞ്ഞ മൂന്ന് സാമ്പത്തിക വർഷങ്ങളിലെ കോർപ്പറേഷന്റെ അറ്റാദായം 2832.50 ലക്ഷം രൂപയാണ്.

4. 2019-2020 സാമ്പത്തിക വർഷത്തിലെ കമ്പനിയുടെ കോർപ്പറേറ്റ് സോഷ്യൽ റെസ്പോൺസിബിലിറ്റി ചെലവ് (മുകളിലുള്ള ഇനം 3 ലെ തുകയുടെ 2%) 56.65 ലക്ഷം രൂപയാണ്.

5. ഈ സാമ്പത്തിക വർഷത്തിൽ ചെലവഴിച്ച കോർപ്പറേറ്റ് സോഷ്യൽ റെസ്പോൺസിബിലിറ്റി തുകയുടെ വിശദാംശങ്ങൾ:

- (എ) സാമ്പത്തിക വർഷം ചെലവഴിച്ച മൊത്തം തുക : 18.47 ലക്ഷം രൂപ
- (ബി) ചെലവഴിക്കാത്ത തുക : 38.18 ലക്ഷം രൂപ. ചെലവഴിക്കാത്ത സി. എസ്. ആർ അക്കൗണ്ട് എന്ന പേരിൽ പ്രത്യേക ബാങ്ക് അക്കൗണ്ട് സൂക്ഷിച്ചിരിക്കുന്നു.
- (സി) ഈ സാമ്പത്തിക വർഷം തുക ചെലവഴിച്ച രീതി ചുവടെ കൊടുത്തിരിക്കുന്നു.

Annexure 1

AMOUNT SPENT FOR CSR ACTIVITIES

Sl. No	CSR project/ activity identified	Sector in which the project is covered	Project or Programme 1. Local area or others 2. Specify the State, District, where the project or programme was undertaken	Amount outlay (budget) or programme wise	Amount spent on the project or programme such heads 1. Direct expenditure on project or programme 2. Overheads	Amount spent: Direct or through implementing agency	Total (Rs.)
1.	Wecreatelives, Sasthamangalam, Thiruvananthapuram - to Tejomaya 2020- Womens's day Empowering Differently-abled.	Women Empowerment	Thiruvananthapuram	Rs.1,42,940/-	Direct Expenses	Rs. 1,42,940/-	Rs. 1,42,940/-
2.	Free Education to Girl Child	Promoting Education	Thiruvananthapuram	Rs.17,04,000/-	Direct Expenses	Rs.17,04,000/-	Rs.17,04,000/-
TOTAL							Rs.18,46,940

1. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report :-

An amount of Rs.38.18 lakhs was unspent during the year under review. Since suitable eligible projects within the CSR funds available could be not identified, the unspent balance has been carried forward for the year 2020-21

We hereby declare that implementation and monitoring of the CSR policy are in compliance with CSR objectives and policy of the Company.

Sd/-
Paul Antony IAS (Retd)
Chairman

കേരള സംസ്ഥാന വ്യവസായ വികസന കോർപ്പറേഷൻ ലിമിറ്റഡ്

ക്രമ നം	തെരഞ്ഞെടുക്കപ്പെട്ട CSR പദ്ധതി പ്രവർത്തനം	പദ്ധതി ഉൾക്കൊള്ളുന്ന മേഖല	പദ്ധതി/പരിപാടി സമീപപ്രദേശം മറ്റുള്ളവ പദ്ധതി നടപ്പിലാക്കുന്ന ജില്ല / സംസ്ഥാനം	മുടക്ക് മുതൽ തുക (ബജറ്റ്) പരിപാടി അനുസരിച്ച്	തുക ചെലവഴിച്ച പദ്ധതി പരിപാടി തുക നേരിട്ടുള്ള ചെലവ് അധികചെലവ്	ചെലവഴിച്ച തുക നേരിട്ടോ നടപ്പാക്കുന്ന ഏജൻസി മുഖാന്തിരമോ	ആകെ തുക (രൂപ)
01	വിക്രിയിറ്റീവ്സ് ശാസ്തമംഗലം തിരുവനന്തപുരം തേജോമയ 2020 വനിതാദിനം ഭിന്നശേഷിക്കാരുടെ ശാക്തീകരണം	വനിതാ ശാക്തീകരണം	തിരുവനന്തപുരം	1,42,940	നേരിട്ടുള്ള ചെലവ്	1,42,940	1,42,940
04	പെൺകുട്ടികളുടെ വിദ്യാഭ്യാസം	വിദ്യാഭ്യാസം പ്രോത്സാഹിപ്പിക്കുന്നതിന്	തിരുവനന്തപുരം	17,04,940	നേരിട്ടുള്ള ചെലവ്	17,04,000	17,04,000
ആകെ							18,46,940

1. കഴിഞ്ഞ മൂന്നു സാമ്പത്തിക വർഷങ്ങളിലെ ശരാശരി അറ്റാദായത്തിന്റെ രണ്ടു ശതമാനമോ/ തുകയുടെ ഏതെങ്കിലും ഭാഗമോ ചെലവഴിക്കുന്നതിൽ കമ്പനി പരാജയപ്പെട്ടാൽ കമ്പനിയുടെ ബോർഡ് റിപ്പോർട്ടിൽ തുക ചെലവഴിക്കാത്തതിന്റെ കാരണം വിശദീകരിക്കണം.

അവലോകന വർഷത്തിൽ 38.18 ലക്ഷം രൂപ ചെലവഴിക്കാതെ പോയത് യുക്തമായ സി.എസ്.ആർ പ്രോജക്ടുകൾ കണ്ടെത്താൻ സാധിക്കാതെ പോയതുകൊണ്ടാണ്. ഈ ചെലവഴിക്കാത്ത തുകയെ 2020-21 സാമ്പത്തിക വർഷത്തിൽ വകയിരുത്തിയിട്ടുണ്ട്.

സി.എസ്.ആർ. നയം നടപ്പിലാക്കുന്നതും അതിന് മേൽനോട്ടം വഹിക്കുന്നതും കമ്പനിയുടെ സി.എസ്.ആർ. നയങ്ങൾക്കും ലക്ഷ്യങ്ങൾക്കും അനുസൃതമാണെന്ന് ഞങ്ങൾ ഉറപ്പ് തരുന്നു.

ഒപ്പ്,
പോൾ ആന്റണി ഐ.എ.എസ് (റിട്ടയേർഡ്)
ചെയർമാൻ

ADDENDUM TO THE BOARDS REPORT 2019-20

STANDALONE FINANCIAL STATEMENT

SI No	Auditors Comment	Management Reply
A	COMMENTS ON FINANCIAL POSITION	The Company, FilatexVechukunnel Pvt Ltd has made an advance remittance of Rs 57 lakhs towards redemption of cumulative preference shares subscribed by KSIDC. However, they have not remitted the accumulated dividend on preference shares as per the terms of buyback agreement. Though KSIDC had demanded remittance of accumulated dividend to conclude the redemption, the company had requested for waiver of accumulated dividend. The request of the Company for waiver of accumulated dividend was later considered by 320 th Board of KSIDC held on 28.01.2021. The Board has rejected the request of the company and accordingly KSIDC has directed the Company to remit the accumulated dividend to redeem/ transfer the preference shares which remain in the name of KSIDC. Since KSIDC continues to hold the investment, KSIDC is not in a position to set off the advance amount received from FilatexVechukunnel Pvt Ltd against the investments held as preference shares. The amount remitted by the company is treated as current account with Companies under Payables. KSIDC has advised the Company/ promoter to remit the accumulated Dividend and redeem the Preference shares as per the terms of Buyback agreement.
1.	Balance Sheet as at 31 March 2020 Equity and Liabilities Financial Liabilities Payables (Note 12) Current Account with Companies Rs 102.90 lakhs This includes an amount of Rs 57 lakhs, received as recoupment of investment in preference shares of FilatexVechukunnel, treated as advance. The amount should have been shown as deduction from Investments instead of under Payables. This has resulted in overstatement of Financial liabilities and Investments by Rs 57 lakhs.	
2.	Provisions Rs 4883.49 lakhs (Note 13) The Company has valued its investments in equity instruments at the market rate/ fair value and the net gain or loss adjusted through Other Comprehensive Income. However, the provision provided during the prior years for these investment was not written back even after valuing the investment at fair value. This has resulted in overstatement of provision and corresponding understatement of Other Equity by Rs 2138.58 lakhs	In compliance of MCA notifications applicable for NBFCs, KSIDC has adopted the IND AS for preparation of Financial Statements first time in 2018-19 with recasted Balance Sheet for 2017-18. Before introducing IND AS, the diminution in value of investments was recognized based on erosion in the net worth of investee companies and accordingly necessary provisions were created. In the first time adoption of IND AS, as per the IND AS 109, comparison of investment cost and fair value of investment is determined and the difference in value is accounted through Other Comprehensive Income (OCI) with corresponding changes in the value of Investments under Investments and Other equity. As per the CAG comments, with the first time adoption of IND AS on 01.04.2017, the provision already created should have been reversed and added back to "Other Equity". It is proposed to make necessary changes by reversing the provisions created before 01.4.2017 in the Balance Sheet of 2020-21 by restating the opening balances as on 01.04.2019 in compliance of IND AS 8, reporting of changes in prior period items. It may be noted that the profitability of KSIDC for the period under audit i.e. 2019-20 was not affected, since both the Provision and Equity are classified under Liability.

3	<p>Other Non- Financial assets Rs 649.81 lakhs (Note 11)</p> <p>As per General Instructions for Balance Sheet given in the Companies Act 2013, balances with Banks to the extent of security against guarantee shall be disclosed separately. The Company had, for obtaining a bank guarantee of Rs 800 lakhs from HDFC Bank, created lien on fixed deposits of IGC amounting to Rs 1128 lakhs. This fact has not been disclosed in the Notes on accounts</p>	<p>KSIDC acting as the designated agency of the State Government has submitted a commercial bid to Airports Authority of India in the matter of acquisition of the management of Thiruvananthapuram International Airport. As part of the bidding process, KSIDC has availed Bank Guarantee of Rs 800 lakhs from HDFC Bank by marking a lien on deposits held by Industrial Growth Centre, a Government project being implemented by KSIDC. The BG is kept renewed in view of the case filed by the Govt of Kerala against the bidding process of AAI. Since the bid of KSIDC was not successful, there is no BG requirement, thus there is no material restriction over the deposits held by KSIDC. However, the lien created will be released by the Bank only after the original BG documents are returned to the bank. The BG claim period is already expired and AAI cannot raise any claim based on the BG. It is proposed that appropriate disclosures will be made in the Notes of Accounts for the year 2020-21 in view of the pending litigation by Govt of Kerala on the bidding process of AAI and the fact that the BG documents are still with AAI.</p>
B 4	<p>COMMENTS ON CASH FLOW</p> <p>Cash outflow from financing activities is overstated by Rs 101.40 lakh due to inclusion of decrease in other equity due to bad debt. This has also resulted in overstatement of cash inflow from operating activities by the same amount</p>	<p>The increase / decrease in loans and advances under operating assets is also reduced to the extent of bad debts. Hence the amount is decreased from other equity. As commented by CAG, the bad debt being a non cash item, need not be included in financing activities part of the cash flow statement. KSIDC had considered bad debts of Rs 101.40 lakhs in both assets and liabilities, so that it will not affect the cash position. It is proposed to exclude the changes in bad debts from the cash flow changes in financing activities and henceforth will be included in operating activities.</p>
C 5	<p>COMMENTS ON DISCLOSURE</p> <p>Income Tax Department raised a demand for Rs 107.21 lakhs under section 156 of IT Act, 1961 in respect of income tax for the assessment year 2018-19 on 12.04.2021. The Company has preferred an appeal against the demand notice. This fact has not been disclosed in the Notes on Accounts.</p>	<p>Draft accounts of KSIDC for the Financial year 2019-20 was placed before the 319th Board held on 22.10.2020 and the same was approved and submitted to statutory auditor for audit. Due to Covid19 lockdown, there was substantial delay in completion of statutory audit. After incorporating the suggestions made by the statutory auditor, the financial statements were signed by CFO, CS and MD during the first week of April 2021 and sent for the signature of another Director at Kochi. The date, 15.04.2021 was provided being the last signature by a Director on the Balance Sheet. Meanwhile, the demand of Rs 107.21 lakhs was served on 12.04.2021 by Income Tax department. The CAG comments on the particular event came after the draft accounts were approved by the Board but before the statutory audit report. As such it was not practically possible to include the event in the disclosure to Notes on Accounts. The tax remittance made was already accounted during the year 2020-21. Further it may be noted that since the tax demand made was untenable, on professional advice from Tax auditor, KSIDC had filed CITR appeal for refund of the amount remitted. The tax remittance under dispute will be disclosed appropriately in the Notes on Accounts for the Financial year 2020-21.</p>

6	<p>Government of Kerala notified (19 February 2018) the Common Wealth Trust Kozhikkode (Acquisition) and Transfer Act, 2012(Act of 2018) by which the assets and liabilities of Common wealth Trust (India) Limited were transferred to KSIDC.The Company has assessed that even though the Company could not take over the assets of Common- wealth Trust (India) Limited, the liability on takeover of the land by Government/KSIDC was estimated at Rs 50 crores.The High Court has temporarily stayed the acquisition of the properties under the Act.These facts have not been disclosed in the notes on accounts.</p>	<p>The Hon’ble High Court of Kerala has stayed the operative part of the Act thereby restricting the acquisition of land upon the petition of some of the private parties who had purchased land of the COMTRUST before the Act came into force. Government has not issued any executive orders to transfer and vest the assets and liabilities to KSIDC as provided in the Act and therefore no contingent liabilities can be quantified in the given circumstances. Further, Government has also not proceeded with notification of Rules to give effect of operation of the Act. The preliminary assessment made by KSIDC is only for reporting to Government on likely liabilities on available information. Since the substantial part of the land was already sold by the original owner, the very intent of the Act itself is defeated and it is unlikely to be implemented. Matter was brought to the attention of Government for appropriate directions. Factual position on the status of the issue will be included in the Notes on Accounts of 2020-21.</p>
D	COMMENTS ON AUDITORS REPORT	
7	<p>As per Paragraph 28 of the Standards on Auditing (SA) 700, Forming an Opinion and Reporting on Financial Statements as issued by the ICAI, the Auditor’s report shall include a section, directly following the Opinion section, with the heading “Basis for Opinion”, that:</p> <p>(a) States that the audit was conducted in accordance with Standards on Auditing;</p> <p>(b) Refers to the section of the auditor’s report that describes the auditor’s responsibilities under the SAs;</p> <p>(c) Includes a statement that the auditor is independent of the entity in accordance with the relevant ethical requirements relating to the audit, and has fulfilled the auditor’s other ethical responsibilities in accordance with these requirements. The statement shall refer to the Code of Ethics issued by ICAI;</p> <p>(d) States whether the auditor believes that the audit evidence the auditor has obtained is sufficient and appropriate to provide a basis for the auditor’s opinion.</p> <p>The Independent Auditors have not included the above in the Basis of opinion Paragraph in their report and has therefore not complied with SA 700 to that extent.</p>	<p>It was an inadvertent omission from Auditor’s part and they have noted the C&AG comments for future compliance.</p>

ADDENDUM TO THE BOARDS REPORT 2019-20

CONSOLIDATED FINANCIAL STATEMENT

SI No	Auditors Comment	Management Reply
A	<p>COMMENTS ON FINANCIAL POSITION</p> <p>Balance Sheet as at 31 March 2020</p> <p>Equity and Liabilities</p> <p>Financial Liabilities</p> <p>Payables (Note 12)</p> <p>Current Account with Companies Rs 102.90 lakhs</p>	<p>The Company, FilatexVechukunnel Pvt Ltd has made an advance remittance of Rs.57 lakhs towards redemption of cumulative preference shares subscribed by KSIDC. However, they have not remitted the accumulated dividend on preference shares as per the terms of buyback agreement. Though KSIDC had demanded remittance of accumulated dividend to conclude the redemption, the company had requested for waiver of accumulated dividend. The request of the Company for waiver of accumulated dividend was later considered by 320thBoard of KSIDC held on 28.01.2021. The Board has rejected the request of the company and accordingly KSIDC has directed the Company to remit the accumulated dividend to redeem/ transfer the preference shares which remain in the name of KSIDC. Since KSIDC continues to hold the investment, KSIDC is not in a position to set off the advance amount received from FilatexVechukunnel Pvt Ltd against the investments held as preference shares. The amount remitted by the company is treated as current account with Companies under Payables. KSIDC has advised the Company/ promoter to remit the accumulated Dividend and redeem the Preference shares as per the terms of Buyback agreement.</p>
1	<p>This includes an amount of Rs 57 lakhs, received as recoupment of investment in preference shares of FilatexVechukunnel, treated as advance. The amount should have been shown as deduction from Investments instead of under Payables. This has resulted in overstatement of Financial liabilities and Investments by Rs 57 lakhs.</p>	
2	<p>Provisions Rs 4883.49 lakhs (Note 13)</p> <p>The Company has valued its investments in equity instruments at the market rate/ fair value and the net gain or loss adjusted through Other Comprehensive Income. However, the provision provided during the prior years for these investment was not written back even after valuing the investment at fair value. This has resulted in overstatement of provision and corresponding understatement of Other Equity by Rs 2138.58 lakhs</p>	<p>In compliance of MCA notifications applicable for NBFCs, KSIDC has adopted the IND AS for preparation of Financial Statements first time in 2018-19 with recasted Balance Sheet for 2017-18. Before introducing IND AS, the diminution in value of investments was recognized based on erosion in the net worth of investee companies and accordingly necessary provisions were created. In the first time adoption of IND AS, as per the IND AS 109, comparison of investment cost and fair value of investment is determined and the difference in value is accounted through Other Comprehensive Income (OCI) with corresponding changes in the value of Investments under Investments and Other equity. As per the CAG comments, with the first time adoption of IND AS on 01.04.2017, the provision already created should have been reversed and added back to "Other Equity". It is proposed to make necessary changes by reversing the provisions created before 01.4.2017 in the Balance Sheet of 2020-21 by restating the opening balances as on 01.04.2019 in compliance of IND AS 8, reporting of changes in prior period items. It may be noted that the profitability of KSIDC for the period under audit i.e. 2019-20 was not affected, since both the Provision and Equity are classified under Liability.</p>

3	<p>Other Non- Financial assets Rs 649.81 lakhs (Note 11)</p> <p>As per General Instructions for Balance Sheet given in the Companies Act 2013, balances with Banks to the extent of security against guarantee shall be disclosed separately. The Company had, for obtaining a bank guarantee of Rs 800 lakhs from HDFC Bank, created lien on fixed deposits of IGC amounting to Rs 1128 lakhs. This fact has not been disclosed in the Notes on accounts</p>	<p>KSIDC acting as the designated agency of the State Government has submitted a commercial bid to Airports Authority of India in the matter of acquisition of the management of Thiruvananthapuram International Airport. As part of the bidding process, KSIDC has availed Bank Guarantee of Rs 800 lakhs from HDFC Bank by marking a lien on deposits held by Industrial Growth Centre, a Government project being implemented by KSIDC. The BG is kept renewed in view of the case filed by the Govt of Kerala against the bidding process of AAI. Since the bid of KSIDC was not successful, there is no BG requirement, thus there is no material restriction over the deposits held by KSIDC. However, the lien created will be released by the Bank only after the original BG documents are returned to the bank. The BG claim period is already expired and AAI cannot raise any claim based on the BG. It is proposed that appropriate disclosures will be made in the Notes of Accounts for the year 2020-21 in view of the pending litigation by Govt of Kerala on the bidding process of AAI and the fact that the BG documents are still with AAI.</p>
B 4	<p>COMMENTS ON CASH FLOW</p> <p>Cash outflow from financing activities is overstated by Rs 101.40 lakh due to inclusion of decrease in other equity due to bad debt. This has also resulted in overstatement of cash inflow from operating activities by the same amount</p>	<p>The increase / decrease in loans and advances under operating assets is also reduced to the extent of bad debts. Hence the amount is decreased from other equity. As commented by CAG, the bad debt being a non cash item, need not be included in financing activities part of the cash flow statement. KSIDC had considered bad debts of Rs 101.40 lakhs in both assets and liabilities, so that it will not affect the cash position. It is proposed to exclude the changes in bad debts from the cash flow changes in financing activities and henceforth will be included in operating activities.</p>
C 5	<p>COMMENTS ON DISCLOSURE</p> <p>Income Tax Department raised a demand for Rs 107.21 lakhs under section 156 of IT Act, 1961 in respect of income tax for the assessment year 2018-19 on 12.04.2021. The Company has preferred an appeal against the demand notice. This fact has not been disclosed in the Notes on Accounts.</p>	<p>Draft accounts of KSIDC for the Financial year 2019-20 was placed before the 319th Board held on 22.10.2020 and the same was approved and submitted to statutory auditor for audit. Due to Covid19 lockdown, there was substantial delay in completion of statutory audit. After incorporating the suggestions made by the statutory auditor, the financial statements were signed by CFO, CS and MD during the first week of April 2021 and sent for the signature of another Director at Kochi. The date, 15.04.2021 was provided being the last signature by a Director on the Balance Sheet. Meanwhile, the demand of Rs 107.21 lakhs was served on 12.04.2021 by Income Tax department. The CAG comments on the particular event came after the draft accounts were approved by the Board but before the statutory audit report. As such it was not practically possible to include the event in the disclosure to Notes on Accounts. The tax remittance made was already accounted during the year 2020-21. Further it may be noted that since the tax demand made was untenable, on professional advice from Tax auditor, KSIDC had filed CITR appeal for refund of the amount remitted. The tax remittance under dispute will be disclosed appropriately in the Notes on Accounts for the Financial year 2020-21.</p>

6	<p>Government of Kerala notified (19 February 2018) the Common Wealth Trust Kozhikkode (Acquisition) and Transfer Act, 2012(Act of 2018) by which the assets and liabilities of Commonwealth Trust (India) Limited were transferred to KSIDC.</p> <p>The Company has assessed that even though the Company could not take over the assets of Commonwealth Trust (India) Limited, the liability on takeover of the land by Government/ KSIDC was estimated at Rs 50 crores.</p> <p>The High Court has temporarily stayed the acquisition of the properties under the Act. These facts have not been disclosed in the notes on accounts.</p>	<p>The Hon'ble High Court of Kerala has stayed the operative part of the Act thereby restricting the acquisition of land upon the petition of some of the private parties who had purchased land of the COMTRUST before the Act came into force. Government has not issued any executive orders to transfer and vest the assets and liabilities to KSIDC as provided in the Act and therefore no contingent liabilities can be quantified in the given circumstances. Further, Government has also not proceeded with notification of Rules to give effect of operation of the Act. The preliminary assessment made by KSIDC is only for reporting to Government on likely liabilities on available information. Since the substantial part of the land was already sold by the original owner, therefore the very intent of the Act itself is defeated and it is unlikely to be implemented. Matter was brought to the attention of Government for appropriate directions. Factual position on the status of the issue will be included in the Notes on Accounts of 2020-21.</p>
D 7	<p>COMMENTS ON AUDITORS REPORT</p> <p>As per Paragraph 28 of the Standards on Auditing (SA) 700, Forming an Opinion and Reporting on Financial State- ments as issued by the ICAI, the Auditor's report shall include a section, directly following the Opinion section, with the heading "Basis for Opinion", that:</p> <p>(a) States that the audit was conducted in accordance with Standards on Auditing;</p> <p>(b) Refers to the section of the auditor's report that describes the auditor's responsibilities under the SAs;</p> <p>(c) Includes a statement that the auditor is independent of the entity in accordance with the relevant ethical requirements relating to the audit, and has fulfilled the auditor's other ethical responsibilities in accordance with these requirements. The statement shall refer to the Code of Ethics issued by ICAI;</p> <p>(d) States whether the auditor believes that the audit evidence the auditor has obtained is sufficient and appropriate to provide a basis for the auditor's opinion.</p> <p>The Independent Auditors have not included the above in the Basis of opinion Paragraph in their report and has therefore not complied with SA 700 to that extent.</p>	<p>It was an inadvertent omission from Auditor's part and they have noted the C&AG comments for future compliance.</p>

RANJIT KARTHIKEYAN & ASSOCIATES

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

**To the Members of
Kerala State Industrial Development Corporation Ltd,**

Report on the Audit of the Standalone Ind AS Financial Statements

Qualified Opinion

We have audited the standalone Ind AS financial statements of **Kerala State Industrial Development Corporation Limited** ("The Company"), which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss, (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, including the Notes to the Ind AS Financial Statements, a summary of Significant Accounting Policies and other Explanatory Information (Ind AS Financial Statements).

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the aforesaid Standalone Ind AS Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its Profit including Other Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Qualified Opinion

1. During the current year an amount of Rs. 200 lakhs is sanctioned and disbursed to Kerala State Textile Corporation Limited and an amount of Rs. 28.28 lakhs is disbursed against the current year sanction of Rs. 300 lakhs to Vysali Pharmaceuticals Ltd. It is prejudicial to the prudent commercial interest of the company, even though it is done as per the directions of the Government.
2. Non-recognition of impairment loss as required under Ind AS 36 on hardware procured (87.53 lakh), which is not technically estimated and not amortised, and non-write off of the value of software component (Rs.48.01 lakh) for ERP implementation has resulted in overstatement of Profit for the year from Continuing Operations by Rs. 135.54 lakh with corresponding understatement of Total Comprehensive Loss and overstatement of Capital Work in Progress.

Emphasis of Matter

With regard to Note No. 4, Government has issued directions to Coir Gramam to take over KCCL and release payment of KSIDC. However, the land was not taken by the Coir Department till date and has not settled the compensation requested by KSIDC.

Key Audit Matters

Key audit matters are those matters that in our professional judgement were of most significance in our audit of the Ind AS financial statements.

These matters were addressed in the context of our audit, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our Audit Addressed the Key Audit Matter
<p>a) Computation of provision towards impairment of loan assets (refer note no, 5 of the accompanying Financial Statements)</p> <p>As at 31.03.2020, the Company had reported total impairment allowance of Rs. 17,563.34 lakhs (31 March 2019-Rs. 17,653.29 lakhs)</p> <p>A significant degree of judgement is required to determine the timing and amount of impairment loss allowance to be recognized with respect to loan assets. Based on our risk assessment, the following are the significant judgements and estimates that impact Impairment loss allowance.</p> <ul style="list-style-type: none"> • Completeness and timing of recognition of default, in accordance with the prudential norms on Income Recognition, Asset Classification, and provisioning pertaining to Loan Assets. • Measurement of provision dependent on the Probability of Default (PD) and Loss Given Default (LGD) of each category of loan asset, identification of PD and LGD involves significant judgements and estimates related to forward looking information. <p>Since the identification of NPAs and providing for Impairment loss allowance requires significant level of estimation and given its significance to the overall audit, we have ascertained the computation of provision towards impairment of loan assets as a key audit matter.</p>	<p>The Audit Procedures performed, among others, included</p> <ul style="list-style-type: none"> • Considering the Companies policies and process for NPA identification and provisioning and assessing compliances with the RBI norms, • Understanding, evaluating and testing the design and effectiveness of key controls around identification of impaired accounts. • Performing other procedures including substantive audit procedures covering the identification of NPAs such as: <ul style="list-style-type: none"> • Reading Account Statements and related information of the borrowers on sample basis. • Performing inquiries with Project department to ascertain if there were indicators of stress or an occurrence of an event to default in a particular loan account or any product category which needed to be considered as NPA. • Holding discussions with management on sectors where there is perceived credit risk and the steps taken to mitigate the risk to identified sectors. • Tested on sample basis the calculation performed by the management for impairment loss allowance and the realization value of assets provided as security against loans classified as non-performing for computing the Impairment Loss Allowance. • Verifying if the Impairment Loss Allowance computed as per Expected Credit Loss norms satisfying the minimum provision requirement as per RBI regulations.

Information other than the Financial Statements and Auditors Report thereon

The Company's Board of Directors is responsible for the information. The other information comprises the information included in the audit report, but does not include the Financial Statements and our Audit Report thereon. The Annual Report is expected to be made available to us after the date of this audit report.

Our opinion on the standalone financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the auditor otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management and Those Charged with Governance for the Standalone Ind AS 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 Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern basis of accounting unless Board of Directors 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 about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually

or in the aggregate, they could reasonably be expected to influence the economic decision of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the 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 risks of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143 (3) (i) of the Companies Act, 2013, 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 a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the 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 financial statements, including the disclosures and whether the Standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies

Act, 2013, we give in the '**Annexure A**' a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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 our audit.
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income) the Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account:
 - d. In our opinion, the aforesaid standalone Ind AS Financial Statements comply with the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder.
 - e. On the basis of written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - 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. Matters required to be reported as per the directive issued by C&AG u/s 143(5) of the Companies Act is given separately in "**Annexure C**".
 - h. 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 financial statements- Refer Note 30 to the financial statements;
 - ii) The company did not made any provision on long-term contracts including derivative contracts as there was no such contract(s) reported.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **RANJIT KARTHIKEYAN & ASSOCIATES**

Chartered Accountants

(FRN 006705 S)

Sd/-

CA. B. CHANDRASEKHARAN NAIR, B.Com, FCA

Partner (M.No. 019922)

UDIN : 21019922 AAAASC1382

Thiruvananthapuram

26-04-2021

RANJIT KARTHIKEYAN & ASSOCIATES

Chartered Accountants

"ANNEXURE A" TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the Standalone Ind AS Financial Statements of the **KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LIMITED** for the year ended March 31, 2020:

- 1) In respect of the Company's Fixed Assets
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
 - (b) The Fixed Assets of the corporation have been physically verified by the Management as certified and no material discrepancies between the book records and the physical fixed assets have been noticed.
 - (c) Management has certified that all the title deeds are in the name of the company. However, the title deed of Trivandrum Office property is not available.
- 2) From the examination of books of accounts and explanation provided to us, the Corporation has no inventory during the year under audit.
- 3) The Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (c) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Goods on Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.

- (b) According to the information and explanation given to us, there are no dues of income tax, Goods and Service Tax, Sales Tax, Service Tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute except Rs. 622.62 lakhs as disclosed in Note No. 30.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has neither taken any loan from financial institutions nor issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys and term loans. Accordingly, the provisions of clause 3(ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the Management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the standalone Financial Statements as required by the applicable Accounting Standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the order are not applicable to the Company and hence not commented upon.
- 16) The company has been registered under section 45 IA of the Reserve Bank of India Act, 1934.

For **RANJIT KARTHIKEYAN & ASSOCIATES**

Chartered Accountants

(FRN 006705 S)

Sd/-

CA. B.CHANDRASEKHARAN NAIR, B.Com, FCA

Partner (M.No. 019922)

UDIN : 21019922 AAAASC1382

Thiruvananthapuram

26-04-2021

RANJIT KARTHIKEYAN & ASSOCIATES

Chartered Accountants

"ANNEXURE B" TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013

We have audited the Internal Financial Controls over financial reporting of **KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LIMITED** (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 based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's 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 and the Standards on Auditing, issued by ICAI, 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us the Company has in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the "Institute of Chartered Accountants of India".

For **RANJIT KARTHIKEYAN & ASSOCIATES**

Chartered Accountants

(FRN 006705 S)

Sd/-

CA. B. CHANDRASEKHARAN NAIR, B.Com, FCA

Partner (M.No. 019922)

UDIN : 21019922 AAAASC1382

Thiruvananthapuram

26-04-2021

RANJIT KARTHIKEYAN & ASSOCIATES

Chartered Accountants

ANNEXURE C

REPORT AS PER THE DIRECTIONS UNDER SUB-SECTIONS (5) OF SECTION 143 OF THE COMPANIES ACT, 2013 OF KERALA STATE INDUSTRIAL DEVELOPEMENT CORPORATION LIMITED FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

Particulars-General	Observations
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.	Company has a system in place to process all the accounting transactions through IT system,
Whether there is any restructuring of an existing loan 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 impact may be stated.	No Such cases
Whether funds received/receivable for specific schemes from Central/State agencies were properly accounted for/utilized as per its term and conditions? List the cases of deviation.	Cash systm of accounting has been followed by the Company for accounting grants from Government for execution of projects. The grant receivable if any is not accounted in the books. The fund received for specific schemes were properly accounted in the books. Execution of the projects is delayed is respect of some projects.
Particulars-Finance Sector	Observations
Whether the Company has complied with the directions issued by RBI for Non-Banking Finance Companies (NBFCs): Classification of non-performing assets: And Captial adequacy norms for NBFCs:	Yes

<p>Whether the Company has a system to ensure that loans were secured by adequate security free from encumbrances and have first charge on the mortgaged assets. Further instances of undue delay in disposal of seized units may be reported.</p>	<p>Corporation has a system to ensure that loans are secured by adequate security, free from encumbrances and to have first charge on the mortgaged assets. However the Corporation had, on a directive from Govt. of Kerala, sanctioned a temporary unsecured loan of Rs. 100 lakhs to Malappuram Cancer Centre and Research Institute and Rs. 1050 lakhs to Kerala State Textiles Corporation. Further, seed fund outstanding balance of Rs. 1137.89 lakhs from budding entrepreneurs and Special Financial Assistance of Rs. 56.24 lakhs sanctioned to Women Entrepreneurs are also unsecured. There are no seized units with the Corporation.</p>
<p>Whether introduction of any scheme for settlement of dues and extensions thereto complied with policy guidelines of Company Government</p>	<p>Yes</p>
<p>Comment on the Confirmation of balances of Trade receivables, Trade payables, Term deposits, Bank accounts and Cash obtained</p>	<p>Confirmation in respect of Liabilities and all Advances not obtained.</p>
<p>Whether the bank guarantees have been revalidated in time</p>	<p>Not Applicable</p>

For **RANJIT KARTHIKEYAN & ASSOCIATES**

Chartered Accountants

(FRN 006705 S)

Sd/-

CA. B. CHANDRASEKHARAN NAIR, B.Com, FCA

Partner (M.No. 019922)

UDIN : 21019922 AAAASC1382

Thiruvananthapuram

26-04-2021

RANJIT KARTHIKEYAN & ASSOCIATES

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of

Kerala State Industrial Development Corporation Ltd,

Report on the Audit of the Consolidated Ind AS Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated Ind AS Financial Statements of **Kerala State Industrial Development Corporation Limited** ("the Company") which comprise the Balance Sheet as at 31st March, 2020, the Statement of Profit and Loss, (including Other Comprehensive Income), the Statement of Changes In Equity and Statement of Cash Flows for the year then ended, including the Notes to the Ind AS Financial Statements, a summary of Significant Accounting Policies and other Explanatory Information (Ind AS Financial Statement)

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the *Basis for Qualified Opinion* section of our report, the aforesaid Consolidated Ind AS Financial Statements give the information required by the Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its Profit including Other Comprehensive Income, Changes in Equity and its Cash Flows for the year ended on that date.

Basis for Qualified Opinion

1. During the current year an amount of Rs. 200 lakhs is sanctioned and disbursed to Kerala State Textile Corporation Limited and an amount of Rs. 28.28 lakhs is disbursed against the current year sanction of Rs. 300 lakhs to Vysali Pharmaceuticals Ltd. It is prejudicial to the prudent commercial interest of the company, even though it is done as per the directions of the Government.
2. Non-recognition of impairment loss as required under Ind AS 36 on hardware procured (87.53 lakh), which is not technically estimated and not amortised, and non-write off of the value of software component (Rs.48.01 lakh) for ERP implementation has resulted in overstatement of Profit for the year from Continuing Operations by Rs. 135.54 lakh with corresponding understatement of Total Comprehensive Loss and overstatement of Capital Work in Progress.

Emphasis of Matter

1. Annual Financial Statements of KSIDC has been consolidated with two Associate Company M/s OEN India Limited and three joint ventures, M/s INKEL-KSIDC Limited, and M/s Kerala Gail Gas Limited and M/s Nitta Gelatin India Limited respectively for the year 2019-20 as per Ind. AS-27. "Accounting for investment in Associates and Joint Ventures in Consolidated Financial Statements". For certification and issue of report on Consolidated Financial Statements, we have relied on the reports and financial statements of Associates and Joint Ventures issued/certified by statutory auditors of respective companies.

Financial statements of Kuttiyadi Coconut Industrial Park Ltd and Kerala Venture Capital fund are not available hence not considered for consolidation.

2. With regard to Note No. 4. Government has issued directions to Coir Gramam to made over KCCL and release payment to KSIDC. However, the land was not taken by the Coir Department till date and has not settled the compensation requested by KSIDC.

Key Audit Matters

Key audit matters are those matters that in our professional judgement were of most significance in our audit of the Ind AS financial statements.

These matters were addressed in the context of our audit, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How our audit addressed the Key Audit Matter
<p>a) Computation of provision towards impairment of loan assets (refer note no. 5 of the accompanying Financial statements)</p> <p>As at 31-03-2020, the Company had reported total impairment allowance of Rs. 17,563.34 lakhs (31 March 2019-Rs. 17,653.29 lakhs).</p> <p>A significant degree of judgement is required to determine the timing and amount of impairment loss allowance to be recognised with respect to loan assets. Based on our risk assessment, the following are the significant judgements and estimates that impact impairment loss allowance:</p> <ul style="list-style-type: none"> • Completeness and timing of recognition of default, in accordance with the prudential norms on Income Recognition, Asset Classification, and provisioning pertaining to Loan Assets. • Measurement of provision dependent on the Probability of Default (PD) and Loss Given Default (LGD) of each category of loan asset, identification of PD and LGD 	<p>The audit procedures performed among others included:</p> <ul style="list-style-type: none"> • Considering the Companies policies and processes for NPA identification and provisioning and assessing compliances with the RBI norms. • Understanding evaluating and testing the design and effectiveness of key controls around identification of impaired accounts. • Performing other procedures including substantive audit procedures covering the identification of NPAs such as; • Reading Account Statements and related information of the borrowers on sample basis. • Performing inquiries with Project department to ascertain if there were indicators of stress or an occurrence of an event to default in a particular loan account or any product category which needed to be considered as NPA. • Holding discussions with management on sectors where there is perceived credit risk

<p>involves significant judgements and estimate related to forward looking information.</p> <p>Since the identification of NPAs and providing for Impairment loss allowance requires significant level of estimation and given its significance to the overall audit, we have ascertained the computation of provision towards impairment of loan assets as a key audit matter.</p>	<p>and the steps taken to mitigate the risk to identified sectors.</p> <ul style="list-style-type: none"> • Tested on sample basis the calculation performed by the management for impairment loss allowance and the realization value of assets provided as security against loans classified as non-performing for computing the Impairment Loss Allowance. • Verifying if the Impairment Loss Allowance computed as per Expected Credit Loss norms satisfying the minimum provision requirement as per RBI regulations.
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Information other than the Financial Statements and Auditors Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the annual report, but does not include the Financial Statements and our Audit Report thereon. The Annual Report is expected to be made available to us after the date of this audit report.

Responsibility of Management and Those Charged with Governance for the Consolidated Ind AS 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 Consolidated Ind AS Financial Statements that give a true and fair view of the financial position, financial performance, change in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This Responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement whether due to fraud or error.

In preparing the Financial Statements, Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern basis of accounting unless Board of Directors 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 about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these 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 financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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 a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our Auditor's Report to the related disclosures in the 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 financial statements, including the disclosures, and whether the Consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
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 our audit.
 - b. In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report in agreement with the books of account.
 - d. In our opinion, the aforesaid Consolidated Ind AS Financial Statements comply with the Accounting Standards specified under section 133 of the Act, read with relevant rules issued thereunder.
 - e. On the basis of written representations received from the directors as on 31st March, 2020 taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2020 from being appointed as a director in terms of Section 164(2) of the Act.
 - 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. Matters required to be reported as per directive issued by C&AG u/s 143(5) of the Companies Act is given separately in "**Annexure C**".
 - h. 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 financial statements-Refer Note 30 to the financial statements.
 - ii) The company has not made any provision on long-term, contracts including derivative contracts as there was no such contract(s) reported.
 - iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **RANJIT KARTHIKEYAN & ASSOCIATES**

Chartered Accountants

(FRN 006705 S)

Sd/-

CA. B. CHANDRASEKHARAN NAIR, B.Com, FCA

Partner (M.No. 019922)

UDIN : 21019922 AAAASC1382

Thiruvananthapuram

26-04-2021

Pending Litigation - 2019-20

Sl. No.	Year	No. of Cases Pending
1	1993	2
2	1994	0
3	1995	1
4	1996	1
5	1997	4
6	1998	3
7	1999	1
8	2000	1
9	2001	1
10	2002	0
11	2003	5
12	2004	1
13	2005	9
14	2006	4
15	2007	3
16	2008	9
17	2009	2
18	2010	4
19	2011	10
20	2012	13
21	2013	16
22	2014	16
23	2015	19
24	2016	22
25	2017	33
26	2018	17
27	2019	33
28	2020	22
Total		252

STATEMENT OF ACCOUNTS

KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LTD.

BALANCE SHEET AS AT 31-03-2020

Rs. in lakhs

			As at 31.03.2020	As at 31.03.2019
I ASSETS				
1 Financial Assets				
a	Cash and cash equivalents	2	584.95	2004.68
b	Bank balances other than (a) above	3	24960.79	19370.04
c	Receivables	4		
	(i) Trade Receivables		243.75	228.01
	(ii) Other Receivables			
d	Loans	5	20203.98	21234.24
e	Investments	6	26047.62	44420.87
f	Other financial assets	7	1026.24	1616.65
	Sub-Total		73067.33	88874.49
2 NonFinancial Assets				
a	Inventories			
b	Current tax assets (net)	8	2422.74	1770.41
c	Deferred Tax Assets (net)			
d	Property Plant & Equipment	9	335.29	351.92
e	Capital work in progress	10	135.54	135.54
f	Other intangible Assets	9	2.61	8.01
g	Other non financial assets	11	649.81	74.32
	Sub-Total		3545.99	2340.20
	TOTAL ASSETS		76613.32	91214.69
II EQUITY AND LIABILITIES				
LIABILITIES				
1 Financial liabilities				
a.	Derivative financial instruments			
b.	Payables	12		
	(i) Trade Payable			
	(a) total outstanding to MSME		0.00	0.00
	(b) total outstanding to other creditors		32.06	58.61
	(ii) Other Payable			
	(a) total outstanding to MSME			
	(b) total outstanding to other creditors		103.43	101.56
c	Borrowings (other than debt securities)		0.00	0.00
d	Other financial Liabilities			
	Sub-Total		135.49	160.17
2 Non Financial liabilities				
a	Provisions	13	4883.49	3590.79
b	Deferred tax liabilities (net)	14	8227.02	15231.15
c	Other non financial liabilities	15	1182.64	1860.79
	Sub Total		14293.15	20682.73
EQUITY				
a	Equity share capital	16	30124.35	30124.35
b	Other equity	17	32060.33	40247.44
	Sub-Total		62184.68	70371.79
	TOTAL LIABILITIES AND EQUITY		76613.32	91214.69

Summary of Significant Accounting Policies

The accompanying notes are integral part of the financial statements

For and on behalf of the Board

Sd/- Managing Director Sd/- Director Sd/- Chief Financial Officer

Sd/-
Company Secretary
Annexure to our report of even date
For RANJIT KARTHIKEYAN & ASSOCIATES
Chartered Accountants
(FRN 006705 S)

Sd/-
C A. B. CHANDRASEKHARAN NAIR, B.Com, FCA
Partner (M.No. 019922)
UDIN : 21019922 AAAASC1382

Thiruvananthapuram
15-04-2021

KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LTD.

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31-03-2020

		Rs. in lakhs	
Particulars	Notes	For the Year ended 31-3-2020	For the Year ended 31-3-2019
I	Revenue from Operations		
i	Interest Income	2191.79	2822.46
ii	Dividend Income	1804.37	1315.12
iii	Rental Income	0.00	0.00
iv	Fee and commission Income	0.00	0.00
v	Net gain on fair value change	0.00	0.00
vi	Net gain on derecognition of financial instruments under amortised cost	89.95	212.96
vii	Others		
I	Total Revenue from Operation	4086.11	4350.56
II	Other Income	1735.05	1388.66
III	Total Income (I + II)	5821.17	5739.21
IV	Expenses		
i	Finance Cost	0.00	0.00
ii	Fee and commission Expenses	0.00	0.00
iii	Net loss on fair value changes	0.00	0.00
iv	Net loss on derecognition of financial instruments under amortised cost	10.50	0.00
v	Impairment of financial instrument	159.84	0.00
vi	Employee Benefit Expenses	1071.49	889.78
vii	Depreciation, amortization and impairment	35.95	34.39
viii	Other Expenses	376.38	550.14
	Total Expenses (IV)	1654.16	1474.31
V	Profit before exceptional items and tax (III-IV)	4167.00	4264.90
VI	Exceptional items		0.00
VII	Profit before Tax (V-VI)	4167.00	4264.90
VIII	Tax expense:		
	1) Current Tax	939.54	674.83
	2) Deferred Tax (including gain of Rs. 2.13 crores on account of changes in tax rates)	-728.14	209.12
	Total Tax Expenses	211.40	883.95
IX	Profit (Loss) for the year from continuing operations (VII-VIII)	3955.61	3380.95
X	Other Comprehensive Income/(loss) (OCI)		
	(A) (i) Items that will not be reclassified to profit and loss		
	- Remeasurement gain/(loss) on defined benefit plan	-8.98	-9.80
	- Net gain/(loss) on equity instruments through OCI	-18288.50	-16128.33
	(ii) Income tax impact thereon	6262.31	5610.67
	(B) (i) Item that will be reclassified to profit and loss		
	(ii) Income tax impact thereon		
	Total other comprehensive income/(loss), net of taxes	-12035.17	-10527.46
XI	Total Comprehensive income/(loss) for the year (IX-X)	-8079.56	-7146.51
XII	XII Earning per equity share		
	(1) Basic - Continuing Operations	Rs 131.31	112.23
	(2) Diluted - Continuing Operations	Rs 131.31	112.23

The accompanying notes are integral part of the financial statements

The accompanying notes are integral part of the financial statements

For and on behalf of the Board

Sd/-
Managing Director

Sd/-
Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary
Annexure to our report of even date
For RANJIT KARTHIKEYAN & ASSOCIATES
Chartered Accountants
(FRN 006705 S)

Thiruvananthapuram
15-04-2021

Sd/-
C.A.B. CHANDRASEKHARAN NAIR, B.Com, FCA
Partner (M.No. 019922)
UDIN : 21019922 AAAASC1382

CASH FLOW STATEMENTS FOR THE YEAR ENDED 31.3.2020

Rs. in Lakhs

	31.03.2020	31.03.2019	
A Profit Before Tax-and-extra-ordinary-items	4167.00	4,264.90	
Add: Depreciation on Fixed Assets	35.95	34.39	
(profit)/loss on sale of fixed assets	-	0.03	
Impairment of financial instrument	159.84		
Less Net gain on derecognition of financial instruments under amortised cost	89.95		
Unwinding income charged in P&L A/c	-	98.72	
Operating Profit before changes in Operating Assets	4272.84		4,200.61
Adjustment for Change in Operating Assets			
(Increase)/Decrease in Loans & Advances	1018.81	(800.46)	
(Increase)/Decrease in Receivables	(15.74)	(20.33)	
(Increase)/Decrease in Other Financial Assets	602.37	126.66	
(Increase)/Decrease in Current Tax	(46.27)	5073.17	
(Increase)/Decrease in Other advances	-	(0.25)	
(Increase)/Decrease in Other Non Financial Assets	(575.49)	303.60	
Increase /(Decrease) in Liabilities & Provisions	353.16	(5466.76)	
Increase /(Decrease) in Payables	(24.68)	26.94	
Increase /(Decrease) in Other Non financial Liability	(678.15)	(1456.93)	
Changes In operating assets and liabilities	634.01		(2214.36)
Income Tax Paid (Net of Refund)	606.19		650.00
Net Cash From Operating Activities	4300.66		1336.25
B Cash Flow from Investing Activities			
Purchase of (Net of sale) of Fixed Assets	(13.91)	(41.68)	
Addition on Capital Work in Progress- Various Projects	-		-
(Increase)/Decrease in Share investments	(11.96)	835.30	
Cash Flow from Investing Activities	(25.87)		793.62
C Cash Flow from Financing Activities			
Increase in Equity Capital	-	-	
Increase in Borrowings	-	-	
Decrease in other equity due to bad debt	(101.40)	(2.59)	
Dividend and Tax Thereon	(6.15)	(205.28)	
Net Cash Flow from Financing Activities	(107.55)		(207.87)
Net Increase in Cash & Cash Equivalents	4167.25		1922.00
Cash & Cash Equivalent at the Beginning	21374.72		19452.72
Cash & Cash Equivalent at the End	25545.74		21374.73

For and on behalf of the Board
Sd/- Managing Director Sd/- Director

Sd/- Chief Financial Officer

Sd/- Company Secretary
Annexure to our report of even date

For RANJIT KARTHIKEYAN & ASSOCIATES
Chartered Accountants
(FRN 006705 S)

Sd/-
CA. B. CHANDRASEKHARAN NAIR, B.Com, FCA
Partner (M.No. 019922)

UDIN : 21019922 AAAASC1382

Thiruvananthapuram
15-04-2021

Statement of Changes in Equity for the year ended 31st March 2020

A EQUITY SHARE CAPITAL

Particulars	No of shares	Rs. in lakhs
Authorised:		
As at April 01, 2018	3012435	30,124.35
Changes in Equity share capital during the year		
As at March 31, 2019	3012435	30,124.35
Changes in Equity share capital during the year		
As at March 31, 2020	3012435	30,124.35

B Other Equity	Statutory Reserves u/s 45 IC of RBI Act	Capital Reserve	Special Reserve u/s 36(i) (viii) of IT Act	Provision for bad and Doubtful debts u/s 36 I(viia) of IT Act	Retained Earnings	Debt instruments through OCI	Equity Instruments through OCI	Other items of OCI	Total equity
Balance as at 01st April 2018	-		9,096.01	499.24	32,227.95	-	-	5,778.63	47,601.82
Changes in accounting policy /Prior period errors									
Restated balance at the beginning of the reporting period	-	-	9,096.01	499.24	32,227.95	-	-	5,778.63	47,601.82
Total Comprehensive Income for the year					-7,146.51				
Addition during the year									
Dividends					205.28				205.28
Transfer to/from retained earnings	676.19		246.88	113.81	-1,036.87				-
Any other changes(Bad debt write off)				2.59					2.59
Balance as at 31st March 2019	676.19	-	9,342.88	610.46	23,839.28	-	-	5,778.63	40,247.44
Balance as at 01st April 2019	676.19		9,342.88	610.46	29,617.91	-	-		40,247.44
Changes in accounting policy/ Prior period errors									
Restated balance at the beginning of the reporting period	676.19	-	9,342.88	610.46	29,617.91	-	-	-	40,247.44
Total Comprehensive Income for the year					-8,079.56				
Addition during the year									
Dividends					6.15				6.15
Transfer to/from retained earnings	791.12		220.07	153.64	-1,164.83				-
Any other changes(Bad debt write off)				101.40					101.40
Balance as at 31st March 2020	1,467.31	-	9,562.95	662.69	20,367.37	-	-	-	32,060.33

NOTES FORMING INTEGRAL PART OF FINANCIAL STATEMENTS

1 Corporate Information

Kerala State Industrial Development Corporation Limited is a company incorporated in India under the provisions of the Companies' Act, 1956. Formed in 1961 with the objective of promoting, stimulating, financing and facilitating the development of large and medium scale industries in Kerala, KSIDC acts as a promotional agency involved in catalysing the development of physical and social infrastructure required for constant growth of industry in the State. KSIDC also acts as a nodal agency for implementation of various projects of Government of Kerala. It is a Public Financial Institution within the meaning of Sec 2 clause 72 of the Companies Act, 2013. KSIDC is also registered as a Non -Banking Financial Company (non deposit taking) under Sec 45- IA of the RBI Act, 1934 with Registration no.16.00028.

2 SIGNIFICANT ACCOUNTING POLICIES

a Statement of Compliance

The financial statements are prepared in accordance with Indian Accounting Standard (referred as "Ind AS") as notified under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The accounting policies are applied consistently to all the periods presented in the financial statements

b Basis of Preparation and presentation of financial statements

Preparation and presentation of financials statements has been done as per the format prescribed under Division III of schedule III of Companies Act, 2013, for Non - Banking Financial Companies (NBFC) that required to comply with Ind AS . However, previous year figures are regrouped and recasted, wherever necessary.

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting polices below. All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs in compliance with Schedule III of the Act, unless otherwise stated.

c Use of estimates

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and the disclosure of contingent assets and liabilities, at the date of this financial statement and the reported amounts of revenues and expenses for the year presented. Actual results may differ from these estimates.

Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

d Property, plant and equipment

On adoption to Ind As, the Corporation had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2017 as the deemed cost as permitted by Ind AS 101 'First time adoption of Indian Accounting Standards'.

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation less accumulated impairment, if any. The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred

Depreciation methods, estimated useful lives and residual value

Depreciation on fixed assets is charged at the rates prescribed under Schedule II of the Companies Act 2013. Prorata depreciation has been charges in respect of assets acquired/ disposed off during the year.

Useful life considered for calculation of depreciation for various assets class are as follows-

Asset Class	Useful Life
Buildings	60Years
Electrical Fittings	10 Years
Furniture & Fittings	10 Years
Water Tank& Pump Set	10 Years
Office Equipments	5 Years
Computer	3 Years
Solar Based power Systems	15 Years
Intangibles	3 Years
Motor Car & Cycles	8 Years

Fully depreciated assets still in use are retained in financial Statements at residual value. The useful lives are reviewed at least at each year end. Change in expected useful lives are treated as change in accounting estimates. Depreciation is not recorded on capital work in progress until construction and installation are complete and the asset is ready for its intended use

e Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on

making the asset ready for its intended use and net of any trade discounts and rebates. Intangible assets purchased are measured at cost less accumulated amortisation and accumulated impairment if any. Amortisation is provided on a straight line basis over estimated useful lives of the intangible assets

f Impairment, if any, in the value of fixed assets will be provided for in the year in which it is reckoned.

g Financial instruments

(i) Classification, initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Initially, a financial instrument is recognised at its fair value. Transaction cost directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified. Financial instruments are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument. Financial assets other than equity instruments are classified into categories: financial assets at fair value through profit or loss and at amortised cost. Financial assets that are equity instruments are classified as fair value through profit or loss or fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities

Financial assets at amortised cost: Financial assets having contractual terms that give rise on specified date to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortised cost using the effective interest method less any impairment losses

Fair value through other comprehensive income: Financial assets having contractual terms that give rise on specified date to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets are classified in this category. These include financial assets that are equity instruments and are designated as such upon initial recognition irrevocably. Subsequently, these are measured at fair value and changes therein are recognised directly in other comprehensive income. Dividends from these equity investments are recognised in the statement of Profit or Loss when the right to receive payment has been established.

Financial assets at fair value through profit and loss: Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit and loss.

Financial liabilities at fair value through profit or loss: These are measured at fair value with changes in fair value recognised in the statement of Profit or Loss.

Other financial liabilities: These are measured at carrying cost.

ii) Determination of fair value

Company determines the fair value of financial instruments that are quoted in active markets using the quoted prices and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation models.

iii) Derecognition of financial assets and financial liabilities:

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all the risks and rewards of ownership of the asset to another entity. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. Financial liabilities are derecognised when these are extinguished, that is when the obligation is discharged, cancelled or has expired.

iv) Impairment of financial assets

The company recognises a loss allowance for expected credit losses on a financial asset that is at amortised cost. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate

The Company applies expected credit loss (ECL) model in accordance with Ind AS 109 for recognising impairment loss on financial assets. The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date. Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments. The Company has grouped its loan portfolio into Term Loan, Working capital loan, Corporate Loan and short term loan. The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company does the assessment of significant increase in credit risk at a borrower level. If a borrower

has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities of that borrower. Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The company classifies all standard advances and advances up to 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk.

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for eg. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly. At each reporting date, the company assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

ECL is a product of exposure at default (EAD), probability of default (PD) and loss given by default (LGD), as outlined below : Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio. Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date. Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

v) Off setting of financial instruments Financial assets and financial liabilities are off set and the net amount is reported in financial statements if there is a currently enforceable legal right to off set the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Accounting treatment for various Mega Projects:

The 301st Board of KSIDC held on 27.10.2016 decided to form Special Purpose Vehicles, separately for implementing and managing the various Mega projects being implemented by the Corporation. Accordingly the Corporation had obtained expert opinion from reputed practicing Chartered Accountants and as advised, the expenditure incurred on implementation of such projects had been setoff against the budget allocations received from Government towards such projects and only the net balances recorded As per the decision of the 300th Board meeting all expenditure incurred towards setting up and maintaining business incubators are allocated against the income generated there from and the excess expenditure over income generated claimed from the Government.

h Investments in Joint Ventures and Associates

Investments in Joint Ventures and Associates are measured at cost in accordance with Ind AS 27-Separate Financial Statements.

i Government Grants

Grant received from Government/(s) for any specific purpose will be adjusted against the expenses incurred for the purpose for which it is granted and any amount of such grant pending utilization, will be shown under the head Government Grant under other Current Liabilities and will be adjusted against the expenses as and when incurred. Non-specific Government Grants received, if any, will be recognized as income on a systematic basis in the profit and loss statement over the periods necessary to match them with the related costs which they are intended to compensate as envisaged in Accounting Standard. During this period company has not received any non-specific Government grants.

j Foreign currency transactions:

The financial statements are presented in Indian Rupees (“INR”), which is the functional currency and presentation currency of the Company. Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

k Cash and cash equivalents: Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) cheques on hand and balances with banks. They are held for the purposes of meeting short-term cash commitments.

l Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows and the risk specific to the liability.

m. Contingent Liability:

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. When there is a

possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision is made.

n Sitting fees payable to Directors are treated on cash basis.

o Earnings per share :

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders after giving impact of dilutive potential equity shares for the year by the weighted average number of shares and dilutive potential equity shares outstanding during the year.

p Revenue Recognition:

Revenue (other than for those items to which Ind AS 109 Financial Instruments is applicable) is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are net of goods and services tax ('GST') and amounts collected on behalf of third parties. Ind AS 115 Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes previous revenue recognition guidance found within Ind AS.

Ind AS 115 sets out a five - step model as outlined below :-

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

Specific policies for the Company's different source of revenue are as below

The Corporation recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost. The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

The Corporation recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets, the Company recognises interest income on the amortised cost net of impairment loss of financial assets at EIR. If financial asset is no longer credit-impaired, the Corporation reverts to calculating interest income on a gross basis.”

Dividend on equity investments are recognised in the statement of Profit or loss when the right to receive payment has been established. Dividend from other investment is recognised on cash basis

q Employee Benefit :

(i) Defined benefit plan

Gratuity : The Company provides for gratuity under a defined benefit plan covering eligible employees. The gratuity plan provides a lump-sum payment to eligible employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees’ salary and the tenure of employment with the company. Liabilities of gratuity and leave encashment benefits have been determined based on actuarial valuation, as per the AS 15 (revised). Since it is fully funded, no long term provision is required.

(ii) Defined Contribution plan: Provident Fund and Pension Fund:

Provident Fund deducted from employees’ salaries and a portion of the 12% employer’s matching contribution are transferred every month to KSIDC Employees Provident Fund Trust which is an exempted establishment formed under Sec 17(1)(a) of the Employees Provident Fund and Miscellaneous Provisions Act, 1952. The said trust manages the funds within the provisions of the EPF Act and rules. All employees who joined after 15.11.1995 are covered under the Employees Pension Scheme 1995 and others under the (earlier) Employees Pension Scheme 1971. The employees who had joined earlier to 15.11.1995 but are not covered under the Employees Pension Scheme 1995 had approached the court for permitting them to exercise the option for pension. The court is yet to pronounce judgement on the issue. In accordance with the recent amendments in the EPF pension rules, employees who joined after 01.09.2014 and drawing a salary of more than Rs 15000/- month are not covered under the pension scheme.

Eligible employees receive benefits from provident fund, which is a defined benefit plan. Out of the 12% matching contribution made by the employer towards EPF, 8.33% (of basic salary plus DA) subject to limits/rules as prescribed from time to time, is transferred to this Provident Fund and the balance to the Government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

(iii) Other Employment benefits

Company’s liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date.

Projected Unit Credit Actuarial Method was applied to assess the Plan liabilities owing to all forms of admissible exit and accumulation of the benefits. The estimated liabilities have been funded through SBI Life and ICICI Prudential Life in the case of leave salary and through SBI Life for Gratuity respectively. The short fall in funding, if any, is included under current liabilities.

(iii) Remeasurement gains and losses

Remeasurement comprising actuarial gains and losses, the effect of the asset ceiling and the return on assets related to retirement benefit plans, are recognised directly in other comprehensive income in the period in which they arise. Remeasurement recorded in other comprehensive income is not reclassified to statement of profit and loss. Actuarial gains and losses relating to long term employee benefits are recognised in the statement of Profit and loss in the period in which they arise.

(iv) Measurement date

The measurement date of retirement plans is 31st March.

Collateral Valuation To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. To the extent possible, the Company uses active market data and external valuers for valuing financial assets held as collateral. In its normal course of business whenever default occurs, the Company may take possession of properties or other assets in its retail portfolio.

Receipts on loan account relating to (i) approval of One Time Settlement cases by the Board (ii) after the initiation of RR proceedings and (iii) from sale proceeds of companies taken over u/s 29 of the SFC's Act, are accounted first as principal receipts and the excess, if any, over principal as interest receipts. If the realization is not sufficient to cover the principal, the shortfall is treated as bad, even though coercive action against the loan guarantors is in force.

r Goods and services tax paid on acquisition of assets or on incurring expenses: Expenses and assets are recognised net of the goods and services tax except.

i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.

ii. When receivables and payables are stated with the amount of tax included. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

s Income Taxes

Income tax expense comprises current and deferred taxes. Current income taxes are determined based on taxable income and applicable tax rules. Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases.

Deferred tax assets are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

t Segment Reporting

Operating segment is a component of an entity whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Company's chief operating decision maker is the managing director. The company is engaged mainly in the NBFC business. Besides lending business company is also having investments in various companies. Thus, in the context of Ind AS 108-operating segments reporting have identified two reportable segment - Lending and Investments

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under "unallocated revenue /expenses / assets /liabilities", if any.

u Leases

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. The standard requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. As the Company does not have any material leases, the adoption of this standard is not likely to have a material impact in its Financial Statements.

v Note 51: Impact of COVID-19

Following the global outbreak of Coronavirus (COVID-19) pandemic, lock-down restrictions were imposed by the Government during the last week of the financial year ended March 31, 2020. However, as per the assessment of the management, there has been no significant impact on the operations and financial position of the Company for the year. In accordance with the regulatory package announced by RBI, the Company has offered an optional moratorium on payment of loan instalments falling due between March 1, 2020 and August 31, 2020. For all such accounts where the moratorium is granted, the asset classification shall remain stand still during the moratorium period. In the opinion of the management of the company, the impairment loss as stated in Note 5 is adequate to cover any future uncertainties on account of the above.

KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LTD.

2 Cash and cash equivalents	Rs. in Lakhs	
	As at 31.3.2020	As at 31.3.2019
Cash on hand	0.10	0.23
Current account with bank (includes treasury balance of Rs 10.97 lakhs (P.Y Rs 868.96 lakhs)	584.85	2,004.46
Cheques on Hand		
Postage & Revenue stamp		
	584.95	2004.68
3 Other Bank Balances	As at 31.3.2020	As at 31.3.2019
Earmarked balance with bank	-	-
Fixed Deposit	18,033.00	11,555.51
Short Term deposit (with up to 12 months maturity)	6,927.79	7,814.53
	24960.79	19370.04
4 Receivables	As at 31.3.2020	As at 31.3.2019
Secured, considered Good	153.28	144.57
Unsecured Considered good	0.00	
Receivables that comes significant increase in credit risk	88.97	72.98
Credit Impaired	10.50	8.90
Less Impairment loss	10.50	
Trade Receivables		
Debts due by directors and other officers		
Travel Advance To Chairman	1.49	1.48
Advance to Staff	0.00	0.08
	243.75	228.01

Current account dues of the companies are considered in the receivables. Book value is considered as the fair value. Current account dues against the loan classified as loss is grouped in receivables that comes significant increase in credit risk and for which impairment is provided. Secured considered good includes KCCL having the balance of Rs 145.99 lakhs. Government has issued directions to Coir Gramam to take over KCCL and release payment to KSIDC. However, the land was not taken by the Coir Department till date and has not settled the compensation requested by KSIDC.

KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LTD.

	Rs. in Lakhs										
	(Current Year)				(Previous Year)						
	Amortised Cost	At Fair Vale			Subtotal	Total	At Fair Vale			sub Total	
		Through Other Comprehensive Income	2	3			4	8	9		10
1	2	3	4	5=2+3+4	6=1+5	7	8	9	10	11=8+9+10	
12=7+11											
(A) Loans											
Bills Purchased and Bills Discounted											
Loans repayable on Demand											
Term Loans	37539.01				37539.01	38,887.53					38,887.53
Leasing											
Factoring											
Others	228.31										
Total	37767.32				37767.32	38,887.53					38,887.53
Less: Impairment loss allowance	17563.34				17563.34	17,653.29					17,653.29
Total Net (A)	20,203.98	0	-	0	20,203.98	21,234.24	-	-	-	-	21,234.24
(B)											
Secured by tangible and intangible assets	37767.32				37767.32	38887.53					38887.53
Covered by Bank/Government Guarantee											
Unsecured											
Total	37767.32				37767.32	38887.53					38887.53
Less: Impairment loss allowance	17563.34				17563.34	17653.29					17653.29
Total Net (B)	20203.98				20203.98	21234.24					21234.24
© Loans in India											
Public Sector											
Others	37767.32				37767.32	38887.53					38887.53
Total	37767.32				37767.32	38887.53					38887.53
Less: Impairment loss allowance	17563.34				17563.34	17653.29					17653.29
Total Net ©	20203.98				20203.97	21234.24					21234.24
Details of Others included in Loan											
Unamortised Processing Charges											
Interest receivable in Standard and substandard accounted as per IND AS											
Total											
				As on 31.3.2020							
				107.33							
				335.6							
				228.27							

Rs in lakhs

ECL Matrix as on 31.3.2019

Particulars	Stage I			Stage II	Stage III				
	No Due	1-30 days past due	31-60 days past due	61-90 days past due	More than 457-822days	More than 823 days to 1188 days	More than 1188 days	Loss asset	
	2.75%	2.75%	2.75%	2.75%	100%	100%	100%	100%	
Principal	17,119.72	1,525.24		3,452.97	2,382.87	2,174.95	11,909.15	314.39	38,879.28
Interest Arrear		23.92		132.44					156.36
Total Amount for which ECL to be provided	17,119.72	1,549.17	-	3,585.41	2,382.87	2,174.95	11,909.15	314.39	39,035.64
ECL	470.79	42.60	-	358.54	2,382.87	2,174.95	11,909.15	314.39	17,653.29

Financial year 2019-20

Particulars	Stage I			Stage II	Stage III					
	A	B	Spl mention account	C	D	E	F	G	H	I
	No Dues	1-30 days past due	31-60 days past due	61-90 days past due	91-456 days past due	More than 457-822days	More than 823 days to 1188 days	More than 1188 days	Loss asset	
Principal outstanding	9,522.69	4,879.23	3,607.72	-	2,959.86	3,811.42	890.87	11,552.84	314.39	37,539.01
Interest Arrear	-	107.09	46.47	-	156.37	-	-	-	-	309.93
Total Amount for which ECL to be provided	9,522.76	4,986.32	3,654.19	-	3,116.22	3,811.42	890.87	11,552.84	314.39	17,563.34
ECL	261.88	137.12	283.20	-	311.62	3,811.42	890.87	11,552.84	314.39	17,563.34

Details of reschedulement of loan accounts under MSME category carried out during the FY 2019-20 is as follows:

No. of accounts restructured	Amount (in lakhs)
2	3,607.72

6 Investments	Rs. in lakhs													
	(Current year)					(Previous year)								
	Amor- tised Cost	At Fair Value			Sub total	Total	At Fair value			Subtotal	Total			
		Through Other Compre- hensive Income	Through Profit or Loss	Designated at fair Value through the pro fit or loss			Through Other Compre- hensive Income	Through Profit or Loss	Designated at fair Value through the pro fit or loss					
1	2	3	4	5=2+3+4	6	7=1+5+6	8	9	10	11	12=9+ 10+11	13	14=8+ 12+13	
Mutual Funds														
Government securities														
Other approved securities														
Debt securities														
Equity Instruments	23,431.05				23,431.05	23,431.05		41,719.55			41,719.55		41,719.55	
Subsidiaries														
Associates						9.34	9.34						9.34	9.34
Joint Ventures						1,691.94	1,691.94						1,691.94	1,691.94
Others (Preference share)	1,075.12				1,075.12	1,075.12		1,000.04	1,000.04		1,000.04		1,000.04	1,000.04
Total	-	23,431.05	1,075.12	-	24,506.17	1,701.28	26,207.45	-	41,719.55	1,000.04	-	42,719.60	1,701.28	44,420.88
Overseas investments														
Investments in India		23,431.05	1,075.12		24,506.17	1,701.28	26,207.45		41,719.55	1,000.04		42,719.60	1,701.28	44,420.88
Total	-	23,431.05	1,075.12	-	24,506.17	1,701.28	26,207.45	-	41,719.55	1,000.04	-	42,719.60	1,701.28	44,420.88
Less: Impairment loss allowance			159.84		159.84		159.84							
Total	-	23,431.05	915.28	-	24,346.34	1,701.28	26,047.62	-	41,719.55	1,000.04	-	42,719.60	1,701.28	44,420.88

KSIDC is having investment of Rs 0.50 lakhs in Trivandrum International Airport Limited being 10% of shareholding. Government of Kerala has invested Rs 0.50 lakhs on behalf of KSIDC

KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LTD.

Name of the Company	Face Value	No. of Shares	Rs in lakhs	
			At Cost 31.03.2020	At Cost 31.03.2019
<u>Quoted Equity Investments</u>				
Apollo Tyres Ltd.	1	5000000	1371.25	1371.25
BPCL (Including Bonus shares of 296293)	10	1777758	33.34	33.34
Cochin Minerals & Rutiles Ltd.	10	1050000	105.00	105.00
Forbes & Company	10	30363	14.80	14.80
Gokak Textiles Limited	10	15181	9.49	9.49
GeojitBNPParibas (including 1500000 bonus shares)	1	20000000	50.00	50.00
Indsil Hydropower Ltd.	10	1054166	63.25	63.25
Patspin India Ltd.	10	2490000	249.00	249.00
Philips Carbon Black Ltd	10	467900	140.37	140.37
Eastern Treads Ltd.	10	615000	61.50	61.50
IDBI Bank Ltd (incl 53520 bonus shares)	10	142720	115.96	115.96
PTL Enterprises	2	1500000	30.00	30.00
Artemis Global Life Sciences (Previous PTL Projects LTD bonus Shares of 1500000 nos)		1500000		
Rubfilla International	5	2736000	342.00	342.00
Accel Transmatic Systems India	10	5824	0.78	0.78
BST Ltd.	10	550000	55.00	55.00
Victory Paper & Boards Ltd	10	200000	20.00	20.00
Total - A			2661.74	2661.74
<u>Unquoted Investments (Equity shares)</u>				
ULCC IT Infrastructure (P) Ltd.	100	6553000	655.30	655.30
Invest India	100	500	0.50	0.50
India Middle East Broadcasting	10	3630000	363.00	363.00
Kannur International Airport Ltd	100	10000	1000.00	1000.00
Kerala Cashew Board	1000	30000	300.00	300.00
ATI Ltd	10	250000	50.00	50.00
BPL Telecom Ltd. (including 138600 Bonus Shares)	10	198000	5.94	5.94
Cheraman Financial Services	10	3670000	367.00	367.00
Cochin International Airport	10	5000000	900.00	900.00
Green Land Paper Mills Ltd	10	247500	24.75	24.75
InKel Limited	10000	6000	600.00	600.00

KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LTD.

Integrated Rubian Exports	10	300000	30.00	30.00
Kerala Enviro Infrastructure	10	999000	99.90	99.90
Kerala Industrial and Technical Consultancy Organisation(Bonus Share 1:49- 3871 Nos Bonus Shares)	1000	3950	0.79	0.79
Loop Mobile (Including 1400 Nos) Bonus Shares	10	2000	0.06	0.06
Profit Core Pipes Ltd.	10	50000	5	5
State Farming Corpn. Of Kerala	1000	6100	61.00	61.00
Symphony TV	1000	2500	25.00	25.00
Thanikudam Bhagavathy Mills Ltd	10	165000	16.50	16.50
Traco Cable Co. Ltd	10	100000	10.00	10.00
Travancore Titanium Products Ltd.	10	139732	13.97	13.97
Printronics Techpark Pvt Ltd	10	5000	0.50	0.50
ABN Granites Ltd	10	1100000	110.00	110.00
Chaya Industries	10	970000	97.00	97.00
Covema Filaments Ltd	10	1216800	121.68	121.68
Elasto Tapes Ltd	10	68500	6.85	6.85
Excel Glasses	1	307400	14.66	14.66
Geojit Credits Ltd	2	11000000	220.00	220.00
Hindustany Cylinders	10	136700	13.67	13.67
Industrial Accumulators	100	7500	7.50	7.50
Kerala Spinners	10	126800	12.57	12.57
Madras Spinners (including 49950 Bonus Shares)	10	99900	5.00	5.00
Manito Electronics	10	120000	12.00	12.00
Meenachil Rubberwood Ltd	10	390000	39.00	39.00
Periyar Chemicals Ltd (including 19,625 Bonus Shares)	10	58875	3.93	3.93
Pact Rubber Wood	10	66000	6.60	6.60
Rubberwood India	10	344600	34.46	34.46
Sri Sai Maharaj Pulp & Paper	100	14300	14.30	14.30
SAIL- SCL Kerala Ltd	10	303801	71.52	71.52
Travancore Sulphates	10	78000	7.80	7.80
TECIL Chemicals & Hydro (Including 91460 bonus shares)	10	296320	20.49	20.49
Kerala State Textile Corporation	100	25000	25.00	25.00
Travancore Cochin Chemicals	10	3518180	325.91	325.91
Travancore Oxygen Ltd.	100	2500	2.50	2.50
United Electrical Industries Ltd.	10	93600	9.36	9.36
Vysali Pharmaceuticals Ltd	10	50000	5.00	5.00
Western India Cottons Ltd.	10	350000	35.00	35.00
Total B			5751.00	5751.00

Unquoted Investments in Associates

OEN India Ltd (including 1181509 Nos bonus shares)	10	1274607	9.34	9.34
Total C			9.34	9.34

Unquoted Investments Preference

Filatex Vechukunnel -	100	57000	57.00	57.00
Kerala Sponge Iron Limited- 10 % RCP Shares	100	59000	59.00	59.00
Central Travancore Specialists Hospital -16% RCP Shares	10	862000	86.20	86.20
Sree Sakthi Paper Mills Ltd	10	6000000	1000.00	1000.00
Chaya Industries	100	50000	50.00	50.00
Total D			1252.20	1252.20

Unquoted Investments Equity Shares

Joint Venture

INKEL- KSIDC Projects Ltd	10	2786260	278.63	278.63
Kuttiyadi Coconut Industrial Park Ltd.	1000	250	2.50	2.50
Kerala GAIL Gas Ltd	10	50000	0.50	0.50
Units in Kerala Venture Capital Fund			46.25	46.25
Nitta Gelatin India Ltd	10	2862220	1364.07	1364.07
Total E			1691.94	1691.94
Grant Total			11366.22	11366.22

7. Other financial assets

	As at 31.3.2020	As at 01.04.2019
Advance share Investment	266.96	255.00
Staff loan	401.64	448.37
Interest receivable on Short term Deposits	186.46	696.48
Accrued Dividend on Preference Shares	141.72	216.80
Defined Benefit asset on leave encashment	29.46	-
	1026.24	1616.65

Advance share investment of Rs 266.96 lakhs (P.Y 255 Lakhs) includes Rs 230 lakhs (P.Y 230 lakhs) to Coconics Pvt Ltd, an SPV formed by KSIDC, Keltron and UST Global, Rs 25 lakhs (P.Y 25 lakhs) to Manito Electronics Pvt Ltd., Rs 11.77 (P.Y Nil) to KIFML and Rs 0.19(P.Y Nil) to Kannur Natural Rubber Products Pvt Ltd. Company adopted the policy to transfer the advance share investment to investments once the share certificate obtains .

Staff loans includes Rs 261.42 lakhs(P.Y 279) towards housing loan, Rs 101.88 (P.Y 135.07) towards car loan, Rs 14.27(P.Y 17.48) towards consumer loan, Rs 16.90 lakhs (P.Y 7.91) towards Personal loan, Rs 4.98 lakhs(P.Y 6.48 lakhs) towards scooter loan, Rs 1.09 lakhs (P.Y 1.96) towards computer loan,

Rs 1.03 lakhs (P.Y 0.48 lakhs) towards education loan and Rs 0.06 (P.Y 0.06) towards special loan staff. Total staff loan outstanding is only 1.07% of outside loan, which will not affect the materiality. Hence the book value of loan is considered as fair value.

8 Current tax assets (net)

	As at 31.3.2020	As at 31.3.2019
Advance Tax & TDS	2135.81	1414.54
Amount receivable from IT Department	286.94	355.84
	2422.74	1770.38

Advance tax and TDS paid for the F.Y 2019-20 is Rs. 721.27 lakhs, for the F.Y 2018-19 is Rs 653.16 lakhs and for the F.Y 2017-18 Rs 761.38. Since the assessment is not completed for the F.Y 2017-18 adjustment entry with the provision is not made

Assessment up to F.Y 2016-17 was completed. Amount refundable from IT department is accounted from the assessment order. As per the assessment order Rs 18.71 lakhs is receivable for the F.Y 2011-12, Rs 6.81 lakhs for the F.Y 2013-14, Rs 194.95 lakhs for the F.Y 2014-15, Rs 66.47 lakhs for the F.Y 2015-16.

Land includes

- 1 30 acres of land at TELK Angamaly transferred to KSIDC at nil cost, vide G.O. 836/2008/ID dated 26.07.08 and G.O. 1174/2009/ID dt 31.08.09. This has been given on 90 years lease to INKEL KSIDC PROJECTS Ltd (JV). Further 26.712 Acres of land has been transferred to KSIDC for implementation of Business Hub, for which mutation in favour of KSIDC is yet to be completed.
- 2 34.05 acres of industrial land transferred by District Industries Centre to KSIDC at nil cost for Light Engineering Park (LEIP), Palakkad. KSIDC has taken possession of the same, but the transfer of title in the name of KSIDC is still pending on technical grounds. Anyhow, vide G.O.(MS)49/2012/ID dated 03.04.12, Government has given clearance for mutation of land in the case of LEIP and also directed that the liabilities arising out of the LAR cases be met by KSIDC. The first phase of the project was declared completed on 15.01.2013 and the assets created have been included in the fixed assets of KSIDC.
- 3 1.9909 acres of land of M/s. Astral Watches Ltd. transferred in the name of KSIDC on Government giving approval for winding up of the company and transferring of assets and liabilities to KSIDC for the purpose of dissolution of the company under Easy Exit scheme of Companies Act.
- 4 Depreciation is calculated on WDV method

Note 9: Property, Plant & Equipment

Particulars	Land (401) #	Buildings (411)	Electrical Fittings (416)	Furniture & Fittings	Water Tank & Pump Set	Office Equipments	Computer	Solar Based power Systems	Intangibles	Motor Car & Cycles	Library Books	Total
Gross Block - at cost												
As at 01.04.2018	207.21	196.72	46.60	95.70	0.58	58.86	259.11	65.15	36.50	57.69	11.93	1,036.05
Additions	-	-	8.76	1.07	-	0.47	23.07	-	8.52	-	0.19	42.08
Disposals	-	-	8.63	-	-	-	0.61	-	-	-	-	9.24
As at 31.03.2019	207.21	196.72	46.74	96.77	0.58	59.33	281.58	65.15	45.02	57.69	12.12	1,068.89
Additions	-	-	1.75	-	0.38	9.06	1.92	-	0.72	-	0.08	13.91
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2020	207.21	196.72	48.49	96.77	0.96	68.39	283.49	65.15	45.74	57.69	12.20	1,082.80
Accumulated Depreciation												
As at 01.04.2018	-	134.54	40.03	85.43	0.46	49.72	246.18	35.70	34.63	44.72	11.93	683.34
Charge for the year	-	3.09	2.62	2.52	-	3.42	10.97	5.38	2.37	3.83	0.19	34.39
Disposals	-	-	8.19	-	-	-	0.58	-	-	-	-	8.77
As at 31.03.2019	-	137.63	34.46	87.95	0.46	53.14	256.57	41.08	37.01	48.54	12.12	708.96
Charge for the year	-	2.94	3.32	1.80	0.10	3.21	11.39	4.40	6.13	2.59	0.08	35.95
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2020	-	140.56	37.78	89.75	0.56	56.34	267.97	45.48	43.13	51.13	12.20	744.91
Net Block												
As at 31.03.2019	207.21	59.09	12.29	8.81	0.12	6.19	25.00	24.07	8.01	9.14	0.00	359.93
As at 31.03.2020	207.21	56.15	10.72	7.01	0.40	12.05	15.53	19.67	2.61	6.55	0.00	337.89

KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LTD.

10 Capital work in progress

	As at 31.3.2020	As at 01.04.2019
Expense towards ERP Implementation	135.54	135.54

Assets are being utilised for implementation and upgradation of existing accounting software. Hardware is maintained at State data centre and same will be utilised for hosting the accounts data. In view of the ongoing process the amount is kept under W.I.P

11 Other Non financial assets

	As at 31.3.2020	As at 01.04.2019
Current account with Consultants	14.24	5.39
Government of Kerala-others	248.83	187.78
Sales Tax	3.60	3.60
IGC	352.73	-151.89
CGST-Input Tax Credit	0.00	0.92
SGST-Input Tax Credit	0.00	0.92
RCM A/C-SGST	0.00	0.03
RCM A/C-CGST	0.00	0.03
GST electronic cash ledger	0.00	0.00
GST Input Tax deferred-CGST	0.28	0.31
GST Input Tax deferred-SGST	0.28	0.31
GST Refund Due	3.86	0.00
IGST - Input Tax Credit	0.00	0.01
Prepaid Expenses	10.45	11.62
Electricity, Telephone and Other Deposits	15.29	15.29
Security Deposits	0.25	0.00
	649.81	74.32

Government had directed KSIDC to pay 'special advance' to the employees of Commonwealth Trust. Out of the total advance paid Rs 370.41 lakhs as per Government directions, we got reimbursement of Rs 121.58 lakhs towards such advances made till 2015-16. The balance sum of Rs 248.83 (P.Y 187.78) lakhs is to be reimbursed by Government / commissioner of payments and the payment has been shown under Government of Kerala others. Also refer note on Contingent liability note no 30

Rs in lakhs

Comtrust	Amount to be reimbursed
16-17	58.85
17-18	68.1
18-19	60.83
19-20	61.05
Total	248.83

KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LTD.

KSIDC is acting as an agent for implementing Industrial Growth Centre (IGC) in the State of Kerala. A total amount of Rs. 16134.02 lakhs (previous year Rs. 15727.44 lakhs) has been received from the Government for meeting the expenditure relating to the Growth Centres. Receipts collected by way of lease premium/sale of land, miscellaneous income and other receipts on current account amount to Rs. 14512.31 Lakhs (previous year Rs. 13173.53 lakhs). Total receipts stand at Rs. 30646.33 lakhs (previous year Rs. 28900.97 lakhs). All the fixed assets including land and building are held by KSIDC on behalf of Government of Kerala. All receipts and payments are accounted on cash basis and the excess of receipts over expenditure is Rs.8181.36 lakhs (previous year Rs.7159.56 lakhs). The total expenditure under major heads is as shown below:

Rs in lakhs

Land & Site Development	9203.25
Roads	1199.44
Buildings	5236.11
Water Supply	1093.6
Power	2134.75
Others	3597.83
Total	22464.98
Cash and Cash Balance	8534.09
Control Account Balance	-352.73
Total	8181.36

KSIDC, being the implementing agency of Industrial Growth Centre(IGC) on behalf of Government of Kerala, the funds of IGC were parked separately as Fixed Deposit under IGC A/c and not included under cash and bank balance of the Corporation.

12 Payables

	As at 31.3.2020	As at 01.04.2019
Trade Payable		
Total outstanding dues of creditors other than micro enterprises and small enterprises	32.06	58.61
Other Payables		
Current account with Companies	102.90	101.56
Staff advances	0.53	0.00
	135.49	160.17

There are no dues to companies/firms under Micro, Small and Medium Enterprises Development Act 2006.

13 Provisions

	As at 31.3.2020	As at 01.04.2019
Provision For Employee Benefit Expenses		
Opening Balance -a	0.00	0.00
Add: Provision made during the year	321.36	0.00
Total	321.36	0.00
Less: Payment of Pay revision arrear	0.00	0.00
Balance Provision-a	321.36	0.00
Gratuity		
Opening Balance	30.63	85.45
Add: Provision made during the year	31.79	30.63
Total	62.42	116.08
Less: Payment made during the year	0.00	85.45
Balance Provision -b	62.42	30.63
Total -i =a+b	383.78	30.63
Other Provisions		
Provision for Taxation		
Opening Provision for Taxation	1421.59	6798.90
Addition during the year	939.54	674.83
Tax provision for previous years		
Total	2361.13	7473.73
Less: Set off /Adjustment/previous year payments effected during the year.	0.00	6052.14
Closing provision for taxation -ii	2361.13	1421.59
Provision for diminution in value of Investments #		
Opening Balance	2138.58	2170.12
Add: Provision required at the year end	0.00	0.00
Total	2138.58	2170.12
Less: Provision reversed during the year.		31.54
Balance Provision	2138.58	2138.58

Others

Provision for Taxation: Set off entries against advance taxes, self assessments, regular taxes and TDS receivables(booked under advance tax account) had been effected till assessment year 2017-18. Adjustment in respect of excess/ shortfall in estimated provisions created in earlier years, if any, has been made on case to case basis. The details of provision is as follows. is as follows.

Particulars	As at 31.3.2020	As at 01.04.2019
FY 2017-18	746.76	746.76
F.Y 2018-19	674.83	674.83
F.Y 2019-20	939.54	0.00
Total	2361.13	1421.59

Provision for diminution in value of Investments: Includes provision against investments of Rs.2108.58 lakhs and additional provision of Rs.30 lakhs (advance share investment in M/s. Manito Electronics Pvt. Ltd-Rs 25 Lakhs, and advance investment in IL&FS Rs. 5 lakhs) made against 'Advance towards investment in Companies.

Summary: Current Liabilities on Provisions

	As at 31.3.2020	As at 01.04.2019
Provision For Employee Benefit Expenses	321.36	0.00
Provision for Gratuity	62.42	30.63
Provision for Taxation	2361.13	1421.59
Provision for diminution in value of Investments	2138.58	2138.58
Grand Total	4883.49	3590.79

A. Leave Salary

Leave salary is calculated based on the number of days of earned leave to the credit of the employee, subject to a maximum of 300 days.

As on 31.03.2020 the actuarial valuation for leave salary was Rs.2,48,12,636/- (PY - Rs 2,50,26,896/-). The estimated liabilities have been fully funded through SBI Life and ICICI Prudential Life.

Particulars	31-Mar-20	01-Apr-19
1. Fair Value of Plan assets at the beginning	302.85	303.92
Interest Income	21.28	22.06
Employer Contribution		
Benefit Payment from Plan Assets	- 45.91	-27.43
Remeasurements-Return on Assets	- 0.64	4.29
Fair Value of Plan assets at the end	277.58	302.85
2. Defined Benefit Obligation at the beginning	250.27	255.97
Current Service Cost	30.86	25.99
Interest Expense	17.28	19.38
Benefit Payment from Plan Assets	- 45.91	- 27.43

Remeasurement-Due to Demographic Assumptions		0.44
Remeasurement-Due to Financial Assumptions	9.60	3.46
Remeasurement - Due to Experience Adjustments	- 13.97	- 27.55
Defined Benefit Obligation at the End	248.13	250.27
3. Components of Defined Benefit Cost		
Current Service cost	30.86	25.99
Interest Expense on DBO	17.28	19.38
Interest (Income) on Plan Assets	- 21.28	- 22.37
Total Net Income	- 4.00	- 2.99
Defined Benefit Cost included in P&L	26.86	23.30
Remeasurement -Due to Demographic Assumptions		0.44
Remeasurement -Due to Financial Assumptions	9.60	3.46
Remeasurement -Due to Experience Adjustments	- 13.97	- 27.55
(Return) on Plan Assets (Excluding Interest Income)	- 0.64	- 0.01
Net Actuarial (Gain)/loss	- 3.73	- 27.94
Total Defined Benefit Cost recognized in P&L	23.13	- 4.63
4. Amount recognised in Balance sheet		
Defined Benefit Obligation	248.13	250.27
Fair Value of Plan Assets	277.58	302.85
Net Defined Benefit Liability/ (Asset)	- 29.46	- 52.58
5. Net Defined Benefit Liability/(Asset) reconciliation		
Net Defined Benefit liability/(Asset) at the beginning	- 52.58	- 47.95
Defined Benefit Cost included in P&L	26.86	23.30
Net Actuarial (Gain)/loss	- 3.73	- 27.94
Employer Contribution	-	-
Net Defined Benefit liability/(Asset) at the end	- 29.46	- 52.58

6. Actuarial Assumptions for Leave Encashment

Particulars	As at 31.3.2019	01-Apr-17
i Discount Rate	8 % p.a.	7.30 % p.a.
ii Salary escalation	6%	10%
iii Attrition	0% TO 1%	0% TO 1%
iv Mortality Tables	IALM (2006-08) Ult IALM	(2006-08) Ult

Footnote :

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations. The estimate of future salary increases considered, by taking into account the inflation, seniority, promotion, increments and other relevant factors.

As per the Actuarial Valuation Report as at 31.3.2019 in respect of Leave encashment plan there was a total re measurement gain of Rs 48.60 lakhs, which was not recognized in 2019. Same was rectified during the current year. Since the amount is not material the financial statements as on 31.3.2019 was not restated and the rectification is done during the year.

B Gratuity

Corporation is following the provisions of The Payment of Gratuity Act for computing the eligible Gratuity, as per stipulation made by Government on 9th Pay revision. Accordingly Gratuity shall be payable to an employee on the termination of his / her employment after he / she has rendered continuous service for not less than five years for every completed year of service or part thereof in excess of six months at the rate of fifteen days' wages based on the rate of wages last drawn by the employee. The fifteen days' wages shall be calculated by dividing the monthly rate of wages last drawn by him/ her by twenty six days, as if every completed month comprises of 26 days.

The payment of Gratuity (Amendment) Act, 2010 had increased the limit to Rs 20 lakhs w.e.f 29.03.2018. In line with these provisions, the Corporation had also provided for the enhanced limit w.e.f 29.03.2018.

As on 31.03.2020, the actuarial valuation of gratuity was Rs 38,859,610/- (PY Rs 3,95,55,393/-). The estimated liabilities have been funded through SBI Life. The short fall in the funding, if any, is included under current liabilities.

Particulars	As at 31-3-2020	As at 31-3-2019
1 Changes in present value of obligations		
PVO at beginning of period	395.55	405.71
Interest Cost	27.26	28.82
Current Service Cost	17.42	17.53
Past service cost(vested benefits)		
Benefits Paid	- 63.21	- 64.70
Actuarial (Gain)/Loss on obligation	11.57	8.19
PVO at end of period	388.60	395.55
2 Interest Expense		
Interest Cost	27.26	28.82
3. Fair Value of Plan Assets		
Fair value of plan assets at the beginning	364.92	320.26
Interest income	25.61	25.52
4. Net Liability		
PVO at beginning of period	395.55	405.71
Fair Value of the Assets at beginning report	364.92	320.26
Net Liability	1.63	85.45
5. Net Interest		
Interest Expenses	27.26	28.82
Interest Income	25.61	25.52
Net Interest	1.65	3.30

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6. Actual return on plan assets	24.46	23.91
Less Interest income included above	25.61	25.52
Return on plan assets excluding interest income	- 1.15	- 1.61
7. Actuarial (Gain)/loss on obligation		
Due to Financial Assumption	25.81	3.97
Due to Experience	-14.25	4.22
Total Actuarial (Gain)/Loss	11.57	8.19
8. Fair Value of Plan Assets		
Opening fair value of plan asset	364.92	320.26
Adjustment to Opening Fair Value of Plan Asset		
Return on plan assets excl.interest income	-1.15	-1.61
Interest Income	25.61	25.52
Contribution by Employer	0.00	85.45
Benefits Paid	-63.21	-64.70
Fair Value of Plan Assets at end	326.18	364.92
9. Amounts to be recognized in the balance sheet and statement of profit loss account		
PVO at end of period	388.60	395.55
Fair Value of Plan assets at end of period	326.18	364.92
Fund status	-62.42	-30.63
Net Asset/(Liability)recognized in the Balance sheet	-62.42	-30.63
10. Expense recognized in the statement of P&L A/c		
Current Service Cost	17.42	17.53
Net interest	1.65	3.30
Past service cost (vested benefits)	0.00	0.00
Expense recognized in the statement of P&L A/c	19.07	20.83
11. Movements in the liability recognized in Balance Sheet		
Opening Net Liability	30.63	85.45
Adjustment to opening balance		
Expense as above	19.07	30.63
Contribution paid	-	-85.45
Other Comprhensive Income	12.71	9.80
Contribution Paid	0.00	-85.45
Closing Net Liability	62.42	30.63

6. Actuarial Assumptions for Gratuity

Particulars	As at 31.3.2020	As at 31.03.2019
i Discount Rate	7.56 % p.a.	7.72 % p.a.
ii Salary escalation	6 %	6 %
iii Attrition	PS: 0 TO 40 :1%	PS: 0 TO 40 :1%
iv Mortality Tables	IALM (2006-08) Ult	IALM (2006-08) Ult

Footnote :

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

14 DEFERRED TAX LIABILITY

Particulars	As at 31.3.2020			As at 31.3.2019		
	Base	Deferred Tax		Base	Deferred Tax	
		Asset	Liability		Asset	Liability
Current liabilities						
Trade Payables	33.81			58.61		
Interest accrued on bonds/Govt.loan	0.00					
Provision for gratuity	62.42			30.63		
Provision for leave salary	0.00			0.00		
Provision for employee benefit						
		121.00			30.88	
Current assets						
Interest accrued on deposits -TVM	175.39			688.68		
Interest accrued on FD - EKM	11.07			7.81		
Prepaid expenses	10.45			11.62		
Interest accrued/loan	0.00			2.21		
Provisions						
Provision for doubtful.debts u/s 36 1 viia of IT Act	662.69			610.46		
Provision for Special Reserve u/s 36 1 viii of IT Act	9562.95			9342.88		
Unamortised Processing Charges			15.46			3690.48
Fixed assets			3035.05			
Depreciation	7.34	2.14		-13.55		-4.69
Total		124.74			30.88	3685.79
Unamortised Processing Charges		13.692				
Deferred Tax liability			2926.77			3654.90
Ind AS Entries			5313.94			11576.25
Total Deferred Tax liability			8227.02			15231.15

No utilization has been made so far of the Special Reserve created and maintained under section 36(1) (viii) of Income Tax Act. However, based on the opinion of the Expert Committee of ICAI, deferred tax liability has been provided on the Special Reserve maintained under 36(1) (viii) of the IT Act from 2012-13 onwards.

15 Other non financial liabilities

	As at 31.3.2020	As at 31.3.2019
Suspense	0.96	1.44
Current account with others	163.59	278.33
Advance to MD	0.08	0.03
TDS Payable - Others	1.13	0.18
TDS Payable-Salary	-	0.89
RCM Payable SGST	0.40	0.05
RCM Payable CGST	0.40	0.05
SGST Payable	1.76	0.34
IGST Payable	0.00	-
CGST Payable	1.74	0.34
TDS Payable -GST	0.02	0.14
Flood Cess Payable	0.07	
Retention Deposit	36.58	53.42
Various Project	657.71	1,390.02
E M D Noorka	5.00	5.00
Security Deposit(Liability)	161.08	130.56
E.M.D.SWMS	152.00	
L.I.C. Deductions	0.15	0.00
	1,182.64	1,860.79

Government had directed KSIDC to participate in the Bid process of Air Port Authority of India on behalf of Government. Expense related to bid processing including consultancy fee paid by KSIDC is Rs 255.20 lakhs (P.Y Rs122.44 lakhs), which has to be reimbursed from Government which is included in current account with others

Various Projects:

Nodal Agency for implementation of various projects.

Government of Kerala has entrusted KSIDC with agency function to implement various projects. The expenditure incurred in respect of various infrastructure-related projects being implemented by KSIDC as per Government directions, based on which KSIDC is the nodal agency/facilitator have been classified as ‘non-current’ as the projects are only in the preliminary stages of conception/feasibility study/implementation. Previous year figures have been reclassified accordingly. The details of budget allocation for these projects, the funds released by the Government, funds expended with remarks are shown under.

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1	Name of the Project	As on 31.03.2020 (Rs in Crores)			Status of projects
		Total Fund Allocation	Total fund Received	Total Expenditure	
1	Investment facilitation & Ind. Promotion Activities	70.09	43.62	50.70	Organised many events, seminars, workshops, roadshows etc and participated in local and international exhibitions and sponsored many events branding Kerala as an investment friendly destinations. We have advanced in implementing Ease of doing Business ,streamlining single window clearance and promoting WE Mission
2	Life Sciences Park	554.54	478.34	483.87	Progressing. Assistance under KIIFB scheme received and released
3	Business Incubators	20.35	11.35	7.73	Progressing
4	Coconut Industrial Park, Kuttiyadi	40.02	16.00	15.76	Project revived and steps taken for construction of basic infrastructure facilities
5	Electronic Hardware Park, Kochi	177.47	147.47	54.92	Progressing .Assistance under MIDP scheme received and released
6	Supplementary Gas Infrastructure	49.22	33.16	12.84	No further headway
7	Light Engineering Industrial Park, Palakkad	26.00	25.00	25.40	Ist phase completed. II nd phase in progress
8	Kochi - Palakkad NIMZ	20.66	10.74	3.65	Project to be integrated with the Bangalore Coimbatore Industrial Corridor scheme
9	PCPIR Kochi/ Petrochemical Park	0.04	0.00	0.31	Progressing
10	Titanium Sponge, Kollam	15.02	14.00	0.43	Project dropped due to non availability of Technology for the project development
11	Cheemeni Power Project, Kasargode	5.11	5.00	4.16	Project transferred to KSEB
12	Organic Industrial Park, Kodungallur	9.00	9.04	9.04	Project completed
13	Medicinal & Health Care Park, Nadapuram	3.00	2.00	0.21	Project dropped due to non availability of land
14	Online Single Window Clearance Mechanism	2.00	0.50	0.06	An Investment Promotion Facilitation Cell is proposed as part of Ease of doing Business
15	Oceanarium Marine Biological Research Centre Complex at Puthuvypin, Kochi	1.00	0.50	0.58	Project transferred to Fisheries
16	Upgradation of roads to Industrial Parks approach roads to Growth Centres.	48.00	48.00	44.99	Project completed except for upgradation of
17	Albarak Financial Services	1.00	0.50	3.15	Project Completed
18	Infrastructure Development at IGCs	44.51	38.51	217.41	Progressing
19	Angel funding /seed funding	28.00	16.00	13.17	Progressing
20	Entrepreneur support through mentoring	9.00	7.04	5.25	Progressing
21	Mega food Park, Cherthala	43.00	18.00	55.14	Progressing
22	Business Incubator for medical devices	5.50	3.50	3.50	Completed
23	Integrated Business hubs	0.00	0.00	0.18	Available land being identified.
24	Manufacturing Industrial Zone Angamaly	8.00	10.00	12.34	Completed

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25	Common Facilities for Women in IGCs	0.80	0.80	0.80	Work awarded to Nirmithi Kendra
26	MEDS Park	26.00	1.55	2.17	Progressing
	Total	1,207.33	940.62	1,027.76	

KSIDC is only the nodal agency on Entrepreneur Support Scheme. Rs 20 lakhs received from Government is on account of entrepreneur support scheme, which is already released to the loanee

16 EQUITY SHARE CAPITAL

Rs in lakhs

Particulars	2019-20	2020-21
a Authorised: 40,00,000 (40,00,000) Equity shares of Rs.1,000/- each	40000.00	40000.00
b Issued, Subscribed and fully paid up: 30,12,435 (30,12,435) Equity shares of Rs.1,000/- each	30124.35	30124.35

c Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	As at 31.3.2020		As at 31.3.2019	
	No. of Shares	Amount in lakhs	No. of Shares	Amount in lakhs
At the beginning of the period			30124.35	
Add: Shares issued during the year			Nil	
Less: Shares bought back during the year			Nil	
Add: Other movements during the year			Nil	
Outstanding at the end of the period			30124.35	

d Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs 1000/- per share.

	As at 31.3.2020	As at 31.3.2019
e Shares held by holding /ultimate holding company /or their subsidiaries /associates.	Nil	Nil
f Details of shareholders holding more than 5 % shares	100 % owned by the Government	
g	As at 31.3.2020	As at 31.3.2019
Aggregate number of shares issued for consideration other than cash, bonus shares issued and shares bought back during the period of 5 years immediately preceding the reporting date.	Nil	Nil

17 Other Equity

Rs in lakhs

Particular	Statutory Reserved u/s 45 IC of RBI Act	Capital Reserve	Special Reserve u/s 36(i) (viii) of IT Act	Provision for bad and Doubtful debts u/s 36 1(viia) of IT Act	Retained Earnings	Debt instruments through OCI	Total
Balance at the beginning of the reporting period	676.19	4,952.61	9,342.88	610.45	30,434.87		46,017.01
Changes in accounting policy/ Prior period errors							
Restated balance at the beginning of the reporting period	676.19	4,952.61	9,342.88	610.45	30,434.87		46,017.01
Total Comprehensive Income for the year							
Addition during the year					7,807.44		7,807.44
Dividends					6.15		6.15
Transfer to/from retained earnings	791.12		220.07	153.64	1,164.83		
Any other changes(Bad debt write off)				101.40			101.40
Balance at the end of the reporting period	1,467.31	4,952.61	662.69	21,456.46			38,102.03

Interest Income

Rs in lakhs

Particulars	2019-20			2018-19		
	On Financial Assets measured at fair value through OC	On Financial Assets measured at amortised Icost	On Financial Assets measured at fair value through P&L	On Financial Assets measured at fair value through OCI	On Financial Assets measured at amortised cost	On Financial Assets measured at fair value through P&L
Interest on Loans		2,191.79			2,822.46	
Dividend income from investments	1,804.37	-		1,315.12	-	
Interest on deposits with banks		1,562.40			1,267.01	
Other Interest Income		21.43			15.92	
Total Income		3,775.62			4,105.39	
* Net gain/loss on fair value changes					Current Year	Previous Year
A) Net gain/ (loss) on financial instruments at fair value through profit or loss						
(I) On trading portfolio						
(II) on Financial instruments measured at fair value through P&L					0	0
Total Net gain/loss on fair value changes					0	0
Fair values changes - Realised - Unrealised					0	0

18 INTEREST INCOME

Rs. in Lakhs

Particulars	2019-20	2018-19
Interest on Term Loan	2291.90	2973.12
Total	2291.90	2973.12
Less : Interest on Term Loan- Std Accrued - Opening.	-	5.23
Total	2291.90	2967.90
Less: Rebate	100.11	145.43
Net Interest Income	2191.79	2822.46

Rebate to loanees: KSIDC is granting rebate up to a maximum of 1%, maintaining the net interest rate at 9%, at the end of each quarter of every financial year by reversal of the interest charged, provided there are no arrears of interest as at the end of each quarter. The reduction in interest as above is calculated on the outstanding principal alone and there shall be no reversal of penal interest portion. Further the 306th Board Meeting fixed the net interest rate after rebate as 8.5%. A sum of Rs.100.11 lakhs (P.Y Rs 145.43 lakhs) has been expended as this rebate during the FY 2019-20.

19	Dividend Income	31.03.2020	31.03.2019
	Dividend from quoted investments	1591.63	1117.03
	Dividend from unquoted investments	212.74	198.09
	Total	1804.37	1315.12

21	OTHER INCOME	31.03.2020	31.03.2019
	Particulars		
	Interest on bank deposit	1562.40	1267.01
	Interest on staff loan	21.08	12.79
	Interest others	0.36	3.12
	Bad debts recovered	53.94	0.95
	Directors Sitting Fees	4.53	5.12
	Miscellaneous income	0.12	0.47
	Sale of tender forms	0.19	0.48
	Unwinding Income	92.44	98.72
	Total	1735.05	1388.66

22	FINANCE COST	-	-
		-	-

23	EMPLOYEE BENEFIT EXPENSES	31.03.2020	31.03.2019
	Particulars		
	Salaries	893.95	623.82
	Pension Fund	24.97	26.98
	Extra allowances	24.43	48.91

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Festival allowances	2.66	1.50
PF Staff	43.44	43.31
Welfare Expenses to staff	22.85	43.56
Honorarium to Medical Officer	2.25	2.06
Medical expenses	23.59	30.99
Staff Training Expenses	5.02	2.84
Staff Recruitment Expenses	1.96	4.15
Gratuity	19.07	20.98
Pension	0.00	1.93
Leave Surrender	7.29	38.76
Total	1071.49	889.78

24 DEPRECIATION AND AMORTIZATION EXPENSES	Rs. in Lakhs	
Particulars	31.03.2020	31.03.2019
Depreciation	35.95	34.39
Total	35.95	34.39

25 Impairment of financial instruments

Particulars	2019-20		2018-19	
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at amortised cost	On Financial Assets measured at fair value through OCI	On Financial Assets measured at amortised cost
Loans		89.95	212.96	
Investments		-	-	
Others Current account with companies		10.50		

25(a) Impairment of financial instruments

Particulars	2019-20		2018-19	
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at amortised cost	On Financial Assets measured at fair value through OCI	On Financial Assets measured at amortised cost
Loans				
Investments		159.84		
Others				

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		Rs. in Lakhs	
26	OTHER EXPENSES	31.03.2020	31.03.2019
	Honorarium to Chairman	2.62	2.62
	Salaries and allowances : Directors	8.48	20.36
	P.F. Administrative Charges	1.07	1.89
	P.F. Insurance	1.99	0.39
	Welfare expenses : Directors	0.12	0.34
	Travelling expenses		
	: Chairman	4.62	4.14
	: Managing Director	2.83	3.15
	: Directors	1.69	1.41
	: Executive Director	0.10	-
	: Staff &Others	60.47	60.59
	Directors Sitting Fee	0.11	0.09
	Foreign Tour Expenses	-	9.29
	Rates & Taxes	5.70	3.59
	Electricity & Water	13.40	12.57
	Motor Car Expenses	5.82	5.96
	Generator Running Expenses	0.74	1.26
	Printing and Stationery	6.11	8.87
	Postage, Telegrams and Telephones	14.17	18.21
	Repairs - Building	9.03	4.06
	Repairs - Other	23.41	26.05
	Advertisement and Publicity	18.49	38.80
	Promotional expenses	9.30	11.60
	Miscellaneous Expenses	4.55	4.60
	Insurance	1.39	0.74
	Filing Fee	0.25	0.30
	Bank Charges	0.07	0.06
	Subscription & Membership	3.72	4.88
	Gardening Expenses	0.01	0.04
	Board Meeting Expenses	0.49	0.76
	Hospitality Expenses	14.32	13.76
	Legal & Professional Fees	10.57	5.41
	Project Expenses	31.86	115.37
	Loss on Sale of Fixed Assets	-	0.03
	Internal Audit Fee	2.60	2.18
	Tax Audit Fee	0.81	0.73
	Statutory Audit Fees	3.77	3.27
	GST Audit Fee	0.82	1.64
	CSR Activity	18.47	60.67
	Amortised Dividend on Preference share	92.44	100.42
	Seed Fund Expenses	-	0.06
Total		376.38	550.14

26.1 Auditor's Fees and Expenses

Rs. in Lakhs

	31.03.2020	31.03.2019
Statutory Audit Fee	3.77	2.87
Internal Audit Fee	2.60	2.18
Tax Audit Fee	0.81	0.73
GST Audit Fee	0.82	1.64
Audit expenses		0.15
Other services		0.25
Total	7.99	7.82

CSR activities: KSIDC had taken up various activities under corporate social responsibility during the current financial year. As per the provisions of Companies Act, 2013 the amount as required to be spent by the Corporation towards CSR activities is Rs 56.65 lakhs. Actual amount spent during the period is Rs 18.47 lakhs. Unspent amount kept in separate bank account namely Unspent CSR Account, which will be utilised during next year

Particulars	in cash / cheque	yet to be paid	Total
(i) Construction /acquisition of any asset			
(ii) On purposes other than (i) above			
Free education to girl children Wecreatelives Social Welfare& Technology /	17.04	Nil	17.04
Differently abled woman/Purchase of Skill training kits	1.43	Nil	1.43
CSR Meeting	18.47	Nil	18.47

BAD DEBTS :Corporation had written off a sum of Rs. 101.4 lakhs in the current year (Rs 2.49 lakhs in the previous year) as unrecoverable from assisted industrial units on account of loan and current account balances. As balance in the provision for bad and doubtful debts was more than sufficient to cover the bad debts written off, no amount has been charged against the profit and loss account.

27 EXCEPTIONAL ITEMS

Prior Period Income	0.00	0.00
Prior Period Expenses	0.00	0.00

28 INCOME TAX

The components of income tax expenses for the year ended 31st March 2020 and 31st March 2019 are:

Rs. in Lakhs

Particulars	31.03.2020	31.03.2019
Current Tax	939.54	674.83
Adjustment in respect of current income tax of prior years	0.00	0.00
Deferred tax relating to origination and reversal of temporary differences	(728.14)	209.12
Total tax charge	211.40	883.95

Income tax recognised in other OCIDeferred tax related to items recognised in OCI during the period: **6,262.31** **5,610.67****Income tax charges to OCI** **6,262.31** **5,610.67****Reconciliation of the total tax charge:**

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the periods ended 31 March 2020 and 31 March 2019 is, as follows:

Particulars	Rs. in Lakhs	
	31.03.2020	31.03.2019
Accounting profit before tax	4,167.00	4,264.90
At India's statutory income tax rate of 29.12% (2019: 28.84%)	1,213.43	1,230.00
Income not subject to tax	566.86	1564.32
Deduction u/s 36	373.71	360.68
Taxable Income as per Income tax	3,226.44	2,339.90
Income tax expense reported in the Statement of Profit and Loss	939.54	674.83
Current Year Tax	939.54	674.83
Total	939.54	674.83

29 EARNINGS PER SHARE

Particulars	31.03.2020	31.03.2019
No of shares outstanding	3012435.00	3012435
Face Value of one share (Rs)	1000.00	1000
Profit after tax (Rs in lakhs)	3955.61	3380.95
EPS -Basic(in Rs)	131.31	112.23
Share Application money pending allotment (Rs in lakhs)	-	-
Share Application money -Current Liability portion (Rs in lakhs)	-	-
Total (Rs in lakhs)	-	-
Equivalent No of Shares	-	-
Total No. of Shares	3012435.00	3012435.00
EPS-Diluted (in Rs)	131.31	112.23

31 Contingent liabilities

Tax Matters- Income tax return filed up to assessment year 2019-20. Assessments completed up to assessment year 2017-18. Appeals filed by the Corporation is pending before Commissioner (Appeals) for the assessment years 2006-07, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 and 2017-18 and High Court for the Assessment years 2006-07, 2008-09, 2009-10, 2010-11 and 2011-12. From the assessment year 1997-98, based on change in Income Tax Act, the Corporation has decided to adopt cash system of accounting for the purpose of income

tax. Provision for income tax from the assessment year 1997-98 has been made based on income arrived at as per cash system of accounting.

Taxes under dispute

Rs. in Lakhs

Particulars	Forum where dispute is pending	Amount
Income Tax AY 2006-07	CIT(Appeal)	124.71
Income Tax AY 2006-07	High Court	174.27
Income Tax AY 2008-09	High Court	8.38
Income Tax AY 2009-10	High Court	11.93
Income Tax AY 2010-11	High Court	10.14
Income Tax AY 2011-12	High Court	9.99
Income Tax AY 2012-13	CIT(Appeal)	9.84
Income Tax AY 2013-14	CIT(Appeal)	10.33
Income Tax AY 2014-15	CIT(Appeal)	16.18
Income Tax AY 2015-16	CIT(Appeal)	13.09
Income Tax AY 2016-17	CIT(Appeal)	15.81
Income Tax AY 2017-18	CIT(Appeal)	17.94
SubTotal		422.62
Service Tax		200.00
Total		622.62

Sales tax: Assessments have been completed up to the year 2001-02. Assessments are not yet completed for the year 2002-03 and 2003-04.

The Common Wealth Trust, Kozhikode (Acquisition and Transfer of Undertaking) Act, 2012 is an Act passed by the state legislature for acquisition of the assets and liabilities of Comtrust and assigning the same in favour of KSIDC. However, KSIDC has not taken the acquisition of the assets and liabilities in view of the pending litigation before the Honorable High Court. The aforesaid Act is yet to be notified by the Government pending preparation of rules under the Act. Further Government is yet to appoint Commissioner of payments for settling the liabilities. In view of the above there is no contingent liabilities on KSIDC and there for no disclosure required for the contingent liability also refer note no 11.

32 SEGMENT REPORTING

Rs. in Lakhs

Total Income from Term Lending	2191.79	2822.46
Dividend Income from Investments	1804.37	1315.12
Total	3996.16	4137.58

33 Related Party Disclosures:

The company/s related parties principally consist of joint ventures, associated and their subsidiaries. Payments to Key managerial personnel is also disclosed in the related party disclosure

Rs. in Lakhs
As on 31.03.2020

Party	Percentage of Holding	Share investment	Loan Current account balance
Kerala Venture Capital Fund		46.25	-2.59
INKEL KSIDC PROJECTS LTD.	26%	278.63	Nil
KERALA GAIL GAS LTD	50%	0.50	1.10
Oen India	25%	9.34	786.94
Nitta Gelatin	31.53%	1364.07	
Reva Proteins Ltd	Subsidiary of Nitta Gelatin		653.03
Kuttiyadi Coconut Industrial Park Ltd.		2.50	
Key Managerial Personnel	Capacity	Nature of transaction	Amount Rs in Lakhs
Harikishore IAS	Managing Director	-	-
Aravindakshan K	CFO	Salaries & Allowances	14.92
Suresh Kumar K	DGM & CS	Salaries & Allowances	18.54

33 Fair Value Measurement

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

Rs in lakhs

Hierarchy of Valuation	Classification	Cost as on 31.3.2020	Fair Value as on 31.3.2020	Fair Value as on 31.3.2019
Level I financial instruments	Quoted shares	2,606.74	17,849.28	37,204.92
Level II financial instruments	Unquoted Shares for which Balance sheet available	4,939.14	5,551.52	4,514.64
Level III financial instruments	Unquoted Shares for which Balance sheet not available from 2014	782.26	-	-
Level III financial instruments	Companies under Liquidation	84.60	-	-
Level III financial instruments	Companies with JV	1,691.94	1,643.19	1,643.19
Level III financial instruments	Companies with Associates	9.34	58.09	58.09

34 Capital Management

Regulatory capital-related information is presented as part of the RBI mandated disclosures. The RBI norms require capital to be maintained at prescribed levels. In accordance with such norms, Tier I capital of the company comprises of share capital, share premium, reserves and perpetual debt, Tier II capital comprises of subordinated debt and provision on loans that are not credit-impaired. There were no changes in the capital management process during the periods presented.

Rs in lakhs

Particulars	31.03.2020	31.03.2019
Tier I capital	62,184.68	70,371.79
Tier II capital	-	-
Total Capital	62,184.68	70,371.79
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount raised by issue of Perpetual Debt Instrument	-	-
Risk weighted assets	51,213.76	69,757.55
CRAR %	121%	101%

35 KSIDC has not availed any loan and not taking deposit from public and therefore Asset Liability Management & Maturity pattern is not applicable to KSIDC

36 KSIDC has not provided any loans and advances against securities/shares, pledge or otherwise, and hence Exposure to Capital Market is not applicable

37 **Concentration of Advances, Exposures and NPAs**

(i) Concentration of Advances		Rs in lakhs	
Particulars		2019-20	
Total advances to twenty largest borrowers		22,593.45	
Percentage of advances to twenty largest borrowers to Total Advances of the Corporation		60%	
(ii) Concentration of Exposures		2019-20	
Particulars		2019-20	
Total exposure to twenty largest borrowers			
Percentage of exposure to twenty largest borrowers to Total exposure of the Corporation			
(iii) Concentration of NPAs		2019-20	
Particulars		2019-20	
Total exposure to top four NPA accounts		4,821.05	
(iv) Sector wise NPA as on 31.03.2020			
Rs in lakhs			
Particulars	%	No. of accounts	Outstanding Principal
Artificial Intelligence	0.04%	1	6.84
Coir	1.78%	1	347.18
Electronics	0.52%	1	100.77
Fertilisers & Chemicals	0.29%	1	56.11
Food	7.71%	6	1,505.69
Gold	2.49%	2	485.79
Health	2.28%	3	445.23
Hospitality	32.00%	10	6,249.97
Iron & Steel	5.22%	3	1,019.34
IT & Software	0.24%	1	46.25
Light Engineering	0.33%	1	64.08
Manufacturing	15.10%	10	2,948.71
Manufacturing - Construction materials	12.29%	5	2,400.82
Media	0.00%	1	0.45
Paper	0.21%	2	40.41
Petroleum & Petrochemicals	1.68%	3	328.60
Pharmaceuticals	5.00%	1	977.41
Service	5.84%	3	1,141.30
Textiles	6.99%	4	1,364.41
Total	100%	59	19,529.37

38 NPA Position and movement of NPA

Particulars	2019-20		2018-19	
	Rs. in lakhs	No. of units	Rs. in lakhs	No. of units
Total loan outstanding	37,539.01	92	38,905.38	92
Standard assets	18,009.63	33	18,671.06	34
Substandard assets	2,959.86	12	3,452.97	15
D1 assets	3,811.42	9	2,382.87	4
D2 assets	890.87	1	2,174.95	3
D3 assets	11,552.84	31	11,909.15	30
Loss assets	314.39	6	314.39	6
Loan classified as NPA	19,529.37	59	20,234.32	58
Gross NPA	52.02%		52.01%	
Net NPA	13.32%		14.34%	

39. Overseas Assets

The company does not have any joint ventures or subsidiaries abroad

40. Customer Complaints

Particulars	31.03.2020	31.03.2019
(a) No. of complaints pending at the beginning of the year	Nil	Nil
(b) No. of complaints received during the year	Nil	Nil
(c) No. of complaints redressed during the year	Nil	Nil
(d) No. of complaints pending at the end of the year	Nil	Nil

41. Disclosure of Penalties imposed by RBI and other regulators

“No penalties imposed by RBI and other regulators

42 Disclosure pursuant to Reserve Bank of India Circular DOR.No.BP.BC.63/21.04.048/2020-21 dated 17 April 2020 pertaining to Asset Classification and Provisioning in terms of COVID-19 Regulatory Package

Particulars	2019-20
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended	Nil
Respective amount where asset classification benefit is extended	Nil
General provisions made	Nil
General provisions adjusted during the period against slippages and the residual provisions	Nil

Loans given by KSIDC is subject to maximum of Rs 35 crores per borrower and is widely spread to various sectors, and therefore concentration of advances and concentration of exposure is not applicable to the Company

For and on behalf of the Board Sd/- Managing Director	Sd/- Director	Sd/- Chief Financial Officer	Sd/- Company Secretary Annexure to our report of even date For RANJIT KARTHIKEYAN & ASSOCIATES Chartered Accountants (FRN 006705 S) Sd/- CA. B. CHANDRASEKHARAN NAIR, B.Com, FCA Partner (M.No. 019922) UDIN : 21019922 AAAASC1382
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Thiruvananthapuram
15-04-2021

**SCHEDULE TO THE BALANCE SHEET OF A NON-DEPOSIT TAKING
NON- BANKING FINANCIAL COMPANY AS ON 31.3.2020**

(As required in terms of paragraph 13 of Non-Banking (Non-deposit Accepting or holding)
Companies Prudential Norms (Reserve Bank) Directions, 2007)

	(Rs. in lakhs)		
Particulars	Amount Outstanding	Amount Overdue	
LIABILITIES SIDE			
1	Loans and advances availed by the non banking financial company inclusive of interest accrued thereon but not paid	NIL	NIL
a	Debentures : Secured	NIL	NIL
	: Unsecured	NIL	NIL
	(other than falling within the meaning of public deposits*)		
b	Deferred Credits	NIL	NIL
c	Term Loans	NIL	NIL
d	Inter-corporate loans and borrowing	NIL	NIL
e	Commercial Paper	NIL	NIL
f	Other Loans (specify nature)		
ASSETS SIDE		Amount Outstanding	
2	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :		
a	Secured	37,539.01	
b	Unsecured	NIL	
3	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	NIL	
i	Lease assets including lease rentals under sundry debtors :		
	(a) Financial lease		
	(b) Operating lease		
ii	Stock on hire including hire charges under sundry debtors :		
	(a) Assets on hire		
	(b) Repossessed Assets		
iii	Other loans counting towards AFC activities		
	(a) Loans where assets have been repossessed		
	(b) Loans other than (a) above		

4 Break up of investments

Current investments

1 Quoted

i	Shares	
	(a) Equity	NIL
	(b) Preference	NIL
ii	Debentures and bonds	NIL
iii	Units of mutual funds	NIL
iv	Government Securities	NIL

2 Unquoted

i	Shares	
	(a) Equity	NIL
	(b) Preference	NIL
ii	Debentures and Bonds	NIL
iii	Units of mutual funds	NIL
iv	Government Securities	NIL
v	Others Joint Venture	NIL

Long term investments

1 Quoted

i	Shares	
	(a) Equity	2,661.74
	(b) Preference	-
ii	Debentures and bonds	NIL
iii	Units of mutual funds	NIL
iv	Government Securities	NIL
v	Others Joint Venture	NIL

2 Unquoted

i	Shares	
	(a) Equity	5751
	(b) Preference	1252.20
ii	Debentures and bonds	NIL
iii	Units of mutual funds	NIL
iv	Government Securities	1701.25
v	Others - Joint Venture	

5 Borrower group-wise classification of assets financed as in (2) and (3) above

Category	Amount net of provisions		
	Secured	Unsecured	Total
1 Related Parties			
a. Subsidiaries	-	-	-
b. Companies in same group			
c. Other related parties			
2 Other than related parties	37539.01	-	37539.01
Total	37539.01	-	37539.01

6 **Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :**

Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1 Related Parties		
a. Subsidiaries		
b. Companies in same group		
c. Other related parties	1701.28	1655.03
2 Other than related parties	24506.17	9664.94
Total	26207.45	11366.22

7 **Other Information**

	Amount
i Gross Non performing assets	
Related Parties	
Other than related parties	19529.37
	<u>19529.37</u>
ii Net non performing assets	
Related Parties	0
Other than related parties	2663.87
iii Assets acquired in satisfaction of debt	NIL

For and on behalf of the Board Sd/- Managing Director	Sd/- Director	Sd/- Chief Financial Officer	Sd/- Company Secretary Annexure to our report of even date For RANJIT KARTHIKEYAN & ASSOCIATES Chartered Accountants (FRN 006705 S) Sd/- CA. B. CHANDRASEKHARAN NAIR, B.Com, FCA Partner (M.No. 019922) UDIN : 21019922 AAAASC1382
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Thiruvananthapuram
15-04-2021

Disclosure required as per RBI Notification No. DOR (NBFC).CC.PD.No.109/22.10.106/2019-20 dated March 13,2020

In accordance with the regulatory guidance on implementation of Ind AS issued by RBI on 13.03.2020, the corporation had computed provisions as per Income Recognition Asset Classification and Provisioning (IRACP) norms issued by RBI solely for comparative purposes as specified therein. A comparison between provisions required under IRACP and impairment allowance under Ind AS 109 is given below:

		<i>Rs. in lakhs</i>				
Asset Classification as per RBI Norms	Asset classification as per Ind AS 109	Gross Carrying Amount as per Ind AS	Loss Allowances (Provisions) as required under Ind AS 109	Net Carrying Amount	Provisions required as per IRACP norms	Difference between Ind AS 109 provisions and IRACP norms
(1)	(2)	(3)	(4)	(5)=(3)-(4)	(6)	(7)=(4)-(6)
Performing Assets						
Standard	Stage 1	18,009.64	682.20	17,327.44	252.42	429.78
Subtotal	Stage 2	-	-	-	-	-
Non-Performing Assets (NPA)						
Sub-standard	Stage 3	2,959.86	311.84	2,648.02	295.99	15.85
Doubtful - up to 1 year	Stage 3	3,811.42	3,811.42	-	762.28	3,049.14
1 to 3 years	Stage 3	890.87	890.87	-	267.26	623.61
More than 3 years	Stage 3	11,552.84	11,552.84	-	5,776.42	5,776.42
Subtotal for doubtful		16,255.13	16,255.13	-	6,805.96	9,449.17
Loss	Stage 3	314.39	314.39	-	314.39	0.00
Subtotal for NPA		19,529.38	16,881.36	2,648.02	7,416.34	9,465.02
Other items such as guarantees, loan commitments, etc. which are in the scope of Ind AS 109 but not covered under current Income Recognition, Asset Classification and Provisioning (IRACP) norms						
Subtotal		-	-	-	-	-
Total	Stage 1	18,009.64	682.20	17,327.44	252.42	429.78
	Stage 2	-	-	-	-	-
	Stage 3	19,529.38	16,881.36	2,648.02	7,416.34	9,465.02
	Total	37,539.01	17,563.56	19,975.46	7,668.76	9,894.80

KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LTD.

CONSOLIDATED BALANCE SHEET AS AT 31-03-2020

R.s. in lakhs

Particulars	Notes	As at 31.03.2020	As at 31.03.2019
I ASSETS			
1 Financial Assets			
a Cash and cash equivalents	2	584.95	2004.68
b Bank balances other than (a) above	3	24960.79	19370.04
c Receivables	4		
(i) Trade Receivables			
(ii) Other Receivables		243.75	228.01
d Loans	5	20203.98	21234.24
e Investments	6	32089.32	50190.44
f Other financial assets	7	1026.24	1616.65
Sub-Total		79109.02	94644.06
2 NonFinancial Assets			
a Inventories			
b Current tax assets (net)	8	2422.74	1770.41
c Deferred Tax Assets (net)			
d Property Plant & Equipment	9	335.29	351.92
e Capital work in progress	10	135.54	135.54
f Other intangible Assets	9	2.61	8.01
g Other non financial assets	11	649.81	74.32
Sub-Total		3545.99	2340.20
TOTALASSETS		82655.02	96984.26
II EQUITYANDLIABILITIES			
LIABILITIES			
1 Financial liabilities			
a Derivative financial instruments			
b Payables	12		
(i) Trade Payable			
(a) total outstanding to MSME		0.00	0.00
(b) total outstanding to other creditors		32.06	58.61
(ii) Other Payable			
(a) total outstanding to MSME			
(b) total outstanding to other creditors		103.43	101.56
c Borrowings (other than debt securities)		0.00	0.00
d Other financial Liabilities			
Sub -Total		135.49	160.17
2 Non Financial liabilities			
a Provisions	13	4883.49	3590.79
b Deferred tax liabilities (net)	14	8227.02	15231.15
c Other non financial liabilities	15	1182.64	1860.79
Sub -Total		14293.15	20682.73
EQUITY			
a Equity share capital	16	30124.35	30124.35
b Other equity	17	38102.03	46017.01
Sub-Total		68226.38	76141.36
TOTALLIABILITIESANDEQUITY		82655.02	96984.26

Summary of Significant Accounting Policies

The accompanying notes are integral part of the financial statements

For and on behalf of the Board
 Sd/- Managing Director Sd/- Director Sd/- Chief Financial Officer

Sd/-
 Company Secretary
 Annexure to our report of even date
 For RANJIT KARTHIKEYAN & ASSOCIATES
 Chartered Accountants
 (FRN 006705 S)

Thiruvananthapuram
 15-04-2021

Sd/-
 CA.B. CHANDRASEKHARAN NAIR, B.Com, FCA
 Partner (M.No. 019922)
 UDIN : 21019922 AAAASC1382

KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LTD.

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2020

Rs. in lakhs

Particulars	Notes	For the Year ended 31-3-2020	For the Year ended 31-3-2019
I Revenue from Operations			
i Interest Income	18	2191.79	2822.46
ii Dividend Income	19	1804.37	1315.12
iii Rental Income		0.00	0.00
iv Fee and commission Income	20	0.00	0.00
v Net gain on fair value change		0.00	0.00
vi Net gain on derecognition of financial instruments under amortised cost	25	89.95	212.96
vii Others			
I Total Revenue from Operation		4086.11	4350.55
II Other Income	21	1735.05	1388.65
III Total Income (I + II)		5821.17	5739.21
IV Expenses			
i Finance Cost	22	0.00	0.00
ii Fee and commission Expenses		0.00	0.00
iii Net loss on fair value changes		0.00	0.00
iv Net loss on derecognition of financial instruments under amortised cost	25	10.50	0.00
v Impairment of financial instrument	25(a)	159.84	0.00
vi Employee Benefit Expenses	23	1071.49	889.78
vii Depreciation, amortization and impairment	24	35.95	34.39
viii Other Expenses	26	376.38	550.14
IV Total Expenses (IV)		1654.16	1474.31
V Profit before exceptional items and tax (III-IV)		4167.00	4264.90
VI Exceptional items	27		0.00
VII Profit before Tax (V-VI)		4167.00	4264.90
VIII Tax expense:			
1) Current Tax	28	939.54	674.83
2) Deferred Tax (including gain of Rs. 2.13 crores on account of changes in tax rates)	14	-728.14	209.12
VIII Total Tax Expenses		211.40	883.95
IX Profit (Loss) for the year from continuing operations (VII-VIII)		3955.61	3380.95
Share of Profit (loss) from Associates & Joint venture			
Share of Profit (loss) from Associates		182.57	313.90
Share of Profit (loss) from Joint venture		275.00	-57.14
IX Profit (loss) for the year		4413.18	3637.71
X Other Comprehensive Income/(loss) (OCI)			
(A) (i) Items that will not be reclassified to profit and loss			
- Remeasurement gain/(loss) on defined benefit plan		-8.98	-9.80
- Net gain/(loss) on equity instruments through OCI		-18288.50	-16128.33
(ii) Income tax impact thereon		6262.31	5661.10
(B) (i) Item that will be reclassified to profit and loss			
(ii) Income tax impact thereon			
Share of Other Comprehensive Income/(Loss) from Associates & Joint venture			
Share of Other Comprehensive Income/(Loss) from Associates		0.00	0.00
Share of Other Comprehensive Income/(Loss) from Joint venture		-185.44	36.00
Total other comprehensive income/(loss), net of taxes		-12220.62	-10441.03
XI Total Comprehensive income/(loss) for the year (IX-X)		-7807.44	-6803.32
XII XII Earning per equity share	29		
(1) Basic - Continuing Operations	Rs	146.50	120.76
(2) Diluted - Continuing Operations	Rs	146.50	120.76

The accompanying notes are integral part of the financial statements

For and on behalf of the Board Sd/- Managing Director Thiruvananthapuram 15-04-2021	Sd/- Director Sd/- Chief Financial Officer	Sd/- Company Secretary Annexure to our report of even date For RANJIT KARTHIKEYAN & ASSOCIATES Chartered Accountants (FRN 006705 S) Sd/- CA. B. CHANDRASEKHARAN NAIR, B.Com, FCA Partner (M.No. 019922) UDIN : 21019922 AAAASC1382
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CONSOLIDATED CASH FLOW STATEMENTS FOR THE YEAR ENDED 31.3.2020

Rs. in Lakhs

Particulars		Year ended March 31, 2020		Year ended March 31, 2019	
A	Profit Before Tax-and-extra-ordinary-items	4167.00		4,264.90	
Add:	Depreciation on Fixed Assets	35.95		34.39	
	(profit)/loss on sale of fixed assets		-	0.03	
	Impairment of financial instrument	159.84			
Less	Net gain on derecognition of financial instruments under amortised cost	89.95			
	Unwinding income charged in P&L A/c		-	98.72	
	Operating Profit before changes in Operating Assets	4272.84			4,200.61
	Adjustment for Change in Operating Assets				
	(Increase)/Decrease in Loans & Advances	1018.81		(800.46)	
	(Increase)/Decrease in Receivables	(15.74)		(20.33)	
	(Increase)/Decrease in Other Financial Assets	602.37		126.66	
	(Increase)/Decrease in Current Tax	(46.27)		5073.17	
	(Increase)/Decrease in other advances		-	(0.25)	
	(Increase)/Decrease in Other Non Financial Assets	(575.49)		303.60	
	Increase /(Decrease) in Liabilities & Provisions	353.16		(5466.76)	
	Increase /(Decrease) in Payables	(24.68)		26.94	
	Increase /(Decrease) in Other Non financial Liability	(678.15)		(1456.93)	
	Changes In operating assets and liabilities		634.01		(2214.36)
	Income Tax Paid (Net of Refund)		606.19		650.00
	Net Cash From Operating Activities	4300.66			1336.25
B	Cash Flow from Investing Activities				
	Purchase of (Net of sale) of Fixed Assets	(13.91)		(41.68)	
	Addition on Capital Work in Progress- Various Projects		-		-
	(Increase) /Decrease in Share investments	(11.96)		835.30	
	Cash Flow from Investing Activities		(25.87)		
C	Cash Flow from Financing Activities				703.62
	Increase in Equity Capital	-	-		
	Increase in Borrowings	-	-		
	Decrease in other equity due to bad debt	(101.40)		(2.59)	
	Dividend and Tax Thereon	(6.15)		(205.28)	
	Net Cash Flow from Financing Activities	(107.55)			(207.87)
	Net Increase in Cash & Cash Equivalents	4167.25			1922.00
	Cash & Cash Equivalent at the Beginning	21374.72			19452.72
	Cash & Cash Equivalent at the End	25545.74			21374.73

For and on behalf of the Board
 Sd/- Managing Director Sd/- Director Sd/- Chief Financial Officer

Sd/-
 Company Secretary
 Annexure to our report of even date
 For RANJIT KARTHIKEYAN & ASSOCIATES
 Chartered Accountants
 (FRN 006705 S)

Thiruvananthapuram
 15-04-2021

Sd/-
 CA.B. CHANDRASEKHARAN NAIR, B.Com, FCA
 Partner (M.No. 019922)
 UDIN : 21019922 AAAASC1382

Consolidated Statement of Changes in Equity for the year ended 31st March 2020

A EQUITY SHARE CAPITAL		No of shares	Rs. in lakhs						
Particulars									
As at April 01, 2018		3012435	30,124.35						
Changes in Equity share capital during the year		-	-						
As at March 31, 2019		3012435	30,124.35						
Changes in Equity share capital during the year		-	-						
As at March 31, 2020		3012435	30,124.35						
B Other Equity									
Particulars	Reserves and Surplus			Other Comprehensive Income			Total		
	Statutory Reserves u/s 45 IC of RBI Act	Capital Reserve	Special Reserve u/s 36(i) (viii) of IT Act	Provision for bad and Doubtful debts u/s 36 I(viia) of IT Act	Retained Earnings	Debt instruments through OCI		Equity Instruments through OCI	Other items of OCI
Balance as at 01st April 2018	-	4,952.61	9,096.01	499.24	32,752.16	-	-	5,778.63	53,078.64
Changes in accounting policy/ Prior period errors									
Restated balance at the beginning of the reporting period	-	4,952.61	9,096.01	499.24	32,752.16	-	-	5,778.63	53,078.64
Total Comprehensive Income for the year					-6,803.32				
Addition during the year					205.28				205.28
Dividends									
Transfer to/from retained earnings	676.19		246.88	113.81	-1,036.87				-
Any other changes (Bad debt write off)				2.59	50.44				53.03
Balance as at 31st March 2019	676.19	4,952.61	9,342.88	610.46	24,656.24	-	-	5,778.63	46,017.01
Balance as at 01st April 2019	676.19	4,952.61	9,342.88	610.46	24,656.24	-	-	5,778.63	46,017.01
Changes in accounting policy/ Prior period errors									
Restated balance at the beginning of the reporting period	676.19	4,952.61	9,342.88	610.46	24,656.24	-	-	5,778.63	46,017.01
Total Comprehensive Income for the year					-7,807.44				
Addition during the year					6.15				6.15
Dividends									
Transfer to/from retained earnings	791.12		220.07	153.64	-1,164.83				-
Any other changes(Bad debt write off)				101.40					101.40
Balance as at 31st March 2020	1,467.31	4,952.61	9,562.95	662.69	15,677.83	-	-	5,778.63	38,102.03

**NOTES FORMING INTEGRAL PART OF CONSOLIDATED
FINANCIAL STATEMENTS**

1 Corporate Information

Kerala State Industrial Development Corporation Limited is a company incorporated in India under the provisions of the Companies' Act, 1956. Formed in 1961 with the objective of promoting, stimulating, financing and facilitating the development of large and medium scale industries in Kerala, KSIDC acts as a promotional agency involved in catalysing the development of physical and social infrastructure required for constant growth of industry in the State. KSIDC also acts as a nodal agency for implementation of various projects of Government of Kerala. It is a Public Financial Institution within the meaning of Sec 2 clause 72 of the Companies Act, 2017. KSIDC is also registered as a Non -Banking Financial Company (non deposit taking) under Sec 45- IA of the RBI Act, 1934 with Registration no.16.00028.

SIGNIFICANT ACCOUNTING POLICIES

a Statement of Compliance

The Consolidated financial statements are prepared in accordance with Indian Accounting Standard (referred as "Ind AS") as notified under Section 133 of the Companies Act 2013 read with Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The accounting policies are applied consistently to all the periods presented in the consolidated financial statements

b Basis of Preparation and presentation of consolidated financial statements

Preparation and presentation of consolidated financials statements has been done as per the format prescribed under Division III of schedule III of Companies Act, 2013, for Non - Banking Financial Companies (NBFC) that required to comply with Ind AS . However, previous year figures are regrouped and recasted, wherever necessary. These consolidated financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting polices below. All amounts disclosed in the consolidated financial statements and notes have been rounded off to the nearest lakhs in compliance with Schedule III of the Act, unless otherwise stated.

The Consolidated Financial statements comprise the financial statement of company and its controlled structured entities (collectively known as 'the Group') as at 31 March 2020. The Group consolidates an entity when it controls it. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

The contractual arrangement with the other vote holders of the investee.

The Group's voting rights and potential voting rights- The size of the Group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

Consolidated financial statement is prepared on equity basis . Carrying cost of investment is computed based on percentage of accumulated profit and the difference between the carrying amount and investment is classified under capital reserves. Current year profit of associates and joint venture are routed through profit and loss account and through other comprehensive income or loss respectively . Financial statements of Kuttiyadi Coconut Industrial Park Ltd and Kerala Venture Capital fund are not available hence not considered for consolidation.

c Use of estimates

The preparation of consolidated financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities and the disclosure of contingent assets and liabilities, at the date of this financial statement and the reported amounts of revenues and expenses for the year presented. Actual results may differ from these estimates.

Although these estimates are based on the management’s best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

d Property, plant and equipment

On adoption to Ind As, the Corporation had applied for the one time transition exemption of considering the carrying cost on the transition date i.e. April 1, 2017 as the deemed cost as permitted by Ind AS 101 ‘First time adoption of Indian Accounting Standards’.

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation less accumulated impairment, if any. The total cost of assets comprises its purchase price, freight, duties, taxes and any other incidental expenses directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by the management.

Subsequent expenditure related to an item of tangible asset are added to its gross value only if it increases the future benefits of the existing asset and cost can be measured reliably. Other repairs and maintenance costs are expensed off as and when incurred.

Depreciation methods, estimated useful lives and residual value

Depreciation on fixed assets is charged at the rates prescribed under Schedule II of the Companies Act 2013. Prorata depreciation has been charges in respect of assets acquired/ disposed off during the year.

Useful life considered for calculation of depreciation for various assets class are as follows-

Asset Class	Useful Life
Buildings	60Years
Electrical Fittings	10 Years
Furniture & Fittings	10 Years
Water Tank& Pump Set	10 Years
Office Equipments	5 Years
Computer	3 Years
Solar Based power Systems	15 Years
Intangibles	3 Years
Motor Car & Cycles	8 Years

Fully depreciated assets still in use are retained in financial Statements at residual value. The useful lives are reviewed at least at each year end. Change in expected useful lives are treated as change in accounting estimates. Depreciation is not recorded on capital work in progress until construction and installation are complete and the asset is ready for its intended use

e Other intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of an intangible asset comprises its purchase price and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Intangible assets purchased are measured at cost less accumulated amortisation and accumulated impairment if any. Amortisation is provided on a straight line basis over estimated useful lives of the intangible assets

f Impairment, if any, in the value of fixed assets will be provided for in the year in which it is reckoned.

g Financial instruments

i) Classification, initial recognition and measurement

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Initially, a financial instrument is recognised at its fair value. Transaction cost directly attributable to the acquisition or issue of financial instruments are recognised in determining the carrying amount, if it is not classified as at fair value through profit or loss. Subsequently, financial instruments are measured according to the category in which they are classified. Financial instruments are recognised on the balance sheet when the Company becomes a party to the contractual provisions of the instrument.

Financial assets other than equity instruments are classified into categories: financial assets at fair value through profit or loss and at amortised cost. Financial assets that are equity instruments are classified as fair value through profit or loss or fair value through other comprehensive income. Financial liabilities are classified into financial liabilities at fair value through profit or loss and other financial liabilities

Financial assets at amortised cost: Financial assets having contractual terms that give rise on specified date to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is to hold such assets in order to collect such contractual cash flows are classified in this category. Subsequently, these are measured at amortised cost using the effective interest method less any impairment losses

Fair value through other comprehensive income: Financial assets having contractual terms that give rise on specified date to cash flows that are solely payments of principal and interest on the principal outstanding and that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets are classified in this category.

These include financial assets that are equity instruments and are designated as such upon initial recognition irrevocably. Subsequently, these are measured at fair value and changes therein are recognised directly in other comprehensive income.

Dividends from these equity investments are recognised in the statement of Profit or Loss when the right to receive payment has been established.

Financial assets at fair value through profit and loss: Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition. The transaction costs directly attributable to the

acquisition of financial assets and liabilities at fair value through profit or loss are immediately recognised in profit and loss

Financial liabilities at fair value through profit or loss: These are measured at fair value with changes in fair value recognised in the statement of Profit or Loss

Other financial liabilities: These are measured at carrying cost

ii) Determination of fair value

Company determines the fair value of financial instruments that are quoted in active markets using the quoted prices and using valuation techniques for other instruments. Valuation techniques include discounted cash flow method and other valuation models.

iii) Derecognition of financial assets and financial liabilities:

The company derecognises a financial asset only when the contractual rights to the cash flows from the asset expires or it transfers the financial assets and substantially all the risks and rewards of ownership of the asset to another entity. If the company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the company recognises its retained interest in the asset an associated liability for amounts it may have to pay. If the company retains substantially all the risks and rewards of ownership of a transferred financial asset, the company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received. Financial liabilities are derecognised when these are extinguished, that is when the obligation is discharged, cancelled or has expired

iv) Impairment of financial assets

The company recognises a loss allowance for expected credit losses on a financial asset that is at amortised cost. Loss allowance in respect of financial assets is measured at an amount equal to life time expected credit losses and is calculated as the difference between their carrying amount and the present value of the expected future cash flows discounted at the original effective interest rate

The Company applies expected credit loss (ECL) model in accordance with Ind AS 109 for recognising impairment loss on financial assets. The ECL allowance is based on the credit losses expected to arise over the life of the asset (the lifetime expected credit loss), unless there has been no significant increase in credit risk since origination, in which case, the allowance is based on the 12 months' expected credit loss. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is the portion of Lifetime ECL that represent the ECLs that result from default events on a financial instrument that are possible within the 12 months after the reporting date.

Both Lifetime ECLs and 12-month ECLs are calculated on either an individual basis or a collective basis, depending on the nature of the underlying portfolio of financial instruments.

The Company has grouped its loan portfolio into Term Loan , Working capital loan , Corporate Loan and short term loan . The Company has established a policy to perform an assessment, at the end of each reporting period, of whether a financial instrument's credit risk has increased significantly since initial recognition, by considering the change in the risk of default occurring over the remaining life of the financial instrument. The Company does the assessment of significant increase in credit risk at a borrower level. If a borrower has various facilities having different past due status, then the highest days past due (DPD) is considered to be applicable for all the facilities

of that borrower. Based on the above, the Company categorises its loans into Stage 1, Stage 2 and Stage 3 as described below:

Stage 1

All exposures where there has not been a significant increase in credit risk since initial recognition or that has low credit risk at the reporting date and that are not credit impaired upon origination are classified under this stage. The company classifies all standard advances and advances up to 30 days default under this category. Stage 1 loans also include facilities where the credit risk has improved and the loan has been reclassified from Stage 2.

Stage 2

All exposures where there has been a significant increase in credit risk since initial recognition but are not credit impaired are classified under this stage. 30 Days Past Due is considered as significant increase in credit risk.

Stage 3

All exposures assessed as credit impaired when one or more events that have a detrimental impact on the estimated future cash flows of that asset have occurred are classified in this stage. For exposures that have become credit impaired, a lifetime ECL is recognised and interest revenue is calculated by applying the effective interest rate to the amortised cost (net of provision) rather than the gross carrying amount. 90 Days Past Due is considered as default for classifying a financial instrument as credit impaired. If an event (for eg. any natural calamity) warrants a provision higher than as mandated under ECL methodology, the Company may classify the financial asset in Stage 3 accordingly.

At each reporting date, the company assesses whether financial assets carried at amortised cost and debt financial assets carried at FVOCI are credit-impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

ECL is a product of exposure at default (EAD), probability of default (PD) and loss given by default (LAD), as outlined below.:

Probability of Default (PD) - The Probability of Default is an estimate of the likelihood of default over a given time horizon. A default may only happen at a certain time over the assessed period, if the facility has not been previously derecognised and is still in the portfolio.

Exposure at Default (EAD) - The Exposure at Default is an estimate of the exposure at a future default date.

Loss Given Default (LGD) - The Loss Given Default is an estimate of the loss arising in the case where a default occurs at a given time. It is based on the difference between the contractual cash flows due and those that the Company would expect to receive, including from the realisation of any collateral. It is usually expressed as a percentage of the EAD.

v) Off setting of financial instruments

Financial assets and financial liabilities are off set and the net amount is reported in financial statements if there is a currently enforceable legal right to off set the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Accounting treatment for various Mega Projects:

The 301 st Board of KSIDC held on 27.10.2016 decided to form Special Purpose Vehicles, separately for implementing and managing the various Mega projects being implemented by the Corporation. Accordingly the Corporation had obtained expert opinion from reputed practicing Chartered Accountants and as advised, the expenditure incurred on implementation of such projects had been setoff against the budget allocations received from Government towards such projects and only the net balances recorded.

As per the decision of the 300th Board meeting all expenditure incurred towards setting up and maintaining business incubators are allocated against the income generated there from and the excess expenditure over income generated claimed from the Government.

h Investments in Joint Ventures and Associates

Investments in Joint Ventures and Associates are consolidated at carrying cost and difference between carrying cost and investment are accounted as capital reserve/goodwill as the case may be.

i Government Grants

Grant received from Government/(s) for any specific purpose will be adjusted against the expenses incurred for the purpose for which it is granted and any amount of such grant pending utilization, will be shown under the head Government Grant under other Current Liabilities and will be adjusted against the expenses as and when incurred.

Non-specific Government Grants received, if any, will be recognized as income on a systematic basis in the profit and loss statement over the periods necessary to match them with the related costs which they are intended to compensate as envisaged in Accounting Standard. During this period company has not received any non-specific Government grants.

j Foreign currency transactions:

The financial statements are presented in Indian Rupees (“INR”), which is the functional currency and presentation currency of the Company. Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

k Cash and cash equivalents Cash and cash equivalents comprise the net amount of short-term, highly liquid investments that are readily convertible to known amounts of cash (short-term deposits with an original maturity of three months or less) cheques on hand and balances with banks. They are held for the purposes of meeting short-term cash commitments.

l Provisions

A provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows and the risk specific to the liability

m Contingent Liability:

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. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision is made.

n Sitting fees payable to Directors are treated on cash basis.

o Earnings per share:

The Company reports basic and diluted earnings per share in accordance with Ind AS 33 on Earnings per share. Basic EPS is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

Diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders after giving impact of dilutive potential equity shares for the year by the weighted average number of shares and dilutive potential equity shares outstanding during the year.

p Revenue Recognition:

Revenue (other than for those items to which Ind AS 109 Financial Instruments is applicable) is measured at fair value of the consideration received or receivable. Amounts disclosed as revenue are net of goods and services tax ('GST') and amounts collected on behalf of third parties. Ind AS 115 Revenue from Contracts with Customers outlines a single comprehensive model of accounting for revenue arising from contracts with customers and supersedes previous revenue recognition guidance found within Ind AS.

Ind AS 115 sets out a five - step model as outlined below :-

Step 1: Identify contract(s) with a customer: A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria for every contract that must be met.

Step 2: Identify performance obligations in the contract: A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.

Step 3: Determine the transaction price: The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Step 4: Allocate the transaction price to the performance obligations in the contract: For a contract that has more than one performance obligation, the Company allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Company expects to be entitled in exchange for satisfying each performance obligation.

Step 5: Recognise revenue when (or as) the Company satisfies a performance obligation.

Specific policies for the Company's different source of revenue are as below

The Corporation recognises interest income using Effective Interest Rate (EIR) on all financial assets subsequently measured at amortised cost. The calculation of the effective interest rate includes transaction costs and fees that are an integral part of the contract. Transaction costs include incremental costs that are directly attributable to the acquisition of financial asset.

The Corporation recognises interest income by applying the EIR to the gross carrying amount of financial assets other than credit-impaired assets. In case of credit-impaired financial assets, the Company recognises interest income on the amortised cost net of impairment loss of financial assets at EIR. If financial asset is no longer credit-impaired, the Corporation reverts to calculating interest income on a gross basis."

Dividend on equity investments are recognised in the statement of Profit or loss when the right to receive payment has been established. Dividend from other investment is recognised on cash basis

q Employee Benefit :

(i) Defined benefit plan

Gratuity : The Company provides for gratuity under a defined benefit plan covering eligible employees. The gratuity plan provides a lump-sum payment to eligible employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employees' salary and the tenure of employment with the company. Liabilities of gratuity and leave encashment benefits have been determined based on actuarial valuation, as per the AS 15 (revised). Since it is fully funded, no long term provision is required.

(ii) Defined Contribution plan: Provident Fund and Pension Fund:

Provident Fund deducted from employees' salaries and a portion of the 12% employer's matching contribution are transferred every month to KSIDC Employees Provident Fund Trust which is an exempted establishment formed under Sec 17(1)(a) of the Employees Provident Fund and Miscellaneous Provisions Act, 1952. The said trust manages the funds within the provisions of the EPF Act and rules. All employees who joined after 15.11.1995 are covered under the Employees Pension Scheme 1995 and others under the (earlier) Employees Pension Scheme 1971. The employees who had joined earlier to 15.11.1995 but are not covered under the Employees Pension Scheme 1995 had approached the court for permitting them to exercise the option for pension. The court is yet to pronounce judgement on the issue. In accordance with the recent amendments in the EPF pension rules, employees who joined after 01.09.2014 and drawing a salary of more than Rs 15000/- month are not covered under the pension scheme.

Eligible employees receive benefits from provident fund, which is a defined benefit plan. Out of the 12% matching contribution made by the employer towards EPF, 8.33% (of basic salary plus DA) subject to limits/rules as prescribed from time to time, is transferred to this Provident Fund and the balance to the Government administered pension fund. The rate at which the annual interest is payable to the beneficiaries by the trust is being administered by the Government. The Company has an obligation to make good the shortfall, if any, between the return from the investments of the trust and the notified interest rate.

(iii) Other Employment benefits

Company's liabilities towards compensated absences to employees are accrued on the basis of valuations, as at the Balance Sheet date.

Projected Unit Credit Actuarial Method was applied to assess the Plan liabilities owing to all forms of admissible exit and accumulation of the benefits. The estimated liabilities have been funded through SBI Life and ICICI Prudential Life in the case of leave salary and through SBI Life for Gratuity respectively. The short fall in funding, if any, is included under current liabilities.

(iii) Remeasurement gains and losses

Remeasurement comprising actuarial gains and losses, the effect of the asset ceiling and the return on assets related to retirement benefit plans, are recognised directly in other comprehensive income in the period in which they arise. Remeasurement recorded in other comprehensive income is not reclassified to statement of profit and loss.

Actuarial gains and losses relating to long term employee benefits are recognised in the statement of Profit and loss in the period in which they arise

(iv) Measurement date

The measurement date of retirement plans is 31st March.

Collateral Valuation

To mitigate its credit risks on financial assets, the Company seeks to use collateral, where possible. The collateral comes in various forms, such as movable and immovable assets, guarantees, etc. To the extent possible, the Company uses active market data and external valuers for valuing financial assets held as collateral.

In its normal course of business whenever default occurs, the Company may take possession of properties or other assets in its retail portfolio. Receipts on loan account relating to (i) approval of One Time Settlement cases by the Board (ii) after the initiation of RR proceedings and (iii) from sale proceeds of companies taken over u/s 29 of the SFC's Act, are accounted first as principal receipts and the excess, if any, over principal as interest receipts. If the realization is not sufficient to cover the principal, the shortfall is treated as bad, even though coercive action against the loan guarantors is in force.

r Goods and services tax paid on acquisition of assets or on incurring expenses:

Expenses and assets are recognised net of the goods and services tax except:

- i. When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable.
- ii. When receivables and payables are stated with the amount of tax included.

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

s Income Taxes

Income tax expense comprises current and deferred taxes. Current income taxes are determined based on taxable income and applicable tax rules.

Deferred tax assets and liabilities are recognised for the future tax consequences of temporary differences between the carrying values of assets and liabilities and their respective tax bases. Deferred tax assets are measured based on the tax rates that are expected to apply in the period when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

t Segment Reporting

Operating segment is a component of an entity whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available. The Company's chief operating decision maker is the managing director.

The company is engaged mainly in the NBFC business. Besides lending business company is also having investments in various companies. Thus, in the context of Ind AS 108-operating segments reporting have identified two reportable segment - Lending and Investments

Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on a reasonable basis have been included under “unallocated revenue /expenses / assets /liabilities”, if any.

u Leases

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e., the lessee and the lessor. The standard requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under Ind AS 17. The standard includes two recognition exemptions for lessees – leases of ‘low-value’ assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset. As the Company does not have any material leases, the adoption of this standard is not likely to have a material impact in its Financial Statements.

v Note 51: Impact of COVID-19

Following the global outbreak of Coronavirus (COVID-19) pandemic, lock-down restrictions were imposed by the Government during the last week of the financial year ended March 31, 2020. However, as per the assessment of the management, there has been no significant impact on the operations and financial position of the Company for the year. In accordance with the regulatory package announced by RBI, the Company has offered an optional moratorium on payment of loan instalments falling due between March 1, 2020 and August 31, 2020. For all such accounts where the moratorium is granted, the asset classification shall remain stand still during the moratorium period. In the opinion of the management of the company, the impairment loss as stated in Note 5 is adequate to cover any future uncertainties on account of the above.

2 Cash and cash equivalents

	As at 31.3.2020	Rs. in Lakhs As at 31.3.2019
Cash on hand	0.10	0.23
Current account with bank (includes treasury balance of Rs 9.97 lakhs (P.Y Rs 868.96 lakhs)	584.85	2,004.46
Cheques on Hand	-	-
Postage & Revenue stamp	-	-
	584.95	2004.68

3 Other Bank Balances

	As at 31.3.2020	As at 31.3.2019
Earmarked balance with bank	-	-
Fixed Deposit	18,033.00	11,555.51
Short Term deposit (with up to 12 months maturity)	6,927.79	7,814.53
	24960.79	19370.04

4 Receivables

	As at 31.3.2020	As at 31.3.2019
Secured, considered Good	153.28	144.57
Unsecured Considered good		
Receivables that comes significant increase in credit risk	88.97	72.98
Credit Impaired	10.50	8.90
Less Impairment loss	10.50	
Trade Receivables		
Debts due by directors and other officers		
Travel Advance To Chairman	1.49	1.48
Advance to Staff	0.00	0.08
	243.75	228.01

Current account dues of the companies are considered in the receivables. Book value is considered as the fair value. Current account dues against the loan classified as loss is grouped in receivables that comes significant increase in credit risk and for which impairment is provided. Unsecured considered good includes KCCL having the balance of Rs 145.99 lakhs. Government has issued directions to Coir Gramam to take over KCCL and release payment to KSIDC. However, the land was not taken by the Coir Department till date and has not settled the compensation requested by KSIDC.

d has not settled the compensation requested by KSIDC.

Rs. in Lakhs

5. Loans

	(Current Year)				(Previous Year)				sub Total	Total		
	Amortised Cost	At Fair Vale			Amortised Cost	At Fair Vale						
		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss		Through Other Comprehensive Income	Through profit or loss	Designated at fair value through profit or loss				
1	2	3	4	5=2+3+4	6=1+5	7	8	9	10	11=8+9+10	12=7+11	
(A) Loan												
Bills Purchased and Bills Discounted												
Loans repayable on Demand												
Term Loans	37,539.01				37,539.01	38,887.53						38,887.53
Leasing												
Factoring												
Others	228.31											
Total	37,767.32				37,767.32	38,887.53						38,887.53
Less: Impairment loss allowance	17,563.34				0	17,563.29						17,653.29
Total Net (A)	20,203.98	0	-	0	-	21,234.24	-	-	-	-	-	21,234.24
(B)												
Secured by tangible and intangible assets	37,767.32				37,767.32	38,887.53						38,887.53
Covered by Bank/Government Guarantee												
Unsecured												
Total	37,767.32				37,767.32	38,887.53						38,887.53
Less: Impairment loss allowance	17,563.34				17,563.34	17,653.29						17,653.29
Total Net (B)	20,203.98				20,203.98	21,234.24						21,234.24
© Loans in India												
Public Sector												
Others	37,767.32				37,767.32	38,887.53						38,887.53
Total	37,767.32				37,767.32	38,887.53						38,887.53
Less: Impairment loss allowance	17,563.34				17,563.34	17,653.29						17,653.29
Total Net ©	20,203.98				20,203.97	21,234.24						21,234.24
Details of Others included in Loan				As on 31.3.2020								
Unamortised Processing Charges				107.33								
Interest receivable in Standard and substandard accounted as per IND AS				335.6								
Total				228.27								

Rs in lakhs

ECL Matrix as on 31.4.2019

Particulars	Stage I			Stage II		Stage III				
	No Due	1-30 days past due	31-60 days past due	61-90 days past due	91-456 days past due	More than 457-822days	More than 823 days to 1188 days	More than 1188 days	Loss asset	
	2.75%	2.75%	2.75%	2.75%	10%	100%	100%	100%	100%	
Principal	17,119.72	1,525.24			3,452.97	2,382.87	2,174.95	11,909.15	314.39	38,879.28
Interest Arrear		23.92			132.44					156.36
Total Amount for which ECL to be provided	17,119.72	1,549.17	-	-	3,585.41	2,382.87	2,174.95	11,909.15	314.39	39,035.64
ECL	470.79	42.60	-	-	358.54	2,382.87	2,174.95	11,909.15	314.39	17,653.29

Financial year 2019-20

Particulars	Stage I			Stage II		Stage III				
	A	B	Spl mention account	C	D	E	F	G	H	I
	No Dues	1-30 days past due	7.75%	31-60 days past due	61-90 days past due	91-456 days past due	More than 457-822days	More than 823 days to 1188 days	More than 1188 days	Loss asset
Principal outstanding	9,522.69	4,879.23	3,607.72	-	-	2,959.86	3,811.42	890.87	11,552.84	314.39
Interest Arrear	-	107.09	46.47	-	-	156.37	-	-	-	-
Total Amount for which ECL to be provided	9,522.76	4,986.32	3,654.19	-	-	3,116.22	3,811.42	890.87	11,552.84	314.39
ECL	261.88	137.12	283.20	-	-	311.62	3,811.42	890.87	11552.84	314.39
										17,563.34

Details of reschedulement of loan accounts under MSME category carried out during the FY 2019-20 is as follows:

No. of accounts restructured	Amount (in lakhs)
2	3607.72

6 Investments

	(Current year)				(Previous year)								
	At Fair Value		Amortised Cost	Designated at fair Value through the profit or loss	Sub total	Others	Total	At Fair value			Subtotal	Others	Total
	Through Other Comprehensive Income	Through Profit or Loss						Through Other Comprehensive Income	Through Profit or Loss	Designated at fair Value through the profit or loss			
1	2	3	4	5=2+3+4	6	7=1+5+6	8	9	10	11	12=9+10+11	13	14=8+12+13
Mutual Funds													
Government securities													
Other approved securities													
Debt securities													
Equity Instruments		23,431.05		23,431.05		23,431.05		41,719.55			41,719.55		41,719.55
Subsidiaries				-		-					-		-
Associates				-	4,633.87	4,633.87					-	4,451.30	4,451.30
Joint Ventures				-	3,109.11	3,109.11					-	3,019.55	3,019.55
Others (Preference share)			1,075.12	1,075.12		1,075.12			1,000.04		1,000.04		1,000.04
Total	-	23,431.05	1,075.12	-	24,506.17	7,742.98	-	41,719.55	1,000.04	-	42,719.60	7,470.85	50,190.44
Overseas Investments													
Investments in India	-	23,431.05	1,075.12	-	24,506.17	7,742.98	-	41,719.55	1,000.04	-	42,719.60	7,470.85	50,190.44
Total	-	23,431.05	1,075.12	-	24,506.17	7,742.98	-	41,719.55	1,000.04	-	42,719.60	7,470.85	50,190.44
Less: Impairment loss allowance			159.84	159.84		159.84							
Total	-	23,431.05	915.28	-	24,346.34	7,742.98	-	41,719.55	1,000.04	-	42,719.60	7,470.85	50,190.44

KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LTD.

Name of the Company	Face Value	No. of Shares	Rs in lakhs	
			At Cost 31.03.2020	At Cost 31.03.2019
<u>Quoted Equity Investments</u>				
Apollo Tyres Ltd.	1	5000000	1371.25	1371.25
BPCL (Including Bonus shares of 296293)	10	1777758	33.34	33.34
Cochin Minerals & Rutilites Ltd.	10	1050000	105.00	105.00
Forbes & Company	10	30363	14.80	14.80
Gokak Textiles Limited	10	15181	9.49	9.49
Geojit BNP Paribas (including 1500000 bonus shares)	1	20000000	50.00	50.00
Indsil Hydropower Ltd.	10	1054166	63.25	63.25
Patspin India Ltd.	10	2490000	249.00	249.00
Philips Carbon Black Ltd	10	467900	140.37	140.37
Eastern Treads Ltd.	10	615000	61.50	61.50
IDBI Bank Ltd (incl 53520 bonus shares)	10	142720	115.96	115.96
PTL Enterprises	2	1500000	30.00	30.00
Artemis Global Life Sciences (Previous PTL Projects LTD bonus Shares of 1500000 nos)		1500000		
Rubfilla International	5	2736000	342.00	342.00
Accel Transmatic Systems India	10	5824	0.78	0.78
BST Ltd.	10	550000	55.00	55.00
Victory Paper & Boards Ltd	10	200000	20.00	20.00
Total - A			2661.74	2661.74
<u>Unquoted Investments (Equity shares)</u>				
ULCC IT Infrastructure (P) Ltd.	100	6553000	655.30	655.30
Invest India	100	500	0.50	0.50
India Middle East Broadcasting	10	3630000	363.00	363.00
Kannur International Airport Ltd	100	10000	1000.00	1000.00
Kerala Cashew Board	1000	30000	300.00	300.00
ATI Ltd	10	250000	50.00	50.00
BPL Telecom Ltd. (including 138600 Bonus Shares)	10	198000	5.94	5.94
Cheraman Financial Services	10	3670000	367.00	367.00
Cochin International Airport	10	5000000	900.00	900.00
Green Land Paper Mills Ltd	10	247500	24.75	24.75
InKel Limited	10000	6000	600.00	600.00
Integrated Rubian Exports	10	300000	30.00	30.00
Kerala Enviro Infrastructure	10	999000	99.90	99.90
Kerala Industrial and Technical Consultancy Organisation(Bonus Share 1:49- 3871 Nos Bonus Shares)	1000	3950	0.79	0.79

KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LTD.

Loop Mobile (Including 1400 Nos) Bonus Shares	10	2000	0.06	0.06
Profit Core Pipes Ltd.	10	50000	5.00	5.00
State Farming Corpn. Of Kerala	1000	6100	61.00	61.00
Symphony TV	1000	2500	25.00	25.00
Thanikudam Bhagavathy Mills Ltd	10	165000	16.50	16.50
Traco Cable Co. Ltd	10	100000	10.00	10.00
Travancore Titanium Products Ltd.	10	139732	13.97	13.97
Printronic Techpark Pvt Ltd	10	5000	0.50	0.50
ABN Granites Ltd	10	1100000	110.00	110.00
Chaya Industries	10	970000	97.00	97.00
Covema Filaments Ltd	10	1216800	121.68	121.68
Elasto Tapes Ltd	10	68500	6.85	6.85
Excel Glasses	1	307400	14.66	14.66
Geojit Credits Ltd	2	11000000	220.00	220.00
Hindustany Cylinders	10	136700	13.67	13.67
Industrial Accumulators	100	7500	7.50	7.50
Kerala Spinners	10	126800	12.57	12.57
Madras Spinners (including 49950 Bonus Shares)	10	99900	5.00	5.00
Manito Electronics	10	120000	12.00	12.00
Meenachil Rubberwood Ltd	10	390000	39.00	39.00
Periyar Chemicals Ltd (including 19,625 Bonus Shares)	10	58875	3.93	3.93
Pact Rubber Wood	10	66000	6.60	6.60
Rubberwood India	10	344600	34.46	34.46
Sri Sai Maharaj Pulp & Paper	100	14300	14.30	14.30
SAIL- SCL Kerala Ltd	10	303801	71.52	71.52
Travancore Sulphates	10	78000	7.80	7.80
TECIL Chemicals & Hydro (Including 91460 bonus shares)	10	296320	20.49	20.49
Kerala State Textile Corporation	100	25000	25.00	25.00
Travancore Cochin Chemicals	10	3518180	325.91	325.91
Travancore Oxygen Ltd.	100	2500	2.50	2.50
United Electrical Industries Ltd.	10	93600	9.36	9.36
Vysali Pharmaceuticals Ltd	10	50000	5.00	5.00
Western India Cottons Ltd.	10	350000	35.00	35.00
Total B			5751.00	5751.00
<u>Unquoted Investments in Associates</u>				
OEN India Ltd (including 1181509 Nos bonus shares)	10	1274607	4633.87	4451.30
Total C			4633.87	4451.30

KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LTD.

Unquoted Investments Preference

Filatex Vechukunnel -	100	57000	57.00	57.00
Kerala Sponge Iron Limited- 10 % RCP Shares	100	59000	59.00	59.00
Central Travancore Specialists Hospital -16% RCP Shares	10	862000	86.20	86.20
Sree Sakthi Paper Mills Ltd	10	6000000	1000.00	1000.00
Chaya Industries	100	50000	50.00	50.00
Total D			1252.20	1252.20

Unquoted Investments Equity Shares

Joint Venture

INKEL- KSIDC Projects Ltd	10	2786260	181.88	159.51
Kuttiyadi Coconut Industrial Park Ltd.	1000	250	2.50	2.50
Kerala GAIL Gas Ltd	10	50000	209.94	206.22
Units in Kerala Venture Capital Fund			46.25	46.25
Nitta Gelatin India Ltd	10	2862220	2668.54	2605.07
Total E			3109.11	3019.55
Grant Total			17407.92	17135.78

7. Other financial assets

Rs. in Lakhs

	As at 31.3.2020	As at 31.3.2019
Advance share Investment	266.96	255.00
Staff loan	401.64	448.37
Interest receivable on Short term Deposits	186.46	696.48
Accrued Dividend on Preference Shares	141.72	216.80
Defined Benefit asset on leave encashment	29.46	
	1026.24	1616.65

Advance share investment of Rs 266.96 lakhs (P.Y255 Lakhs) includes Rs 230 lakhs (P.Y 230 lakhs) to Coconics Pvt Ltd, an SPV formed by KSIDC, Keltron and UST Global, Rs 25 lakhs (P.Y 25 lakhs) to Manito Electronics Pvt Ltd., Rs 11.77 (P.Y Nil) to KIFML and Rs 0.19 (P.Y Nil) to Kannur Natural Rubber Products Pvt Ltd. Company adopted the policy to transfer the advance share investment to investments once the share certificate obtains.

Staff loans includes Rs 261.42 lakhs (P.Y 279) towards housing loan, Rs 101.88 (P.Y 135.07) towards car loan, Rs 14.27 (P.Y 17.48) towards consumer loan, Rs 16.90 lakhs (P.Y 7.91) towards Personal loan, Rs 4.98 lakhs (P.Y 6.48 lakhs) towards scooter loan, Rs 1.09 lakhs (P.Y 1.96) towards computer loan, Rs 1.03 lakhs (P.Y 0.48 lakhs) towards education loan and Rs 0.06 (P.Y 0.06) towards special loan staff. Total staff loan outstanding is only 1.07% of outside loan, which will not affect the materiality. Hence the book value of loan is considered as fair value.

KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LTD.

8 Current tax assets (net)	Rs. in Lakhs	
	As at 31.3.2020	As at 31.3.2019
Advance Tax & TDS	2135.81	1414.54
Amount receivable from IT Department	286.94	355.84
	2422.74	1770.38

Advance tax and TDS paid for the F.Y 2019-20 is Rs721.27 lakhs, for the F.Y 2018-19 is Rs 653.16 lakhs and for the F.Y 2017-18 Rs 761.38. Since the assessment is not completed for the F.Y 2017-18 adjustment entry with the provision is not made.

Assessment up to F.Y 2016-17 was completed. Amount refundable from IT department is accounted from the assessment order. As per the assessment order Rs 18.71 lakhs is receivable for the F.Y 2011-12, Rs 6.81 lakhs for the F.Y 2013-14 , Rs 194.95 lakhs for the F.Y 2014-15, Rs 66.47 lakhs for the F.Y 2015-16.

10 Capital work in progress	Rs. in Lakhs	
	As at 31.3.2020	As at 31.3.2019
Expense towards ERP Implementation	135.54	135.54
	135.54	135.54

Assets are being utilised for implementation and upgradation of existing accounting software. Hardware is maintaining at state data centre and same will be utilised for hosting the accounts data. In view of the ongoing process the amount is kept under W.I.P

11 Other Non financial assets	Rs. in Lakhs	
	As at 31.3.2020	As at 31.3.2019
Current account with Consultants	14.24	5.39
Government of Kerala-others	248.83	187.78
Sales Tax	3.60	3.60
IGC	352.73	-151.89
CGST-Input Tax Credit	0.00	0.92
SGST-Input Tax Credit	0.00	0.92
RCM A/C-SGST	0.00	0.03
RCM A/C-CGST	0.00	0.03
GST electronic cash ledger	0.00	0.00
GST Input Tax deferred-CGST	0.28	0.31
GST Input Tax deferred-SGST	0.28	0.31
GST Refund Due	3.86	0.00
IGST - Input Tax Credit	0.00	0.01
Prepaid Expenses	10.45	11.62
Electricity, Telephone and Other Deposits	15.29	15.29
Security Deposits	0.25	0.00
	649.81	74.32

Government had directed KSIDC to pay 'special advance' to the employees of Commonwealth Trust. Out of the total advance paid Rs 370.41 lakhs as per Government directions, we got reimbursement of Rs 121.58 lakhs towards such advances made till 2015-16. The balance sum of Rs 248.83 (P.Y 187.78) lakhs is to be reimbursed by Government / commissioner of payments and the payment has been shown under Government of Kerala others. Also refer note on Contingent liability note no 30

Note 9: Property, Plant & Equipment

Particulars	Land (401) #	Buildings (411)	Electrical Fittings (416)	Furniture & Fittings	Water Tank & Pump Set	Office Equipments	Computer	Solar Based power Systems	Intangibles	Motor Car & Cycles	Library Books	Total
Gross Block - at cost												
As at 01.04.2018	207.21	196.72	46.60	95.70	0.58	58.86	259.11	65.15	36.50	57.69	11.93	1,036.05
Additions	-	-	8.76	1.07	-	0.47	23.07	-	8.52	-	0.19	42.08
Disposals	-	-	8.63	-	-	-	0.61	-	-	-	-	9.24
As at 31.03.2019	207.21	196.72	46.74	96.77	0.58	59.33	281.58	65.15	45.02	57.69	12.12	1,068.89
Additions	-	-	1.75	-	0.38	9.06	1.92	-	0.72	-	0.08	13.91
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2020	207.21	196.72	48.49	96.77	0.96	68.39	283.49	65.15	45.74	57.69	12.20	1,082.80
Accumulated Depreciation												
As at 01.04.2018	-	134.54	40.03	85.43	0.46	49.72	246.18	35.70	34.63	44.72	11.93	683.34
Charge for the year	-	3.09	2.62	2.52	-	3.42	10.97	5.38	2.37	3.83	0.19	34.39
Disposals	-	-	8.19	-	-	-	0.58	-	-	-	-	8.77
As at 31.03.2019	-	137.63	34.46	87.95	0.46	53.14	256.57	41.08	37.01	48.54	12.12	708.96
Charge for the year	-	2.94	3.32	1.80	0.10	3.21	11.39	4.40	6.13	2.59	0.08	35.95
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
As at 31.03.2020	-	140.56	37.78	89.75	0.56	56.34	267.97	45.48	43.13	51.13	12.20	744.91
Net Block												
As at 31.03.2019	207.21	59.09	12.29	8.81	0.12	6.19	25.00	24.07	8.01	9.14	0.00	359.93
As at 31.03.2020	207.21	56.15	10.72	7.01	0.40	12.05	15.53	19.67	2.61	6.55	0.00	337.89

Land includes

- 30 acres of land at TELK Angamaly transferred to KSIDC at nil cost, vide G.O. 836/2008/ID dated 26.07.08 and G.O. 1174/2009/ID dt 31.08.09. This has been given on 90 years lease to INKEL KSIDC PROJECTS Ltd (JV). Further 26.712 Acres of land has been transferred to KSIDC for implementation of Business Hub, for which mutation in favour of KSIDC is yet to be completed.
- 34.05 acres of industrial land transferred by District Industries Centre to KSIDC at nil cost for Light Engineering Park(LEIP), Palakkad. KSIDC has taken possession of the same, but the transfer of title in the name of KSIDC is still pending on technical grounds. Anyhow, vide G.O.(MS)49/2012/ID dated 03.04.12, Government has given clearance for mutation of land in the case of LEIP and also directed that the liabilities arising out of the LAR cases be met by KSIDC. The first phase of the project was declared completed on 15.01.2013 and the assets created have been included in the fixed assets of KSIDC.
- 1.9909 acres of land of M/s. Astral Waiches Ltd. transferred in the name of KSIDC on Government giving approval for winding up of the company and transferring of assets and liabilities to KSIDC for the purpose of dissolution of the company under Easy Exit scheme of Companies Act.
- Depreciation is calculated on WDV method

KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LTD.

Comtrust	Amount to be reimbursed
16-17	58.85
17-18	68.1
18-19	60.83
19-20	61.05
Total	248.83

KSIDC is acting as an agent for implementing Industrial Growth Centre (IGC) in the State of Kerala. A total amount of Rs. 16134.02 lakhs (previous year Rs. 15727.44 lakhs) has been received from the Government for meeting the expenditure relating to the Growth Centres. Receipts collected by way of lease premium/sale of land, miscellaneous income and other receipts on current account amount to Rs. 14512.31 Lakhs (previous year Rs. 13173.53 lakhs). Total receipts stand at Rs. 30646.33 lakhs (previous year Rs. 28900.97 lakhs). All the fixed assets including land and building are held by KSIDC on behalf of Government of Kerala. All receipts and payments are accounted on cash basis and the excess of receipts over expenditure is Rs.8181.36 lakhs (previous year Rs.7159.56 lakhs). The total expenditure under major heads is as shown below:

Rs in lakhs	
Land & Site Development	9203.25
Roads	1199.44
Buildings	5236.11
Water Supply	1093.6
Power	2134.75
Others	3597.83
Total	22464.98
Cash and Cash Balance	8534.09
Control Account Balance	352.73
Total	8181.36

KSIDC, being the implementing agency of Industrial Growth Centre(IGC) on behalf of Government of Kerala, the funds of IGC were parked separately as Fixed Deposit under IGC A/c and not included under cash and bank balance of the Corporation.

12 Payables	Rs. in Lakhs	
	As at 31.3.2020	As at 31.3.2019
Trade Payable		
total outstanding dues of creditors other than micro enterprises and small enterprises	32.06	58.61
Other Payables		
Current account with Companies	102.90	101.56
Staff advances	0.53	0.00
	135.49	160.17

There are no dues to companies/firms under Micro, Small and Medium Enterprises Development Act 2006.

13 Provisions	Rs. in Lakhs	
	As at 31.3.2020	As at 31.3.2019
Provision For Employee Benefit Expenses		
Opening Balance -a	0.00	0.00
Add: Provision made during the year	321.36	0.00
Total	321.36	0.00
Less: Payment of Pay revision arrear	0.00	0.00
Balance Provision-a	321.36	0.00
Gratuity		
Opening Balance	30.63	85.45
Add: Provision made during the year	31.79	30.63
Total	62.42	116.08
Less: Payment made during the year	0.00	85.45
Balance Provision -b	62.42	30.63
Total -i =a+c	383.78	30.63
Other Provisions		
Provision for Taxation		
Opening Provision for Taxation	1421.59	6798.90
Addition during the year	939.54	674.83
Tax provision for previous years		
Total	2361.13	7473.73
Less: Set off /Adjustment/previous year payments effected during the year.	0.00	6052.14
Closing provision for taxation -ii	2361.13	1421.59
Provision for diminution in value of Investments #		
Opening Balance	2138.58	2170.12
Add: Provision required at the year end	0.00	0.00
Total	2138.58	2170.12
Less: Provision reversed during the year.		31.54
Balance Provision	2138.58	2138.58

Others

Provision for Taxation: Set off entries against advance taxes, self assessments, regular taxes and TDS receivables(booked under advance tax account) had been effected till assessment year 2017-18. Adjustment in respect of excess/ shortfall in estimated provisions created in earlier years, if any, has been made on case to case basis. The details of provision is as follows.

Particulars	Rs. in Lakhs		
		As at 31.3.2020	As at 31.3.2019
FY 2017-18	AY 2018-19	746.76	746.76
F.Y 2018-19	AY 2019-20	674.83	674.83
F.Y 2019-20	AY 2020-21	939.54	0.00
Total		2361.13	1421.59

Provision for diminution in value of Investments: Includes provision against investments of Rs.2108.58 lakhs and additional provision of Rs.30 lakhs (advance share investment in M/s. Manito Electronics Pvt. Ltd-Rs 25 Lakhs, and advance investment in IL&FS Rs. 5 lakhs) made against 'Advance towards investment in Companies.

Summary: Current Liabilities on Provisions	Rs. in Lakhs	
	As at 31.3.2020	As at 31.3.2019
Provision For Employee Benefit Expenses	321.36	0.00
Provision for Gratuity	62.42	30.63
Provision for Taxation	2361.13	1421.59
Provision for diminution in value of Investments	2138.58	2138.58
Grand Total	4883.49	3590.79

A. Leave Salary

Leave salary is calculated based on the number of days of earned leave to the credit of the employee, subject to a maximum of 300 days.

As on 31.03.2020 the actuarial valuation for leave salary was Rs.2,48,12,636/- (PY - Rs2,50,26,896/-). The estimated liabilities have been fully funded through SBI Life and ICICI Prudential Life.

Particulars	As at 31.3.2020	As at 31.3.2019
1. Fair Value of Plan assets at the beginning	302.85	303.92
Interest Income	21.28	22.06
Employer Contribution		
Benefit Payment from Plan Assets	- 45.91	- 27.43
Remeasurements-Return on Assets	- 0.64	4.29
Fair Value of Plan assets at the end	277.58	302.85
2. Defined Benefit Obligation at the beginning	250.27	255.97
Current Service Cost	30.86	25.99
Interest Expense	17.28	19.38
Benefit Payment from Plan Assets	- 45.91	- 27.43
Remeasurement-Due to Demographic Assumptions	-	0.44
Remeasurement-Due to Financial Assumptions	9.60	3.46
Remeasurement - Due to Experience Adjustments	- 13.97	- 27.55
Defined Benefit Obligation at the End	248.13	250.27

3. Components of Defined Benefit Cost

Current Service cost	30.86	25.99
Interest Expense on DBO	17.28	19.38
Interest (Income) on Plan Assets	- 21.28	- 22.37
Total Net Income	- 4.00	- 2.99
Defined Benefit Cost included in P&L	26.86	23.30
Remeasurement -Due to Demographic Assumptions		- 0.44
Remeasurement -Due to Financial Assumptions	9.60	3.46
Remeasurement -Due to Experience Adjustments	- 13.97	- 27.55
(Return) on Plan Assets (Excluding Interest Income)	- 0.64	- 0.01
Net Actuarial (Gain)/loss	- 3.73	- 27.94
Total Defined Benefit Cost recognized in P&L	23.13	- 4.63

4. Amount recognised in Balance sheet

Defined Benefit Obligation	248.13	250.27
Fair Value of Plan Assets	277.58	302.85
Net Defined Benefit Liability/ (Asset)	- 29.46	- 52.58

5. Net Defined Benefit Liability/(Asset) reconciliation

Net Defined Benefit liability/(Asset) at the beginning	- 52.58	- 47.95
Defined Benefit Cost included in P&L	26.86	23.30
Net Actuarial (Gain)/loss	- 3.73	- 27.94
Employer Contribution	-	-
Net Defined Benefit liability/(Asset) at the end	- 29.46	- 52.58

6. Actuarial Assumptions for Leave Encashment

Particulars	As at 31.3.2020	As at 31.3.2019
i Discount Rate	7.6 % p.a.	8 % p.a.
ii Salary escalation	6%	6%
iii Attrition	1%	0% TO 1%
iv Mortality Tables	IALM (2012-14) Ult	IALM (2006-08) Ult

Footnote :

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations. The estimate of future salary increases considered, by taking into account the inflation, seniority, promotion, increments and other relevant factors.

As per the Actuarial Valuation Report as at 31.3.2019 in respect of Leave encashment plan there was a total re measurement gain of Rs 48.60 lakhs, which was not recognized in 2019. Same was rectified during the corrent year. Since the amount is not material the financial statements as on 31.3.2019 was not restated and the rectification is done during the year.

B. Gratuity

Corporation is following the provisions of The Payment of Gratuity Act for computing the eligible Gratuity, as per stipulation made by Government on 9th Pay revision . Accordingly Gratuity shall be payable to an employee on the termination of his / her employment after he / she has rendered continuous service for not less than five years for every completed year of service or part thereof in excess of six months at the rate of fifteen days' wages based on the rate of wages last drawn by the employee. The fifteen days' wages shall be calculated by dividing the monthly rate of wages last drawn by him/ her by twenty six days, as if every completed month comprises of 26 days.

The payment of Gratuity (Amendment) Act,2010 had increased the limit to Rs 20 lakhs w.e.f 29.03.2018. In line with these provisions, the Corporation had also provided for the enhanced limit w.e.f 29.03.2018.

As on 31.03.2020, the actuarial valuation of gratuity was Rs 38,859,610/- (PY Rs 3,95,55,393/-). The estimated liabilities have been funded through SBI Life. The short fall in the funding , if any, is included under current liabilities.

Particulars	Rs. in lakhs	
	As at 31.3.2020	As at 31.3.2019
1. Changes in present value of obligations		
PVO at beginning of period	395.55	405.71
Interest Cost	27.26	28.82
Current Service Cost	17.42	17.53
Past service cost(vested benefits)		
Benefits Paid	- 63.21	- 64.70
Actuarial (Gain)/Loss on obligation	11.57	8.19
PVO at end of period	388.60	395.55
2. Interest Expense		
Interest Cost	27.26	28.82
3. Fair Value of Plan Assets		
Fair value of plan assets at the beginning	364.92	320.26
Interest income	25.61	25.52
4. Net Liability		
PVO at beginning of period	395.55	405.71
Fair Value of the Assets at beginning report	364.92	320.26
Net Liability	30.63	85.45
5. Net Interest		
Interest Expenses	27.26	28.82
Interest Income	25.61	25.52
Net Interest	1.65	3.30
6. Actual return on plan assets	24.46	23.91
Less Interest income included above	25.61	25.52
Return on plan assets excluding interest income	- 1.15	- 1.61

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7.	Actuarial (Gain)/loss on obligation		
	Due to Financial Assumption	25.81	3.97
	Due to Experience	- 14.25	4.22
	Total Actuarial (Gain)/Loss	11.57	8.19
8.	Fair Value of Plan Assets		
	Opening fair value of plan asset	364.92	320.26
	Adjustment to Opening Fair Value of Plan Asset		
	Return on plan assets excl.interest income	-1.15	-1.61
	Interest Income	25.61	25.52
	Contribution by Employer	0.00	85.45
	Benefits Paid	-63.21	-64.70
	Fair Value of Plan Assets at end	326.18	364.92
9.	Amounts to be recognized in the balance sheet and statement of profit loss account		
	PVO at end of period	388.60	395.55
	Fair Value of Plan assets at end of period	326.18	364.92
	Fund status	-62.42	-30.63
	Net Asset/(Liability)recognized in the Balance sheet	-62.42	-30.63
10.	Expense recognized in the statement of P&L A/c		
	Current Service Cost	17.42	17.53
	Net interest	1.65	3.30
	Past service cost(vested benefits)	0.00	0.00
	Expense recognized in the statement of P&L A/c	19.07	20.83
11.	Movements in the liability recognized in Balance Sheet		
	Opening Net Liability	30.63	85.45
	Adjustment to opening balance		
	Expense as above	19.07	30.63
	Contribution paid	-	-85.45
	Other Comprhensive Income	12.71	9.80
	Contribution Paid	0.00	-85.45
	Closing Net Liability	62.42	30.63

6. Actuarial Assumptions for Gratuity

Particulars	As at 31.3.2020	As at 31.3.2019
i Discount Rate	7.56 % p.a.	7.72 % p.a.
ii Salary escalation	6%	6%
iii Attrition	PS: 0 TO 40 :1%	PS: 0 TO 40 :1%
iv Mortality Tables	IALM (2006-08) Ult	IALM (2006-08) Ult

Footnote :

The discount rate is based on the prevailing market yields of Government of India securities as at the Balance Sheet date for the estimated term of the obligations. The estimate of future salary increases considered, takes into account the inflation, seniority, promotion, increments and other relevant factors.

14 DEFERRED TAX LIABILITIES

Rs. in lakhs

Particulars	As at 31.03.2020		31.03.2019			
	Base	Deferred Tax		Base	Deferred Tax	
		Asset	Liability		Asset	Liability
Current liabilities						
Trade Payables	33.81			58.61		
Interest accrued on bonds/Govt.loan	0.00			0.00		
Provision for gratuity	62.42			30.63		
Provision for leave salary	0.00			0.00		
Provision for employee benefit	321.36					
		121.60			30.88	
Current assets						
Interest accrued on deposits -TVM	175.39			688.68		
Interest accrued on FD - EKM	11.07			7.81		
Prepaid expenses	10.45			11.62		
Interest accrued/loan	0.00			2.21		
Provisions						
Provision for doubtful.debts u/s 36 1 viia of IT Act	662.69			610.46		
Provision for Special Reserve u/s 36 1 viii of IT Act	9562.95			9342.88		
Unamortised Processing Charges			15.46			3690.48
Fixed assets			3035.05			
Depreciation	7.34	2.14		-13.55		-4.69
Total		123.74	3050.50		30.88	3685.79
Unamortised Processing Charges		13.69				
Deferred Tax liability			2926.77			3654.90
Ind AS Entries			5313.94			11576.25
Total Deferred Tax liability			8227.02			15231.15
Existing Balance -DT		3654.90				
Additional Provision Required		(728.14)				

No utilization has been made so far of the Special Reserve created and maintained under section 36(1) (viii) of Income Tax Act. However, based on the opinion of the Expert Committee of ICAI, deferred tax liability has been provided on the Special Reserve maintained under 36(1) (viii) of the IT Act from 2012-13 onwards.

15. Other non financial liabilities	Rs. in Lakhs	
	As at 31.3.2020	As at 31.3.2019
Suspense	0.96	1.44
Current account with others	163.59	278.33
Advance to MD	0.08	0.03
TDS Payable - Others	1.13	0.18
TDS Payable-Salary	-	0.89
RCM Payable SGST	0.40	0.05
RCM Payable CGST	0.40	0.05
SGST Payable	1.76	0.34
IGST Payable	-	-
CGST Payable	1.74	0.34
TDS Payable -GST	0.02	0.14
Flood Cess Payable	0.07	
Retention Deposit	36.58	53.42
Various Project	657.71	1,390.02
E M D Noorka	5.00	5.00
Security Deposit(Liability)	161.08	130.56
E.M.D.SWMS	152.00	
L.I.C. Deductions	0.15	0.00
	1,182.64	1,860.79

Government had directed KSIDC to participate in the Bid process of Air Port Authority of India on behalf of Government. Expense related to bid processing including consultancy fee paid by KSIDC is Rs 255.20 lakhs (P.Y Rs122.44 lakhs), which has to be reimbursed from Government which is included in current account with others

Various Projects:

Nodal Agency for implementation of various projects.

Government of Kerala has entrusted KSIDC with agency function to implement various projects. The expenditure incurred in respect of various infrastructure-related projects being implemented by KSIDC as per Government directions, based on which KSIDC is the nodal agency/ facilitator have been classified as 'non-current' as the projects are only in the preliminary stages of conception/feasibility study/implementation. Previous year figures have been reclassified accordingly. The details of budget allocation for these projects, the funds released by the Government, funds expended with remarks are shown under.

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No	Name of the Project	As on 31.03.2020 (Rs in Crores)			Status of projects
		Total Fund Allocation	Total Fund Received	Total Expenditure	
1	Investment facilitation & Ind. Promotion Activities	70.09	43.62	50.70	Organised many events, seminars, workshops, roadshows etc and participated in local and international exhibitions and sponsored many events branding Kerala as an investment friendly destinations. We have advanced in implementing Ease of doing Business ,streamlining single window clearance and promoting WE Mission
2	Life Sciences Park	554.54	478.34	483.87	Progressing. Assistance under KIIFB scheme received and released
3	Business Incubators	20.35	11.35	7.73	Progressing
4	Coconut Industrial Park, Kuttiyadi	40.02	16.00	15.76	Project revived and steps taken for construction of basic infrastructure facilities
5	Electronic Hardware Park, Kochi	177.47	147.47	54.92	Progressing. Assistance under MIDP scheme received and released
6	Supplementary Gas Infrastructure	49.22	33.16	12.84	No further headway
7	Light Engineering Industrial Park, Palakkad	26.00	25.00	25.40	Ist phase completed. II nd phase in progress
8	Kochi - Palakkad NIMZ	20.66	10.74	3.65	Project to be integrated with the Bangalore Coimbatore Industrial Corridor scheme
9	PCPIR Kochi/ Petrochemical Park	0.04	0.00	0.31	Progressing
10	Titanium Sponge, Kollam	15.02	14.00	0.43	Project dropped due to non availability of Technology for the project development
11	Cheemeni Power Project, Kasargode	5.11	5.00	4.16	Project transferred to KSEB

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12	Organic Industrial Park, Kodungallur	9.00	9.04	9.04	Project completed
13	Medicinal & Health Care Park, Nadapuram	3.00	2.00	0.21	Project dropped due to non availability of land
14	Online Single Window Clearance Mechanism	2.00	0.50	0.06	An Investment Promotion Facilitation Cell is proposed as part of Ease of doing Business
15	Oceanarium Marine Biological Research Centre Complex at Puthuvypin, Kochi	1.00	0.50	0.58	Project transferred to Fisheries
16	Upgradation of roads to Industrial Parks	48.00	48.00	44.99	Project completed except for upgradation of approach roads to Growth Centres.
17	Albarak Financial Services	1.00	0.50	3.15	Project Completed
18	Infrastructure Development at IGCs	44.51	38.51	217.41	Progressing
19	Angel funding /seed funding	28.00	16.00	13.17	Progressing
20	Entrepreneur support through mentoring	9.00	7.04	5.25	Progressing
21	Mega food Park, Cherthala	43.00	18.00	55.14	Progressing
22	Business Incubator for medical devices	5.50	3.50	3.50	Completed
23	Integrated Business hubs	0.00	0.00	0.18	Available land being identified.
24	Manufacturing Industrial Zone Angamaly	8.00	10.00	12.34	Completed
25	Common Facilities for Women in IGCs	0.80	0.80	0.80	Work awarded to Nirmithi Kendra
26	MEDS Park	26.00	1.55	2.17	Progressing
	Total	1,207.33	940.62	1,027.76	
	MEDS Park	26.00	1.55	2.17	Progressing
	Total	1,207.33	940.62	1,027.76	

KSIDC is only the nodal agency on Entrepreneur Support Scheme. Rs 20 lakhs received from Government is on account of entrepreneur support scheme, which is already released to the loanee

16 EQUITY SHARE CAPITAL

Rs in lakhs

Particulars	2019-20	2018-19
a Authorised:		
40,00,000 (40,00,000) Equity shares of Rs.1,000/- each	40000.00	40000.00
b Issued, Subscribed and fully paid up:		
30,12,435 (30,12,435) Equity shares of Rs.1,000/- each	30124.35	30124.35

c Reconciliation of shares outstanding at the beginning and at the end of the reporting period

	As at 31.3.2020		As at 31.3.2019	
	No. of Shares	Amount in lakhs	No. of Shares	Amount in lakhs
At the beginning of the period	3012435	30124.35	3012435	30124
Add: Shares issued during the year	Nil	Nil	Nil	Nil
Less: Shares bought back during the year	Nil	Nil	Nil	Nil
Add: Other movements during the year	Nil	Nil	Nil	Nil
Outstanding at the end of the period	3012435	30124.35	3012435	30124

d Terms/rights attached to equity shares

The company has only one class of equity shares having par value of Rs 1000/- per share.

	As at 31.3.2020	As at 31.3.2019
Shares held by holding /ultimate holding company /or their subsidiaries /associates.	Nil	Nil

f Details of shareholders holding more than 100 % owned by Government of Kerala 5 % shares in the company.

	As at 31.3.2020	As at 31.3.2019
Aggregate number of shares issued for consideration other than cash, bonus shares issued and shares bought back during the period of 5 years immediately preceding the reporting date.	Nil	Nil

17. Other Equity

Rs. in lakhs

Particulars	Statutory Reserves u/s 45 IC of RBI Act	Capital Reserve	Special Reserve u/s 36(i) (viii) of IT Act	Provision for bad and Doubtful debts u/s 36 1(viia) of IT Act	Retained Earnings	Debt instruments through OCI	Total
Balance at the beginning of the reporting period	676.19	4,952.61	9,342.88	610.46	30,434.87		46,017.01
Changes in accounting policy/Prior period errors							
Restated balance at the beginning of the reporting period	676.19	4,952.61	9,342.88	610.46	30,434.87		- 46,017.01
Total Comprehensive Income for the year							
Addition during the year					-7,807.44		-7,807.44
Dividends					6.15		6.15
Transfer to/from retained earnings	791.12		220.07	153.64	-1,164.83		
Any other changes(Bad debt write off)				101.40			101.40
Balance at the end of the reporting period	1,467.31	4,952.61	9,562.95	662.69	21,456.46		38,102.03

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31.03.2020

Interest Income

Rs. in lakhs

Particulars	2019-20			2018-19			
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at amortised cost	On Financial Assets measured at fair value through P&L	On Financial Assets measured at fair value through OCI	On Financial Assets measured at amortised cost	On Financial Assets measured at fair value through P&L	
Interest on Loans		2,191.79			2,822.46		
Dividend income from investments	1,804.37		-	1,315.12		-	
Interest on deposits with banks		1,562.40			1,267.01		
Other Interest Income		21.43			15.92		
Total Income		3,775.62			4,105.39		
* Net gain/loss on fair value changes						Current Year	Previous Year
A) Net gain/ (loss) on financial instruments at fair value through profit or loss							
(I) On trading portfolio							
(II) On Financial instruments measured at fair value through P & L						0	0
Total Net gain/loss on fair value changes						0	0
Fair values changes - Realised -							
Unrealised						0	0

18 INTEREST INCOME

Particulars	2019-20	2018-19
Interest on Term Loan	2291.90	2973.12
Total	2291.90	2973.12
Less : Interest on Term Loan- Std Accrued - Opening.	-	5.23
Total	2291.90	2967.90
Less: Rebate	100.11	145.43
Net Interest Income	2191.79	2822.46

Rebate to loanees: KSIDC is granting rebate up to a maximum of 1%, maintaining the net interest rate at 9%, at the end of each quarter of every financial year by reversal of the interest charged, provided there are no arrears of interest as at the end of each quarter. The reduction in interest as above is calculated on the outstanding principal alone and there shall be no reversal of penal interest portion. Further the 306th Board Meeting fixed the net interest rate after rebate as 8.5%. A sum of Rs.100.11 lakhs (P.Y Rs 145.43 lakhs) has been expended as this rebate during the FY 2019-20.

19 Dividend Income

	31-3-2020	31-3-2019
Dividend from quoted investments	1591.63	1117.03
Dividend from unquoted investments	212.74	198.09
Total	1804.37	1315.12

21 OTHER INCOME

	31-3-2020	31-3-2019
Interest on bank deposit	1562.40	1267.01
Interest on staff loan	21.08	12.79
Interest others	0.36	3.12
Bad debts recovered	53.94	0.95
Directors Sitting Fees	4.53	5.12
Miscellaneous income	0.12	0.47
Sale of tender forms	0.19	0.48
Unwinding Income	92.44	98.72
Total	1735.05	1388.66

22 FINANCE COST

0.00 0.00

0.00 0.00

23 EMPLOYEE BENEFIT EXPENSES

	31-3-2020	31-3-2019
Salaries	893.95	623.82
Pension Fund	24.97	26.98
Extra allowances	24.43	48.91

Festival allowances	2.66	1.50
PF Staff	43.44	43.31
Welfare Expenses to staff	22.85	43.56
Honorarium to Medical Officer	2.25	2.06
Medical expenses	23.59	30.99
Staff Training Expenses	5.02	2.84
Staff Recruitment Expenses	1.96	4.15
Gratuity	19.07	20.98
Pension	0.00	1.93
Leave Surrender	7.29	38.76
Total	1071.49	889.78

24 DEPRECIATION AND AMORTIZATION EXPENSES

		Rs. in Lakhs
	31-3-2020	31-3-2019
Depreciation	35.95	34.39
Total	35.95	34.39

25 Net gain or loss on derecognition of Financial Instrument

			Rs. in Lakhs	
Particulars	2019-20		2018-19	
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at amortised cost	On Financial Assets measured at fair value through OCI	On Financial Assets measured at amortised cost
Loans		89.95	212.96	-
Investments				
Others Current account with companies		10.50		

25 (a) Impairment of Financial instrument

Particulars	2019-20		2018-19	
	On Financial Assets measured at fair value through OCI	On Financial Assets measured at amortised cost	On Financial Assets measured at fair value through OCI	On Financial Assets measured at amortised cost
Loans				
Investments		159.84		
Others				-

26. OTHER EXPENSES	31-3-2020	Rs. in Lakhs 31-3-2019
Honorarium to Chairman	2.62	2.62
Salaries and allowances : Directors	8.48	20.36
P.F. Administrative Charges	1.07	1.89
P.F. Insurance	1.99	0.39
Welfare expenses : Directors	0.12	0.34
Travelling expenses		
: Chairman	4.62	4.14
: Managing Director	2.83	3.15
: Directors	1.69	1.41
: Executive Director	0.10	-
: Staff &Others	60.47	60.59
Directors Sitting Fee	0.11	0.09
Foreign Tour Expenses	-	9.29
Rates & Taxes	5.70	3.59
Electricity & Water	13.40	12.57
Motor Car Expenses	5.82	5.96
Generator Running Expenses	0.74	1.26
Printing and Stationery	6.11	8.87
Postage, Telegrams and Telephones	14.17	18.21
Repairs - Building	9.03	4.06
Repairs - Other	23.41	26.05
Advertisement and Publicity	18.49	38.80
Promotional expenses	9.30	11.60
Miscellaneous Expenses	4.55	4.60
Insurance	1.39	0.74
Filing Fee	0.25	0.30
Bank Charges	0.07	0.06
Subscription & Membership	3.72	4.88
Gardening Expenses	0.01	0.04
Board Meeting Expenses	0.49	0.76
Hospitality Expenses	14.32	13.76
Legal & Professional Fees	10.57	5.41
Project Expenses	31.86	115.37
Loss on Sale of Fixed Assets	-	0.03
Internal Audit Fee	2.595	2.18
Tax Audit Fee	0.81	0.73
Statutory Audit Fees	3.77	3.27
GST Audit Fee	0.82	1.64
CSR Activity	18.47	60.67
Amortised Dividend on Preference share	92.44	100.42
Seed Fund Expenses	-	0.06
Total	376.38	550.14

26.1 Auditor's Fees and Expenses	Rs. in Lakhs	
Particulars	31.03.2020	31.03.2019
Statutory Audit Fee	3.77	2.87
Internal Audit Fee	2.60	2.18
Tax Audit Fee	0.81	0.73
GST Audit Fee	0.82	1.64
Audit expenses		0.15
Other services		0.25
Total	7.99	7.82

CSR activities: KSIDC had taken up various activities under corporate social responsibility during the current financial year. As per the provisions of Companies Act, 2013 the amount as required to be spent by the Corporation towards CSR activities is Rs 56.65 lakhs. Actual amount spent during the period is Rs 18.47 lakhs. Unspent amount kept in separate bank account namely Unspent CSR Account, which will be utilised during next year

Rs. in Lakhs			
Particulars	in cash /cheque	yet to be paid	Total
(i) Construction /acquisition of any asset			
(ii) On purposes other than (i) above			
Free education to girl children	17.04	Nil	17.04
We createlives Social Welfare& Technology/ Differently abled woman/Purchase of			
Skill training kits	1.43	Nil	1.43
CSR Meeting	18.47	Nil	18.47

BAD DEBTS : Corporation had written off a sum of Rs. 101.4 lakhs in the current year (Rs 2.49 lakhs in the previous year) as unrecoverable from assisted industrial units on account of loan and current account balances. As balance in the provision for bad and doubtful debts was more than sufficient to cover the bad debts written off, no amount has been charged against the profit and loss account.

27 EXCEPTIONAL ITEMS

Prior Period Income	0.00	0.00
Prior Period Expenses	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

28 INCOME TAX

The components of income tax expenses for the year ended 31st March 2020 and 31st March 2019 are:

	Rs. in lakhs	
Particulars	31.03.2020	31.03.2019
Current Tax	939.54	674.83
Adjustment in respect of current income tax of prior years	0.00	0.00
Deferred tax relating to origination and reversal of temporary differences	(728.14)	209.12
Total tax charge	211.40	883.95
Income tax recognised in other OCI		
Deferred tax related to items recognised in OCI during the period:	6,262.31	5,661.10
Income tax charges to OCI	6,262.31	5,661.10

Reconciliation of the total tax charge:

The tax charge shown in the statement of profit and loss differs from the tax charge that would apply if all profits had been charged at India corporate tax rate. A reconciliation between the tax expense and the accounting profit multiplied by India's domestic tax rate for the periods ended 31 March 2020 and 31 March 2019 is, as follows:

	Rs. in Lakhs	
Particulars	31.03.2020	31.03.2019
Accounting profit before tax	4,167.00	4,264.90
At India's statutory income tax rate of 29.12% (2019: 28.84%)	1,213.43	1,230.00
Income not subject to tax	566.86	1564.32
Deduction u/s 36	373.71	360.68
Taxable Income as per Income tax	3,226.44	2,339.90
Income tax expense reported in the Statement of Profit and Loss	939.54	674.83
Current Year Tax	939.54	674.83
Total	939.54	674.83

29 EARNINGS PER SHARE

Particulars	31.03.2020	31.03.2019
No of shares outstanding	3012435	3012435
Face Value of one share (Rs)	1000.00	1000.00
Profit after tax (Rs in lakhs)	4413.18	3637.71
EPS -Basic (in Rs)	146.50	120.76
Share Application money pending allotment (Rs in lakhs)	-	-
Share Application money -Current Liability portion (Rs in lakhs)	-	-
Total (Rs in lakhs)	-	-
Equivalent No of Shares	-	-
Total No. of Shares	3012435	3012435
EPS-Diluted (in Rs)	146.50	120.76

30 Contingent liabilities

Tax Matters- Income tax return filed up to assessment year 2019-20. Assessments completed up to assessment year 2017-18. Appeals filed by the Corporation is pending before Commissioner (Appeals) for the assessment years 2006-07, 2012-13, 2013-14, 2014-15, 2015-16, 2016-17 and 2017-18 and High court for the Assessment years 2006-07, 2008-09, 2009-10, 2010-11 and 2011-12. From the assessment year 1997-98, based on change in Income Tax Act, the Corporation has decided to adopt cash system of accounting for the purpose of income tax. Provision for income tax from the assessment year 1997-98 has been made based on income arrived at as per cash system of accounting.

Taxes under dispute		Rs. in Lakhs
Particulars	Forum where dispute is pending	Amount
Income Tax AY 2006-07	CIT(Appeal)	124.71
Income Tax AY 2006-07	High Court	174.27
Income Tax AY 2008-09	High Court	8.38
Income Tax AY 2009-10	High Court	11.93
Income Tax AY 2010-11	High Court	10.14
Income Tax AY 2011-12	High Court	9.99
Income Tax AY 2012-13	CIT(Appeal)	9.84
Income Tax AY 2013-14	CIT(Appeal)	10.33
Income Tax AY 2014-15	CIT(Appeal)	16.18
Income Tax AY 2015-16	CIT(Appeal)	13.09
Income Tax AY 2016-17	CIT(Appeal)	15.81
Income Tax AY 2017-18	CIT(Appeal)	17.94
SubTotal		422.62
Service Tax		200.00
Total		622.62

Sales tax: Assessments have been completed up to the year 2001-02. Assessments are not yet completed for the year 2002-03 and 2003-04.

The Common Wealth Trust, Kozhikode (Acquisition and Transfer of Undertaking) Act, 2012 is an Act passed by the state legislature for acquisition of the assets and liabilities of Comtrust and assigning the same in favour of KSIDC. However, KSIDC has not taken the acquisition of the assets and liabilities in view of the pending litigation before the Honorable High Court. The aforesaid Act is yet to be notified by the Government pending preparation of rules under the Act. Further Government is yet to appoint Commissioner of payments for settling the liabilities. In view of the above there is no contingent liabilities on KSIDC and there for no disclosure required for the contingent liability also refer note no 11.

31 Segment Reporting

	Rs. in Lakhs	
Particulars	31.03.2020	31.03.2019
Total Income from Term Lending	2191.79	2822.46
Dividend Income from Investments	1804.37	1315.12
Total	3996.16	4137.58

32 Related Party Disclosures:

The company/s related parties principally consist of joint ventures, associated and their subsidiaries. Payments to Key managerial personnel is also disclosed in the related party disclosure.

Rs. in Lakhs			
As on 31.03.2020			
Party	Percentage of Holding	Share investment	Loan/Current account balance
Kerala Venture Capital Fund		46.25	-2.59
INKEL KSIDC PROJECTS LTD.	26%	278.63	Nil
KERALA GAIL GAS LTD	50%	0.50	1.10
Oen India	25%	9.34	786.94
Nitta Gelatin	31.53%	1364.07	
Reva Proteins Ltd Subsidiary of Nitta Gelatin			653.03
Kuttiyadi Coconut Industrial Park Ltd.		2.50	

Key Managerial Personnel	Capacity	Nature of transaction	Amount Rs in Lakhs
Harikishore IAS	Managing Director		-
Aravindakshan K	CFO	Salaries & Allowances	14.92
Suresh Kumar K	DGM & CS	Salaries & Allowances	18.54

33 Fair Value Measurement

In order to show how fair values have been derived, financial instruments are classified based on a hierarchy of valuation techniques, as summarised below:

Level 1 financial instruments - Those where the inputs used in the valuation are unadjusted quoted prices from active markets for identical assets or liabilities that the Company has access to at the measurement date. The Company considers markets as active only if there are sufficient trading activities with regards to the volume and liquidity of the identical assets or liabilities and when there are binding and exercisable price quotes available on the balance sheet date.

Level 2 financial instruments - Those where the inputs that are used for valuation and are significant, are derived from directly or indirectly observable market data available over the entire period of the instrument's life. Such inputs include quoted prices for similar assets or liabilities in active markets, quoted prices for identical instruments in inactive markets and observable inputs other than quoted prices such as interest rates and yield curves, implied volatilities, and credit spreads. In addition, adjustments may be required for the condition or location of the asset or the extent to which it relates to items that are comparable to the valued instrument.

Level 3 financial instruments - Those that include one or more unobservable input that is significant to the measurement as whole.

Rs in lakhs

Hierarchy of Valuation	Classification	Cost as on 31.3.2020	Fair Value as on 31.3.2020	Fair Value as on 31.3.2019
Level I financial instruments	Quoted shares	2,606.74	17,849.28	37,204.92
Level II financial instruments	Unquoted Shares for which Balance sheet available	4,939.14	5,551.52	4,514.64
Level III financial instruments	Unquoted Shares for which Balance sheet not available from 2014	782.26	-	-
Level III financial instruments	Companies under Liquidation	84.60	-	-
Level III financial instruments	Companies with JV	9.34	4,633.87	4,451.30
Level III financial instruments	Companies with Associates	1,691.94	3,109.11	3,019.55

34 Capital Management

Regulatory capital-related information is presented as part of the RBI mandated disclosures. The RBI norms require capital to be maintained at prescribed levels. In accordance with such norms, Tier I capital of the company comprises of share capital, share premium, reserves and perpetual debt, Tier II capital comprises of subordinated debt and provision on loans that are not credit-impaired. There were no changes in the capital management process during the periods presented.

Rs in lakhs

Particulars	31.03.2020	31.03.2019
Tier I capital	68,226.38	76,141.36
Tier II capital	-	-
Total Capital	68,226.38	76,141.36
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount raised by issue of Perpetual Debt Instrument	-	-
Risk weighted assets	57,255.46	75,527.12
CRAR %	119%	101%

- 35 KSIDC has not availed any loan and not taking deposit from public and therefore Asset Liability Management & Maturity pattern is not applicable to KSIDC
- 36 KSIDC has not provided any loans and advances against securities/shares, pledge or otherwise, and hence Exposure to Capital Market is not applicable

37 **Concentration of Advances, Exposures and NPAs**

(i) Concentration of Advances		Rs in lakhs	
Particulars		2019-20	
Total advances to twenty largest borrowers		22,593.45	
Percentage of advances to twenty largest borrowers to Total Advances of the Corporation		60%	
(ii) Concentration of Exposures		Rs in lakhs	
Particulars		2019-20	
Total exposure to twenty largest borrowers		4,821.05	
Percentage of exposure to twenty largest borrowers to Total exposure of the Corporation		60%	
(iii) Concentration of NPAs		Rs in lakhs	
Particulars		2019-20	
Total exposure to top four NPA accounts		4,821.05	
(iv) Sector wise NPA as on 31.03.2020		Rs in lakhs	
Particulars	%	No. of accounts	Outstanding Principal
Artificial Intelligence	0.04%	1	6.84
Coir	1.78%	1	347.18
Electronics	0.52%	1	100.77
Fertilisers & Chemicals	0.29%	1	56.11
Food	7.71%	6	1,505.69
Gold	2.49%	2	485.79
Health	2.28%	3	445.23
Hospitality	32.00%	10	6,249.97
Iron & Steel	5.22%	3	1,019.34
IT & Software	0.24%	1	46.25
Light Engineering	0.33%	1	64.08
Manufacturing	15.10%	10	2,948.71
Manufacturing - Construction materials	12.29%	5	2,400.82
Media	0.00%	1	0.45
Paper	0.21%	2	40.41
Petroleum & Petrochemicals	1.68%	3	328.60
Pharmaceuticals	5.00%	1	977.41
Service	5.84%	3	1,141.30
Textiles	6.99%	4	1,364.41
Total	100 %	59	19,529.37

38 NPA Position and movement of NPA

Particulars	2019-20		2018-19	
	Rs. in lakhs	No. of units	Rs. in lakhs	No. of units
Total loan outstanding	37,539.01	92	38,905.38	92
Standard assets	18,009.63	33	18,671.06	34
Substandard assets	2,959.86	12	3,452.97	15
D1 assets	3,811.42	9	2,382.87	4
D2 assets	890.87	1	2,174.95	3
D3 assets	11,552.84	31	11,909.15	30
Loss assets	314.39	6	314.39	6
Loan classified as NPA	19,529.37	59	20,234.32	58
Gross NPA	52.02%		52.01%	
Net NPA	13.32%		14.34%	

39 Overseas Assets

The company does not have any joint ventures or subsidiaries abroad

40 Customer Complaints

Particulars	31.03.2020	31.03.2019
(a) No. of complaints pending at the beginning of the year	Nil	Nil
(b) No. of complaints received during the year	Nil	Nil
(c) No. of complaints redressed during the year	Nil	Nil
(d) No. of complaints pending at the end of the year	Nil	Nil

41 Disclosure of Penalties imposed by RBI and other regulators

No penalties imposed by RBI and other regulators

42 Disclosure pursuant to Reserve Bank of India Circular DOR.No.BP.BC.63/21.04.048/2020-21 dated 17 April 2020 pertaining to Asset Classification and Provisioning in terms of COVID-19 Regulatory Package

Particulars	2019-20
Respective amounts in SMA/overdue categories, where the moratorium/deferment was extended	
Respective amount where asset classification benefit is extended	
General provisions made	
General provisions adjusted during the period against slippages and the residual provisions	

Loans given by KSIDC is subject to maximum of Rs 35 crores per borrower and is widely spread to various sectors, and therefore concentration of advances and concentration of exposure is not applicable to the Company

For and on behalf of the Board
Sd/- Managing Director

Sd/-
Director

Sd/-
Chief Financial Officer

Sd/-
Company Secretary
Annexure to our report of even date
For RANJIT KARTHIKEYAN & ASSOCIATES
Chartered Accountants
(FRN 006705 S)

Sd/-
CA. B. CHANDRASEKHARAN NAIR, B.Com, FCA
Partner (M.No. 019922)
UDIN : 21019922 AAAASC1382

Thiruvananthapuram
15-04-2021



सत्यमेव जयते

**OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT II) KERALA,
THIRUVANANTHAPURAM**

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER
SECTION 143(6)(b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS OF
KERALA STATE INDUSTRIAL DEVELOPMENT CORPORATION LIMITED,
THIRUVANANTHAPURAM FOR THE YEAR ENDED 31 MARCH 2020**

The preparation of financial statements of **Kerala State Industrial Development Corporation Limited, Thiruvananthapuram** (the Company) 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 is 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 **Kerala State Industrial Development Corporation Limited, Thiruvananthapuram** 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:

A. COMMENTS ON FINANCIAL POSITION**Balance Sheet as at 31 March 2020****Equity and Liabilities****Financial Liabilities****Payables (Note 12)****Current Account with Companies ₹102.90 lakh**

- 1. This includes an amount of ₹57.00 lakh, received as recoupment of investment in preference shares of Filatex Vechukunnel, treated as advance. The amount should have been shown as deduction from 'Investments' instead of under 'Payables'. This has resulted in overstatement of Financial Liabilities and Investments by ₹57.00 lakh.*

Provisions ₹4883.49 lakh (Note 13)

- 2. The Company has valued its investments in equity instruments at the market rate/fair value and the net gain or loss adjusted through Other Comprehensive Income. However, the provision provided during the prior years for these investment was not written back even after valuing the investment at fair value. This has resulted in overstatement of provision and corresponding understatement of Other Equity by ₹2138.58 lakh.*

Assets**Other Non-financial assets ₹649.81 lakh (Note 11)**

- 3. As per General Instructions for Balance Sheet given in the Companies Act 2013, balances with Banks to the extent of security against guarantee shall be disclosed separately. The Company had, for obtaining a bank guarantee of ₹800.00 lakh from HDFC Bank, created lien on fixed deposits of IGC amounting to ₹1128.00 lakh. This fact has not been disclosed in the Notes on accounts.*

B. COMMENTS ON CASH FLOW

- 4. Cash outflow from financing activities is overstated by ₹101.40 lakh due to inclusion of decrease in other equity due to bad debt. This has also resulted in overstatement of cash inflow from operating activities by the same amount.*

C. COMMENTS ON DISCLOSURE

- 5. Income Tax Department raised a demand for ₹107.21 lakh under section 156 of IT Act, 1961 in respect of income tax for the assessment year 2018-19 on 12.04.2021. The Company has preferred an appeal against the demand notice. This fact has not been disclosed in the Notes on Accounts*
- 6. Government of Kerala notified (19 February 2018) the Commonwealth Trust Kozhikkode (Acquisition) and Transfer Act, 2012 (Act of 2018) by which the assets and liabilities of Commonwealth Trust (India) Limited were transferred to KSIDC.*

The Company has assessed that even though the Company could not take over the assets of Commonwealth Trust (India) Limited, the liability on takeover of the land by Government/KSIDC was estimated at ₹50.00 crore.

The High Court has temporarily stayed the acquisition of the properties under the Act. These facts have not been disclosed in the notes on accounts.

D. COMMENTS ON AUDITORS REPORT

7. As per Paragraph 28 of the Standards on Auditing (SA) 700, Forming an Opinion and Reporting on Financial Statements as issued by the ICAI, the Auditor's report shall include a section, directly following the Opinion section, with the heading "Basis for Opinion", that:

- (a) States that the audit was conducted in accordance with Standards on Auditing;
- (b) Refers to the section of the auditor's report that describes the auditor's responsibilities under the SAs;
- (c) Includes a statement that the auditor is independent of the entity in accordance with the relevant ethical requirements relating to the audit, and has fulfilled the auditor's other ethical responsibilities in accordance with these requirements. The statement shall refer to the Code of Ethics issued by ICAI;
- (d) States whether the auditor believes that the audit evidence the auditor has obtained is sufficient and appropriate to provide a basis for the auditor's opinion.

The Independent Auditors have not included the above in the Basis of opinion Paragraph in their report and has therefore not complied with SA 700 to that extent.

For and on behalf of the

Comptroller and Auditor General of India

Sd/-

K. P. ANAND

Thiruvananthapuram
Dated: 24.09.2021

PRINCIPAL ACCOUNTANT GENERAL (AUDIT II), KERALA



सत्यमेव जयते

**OFFICE OF THE PRINCIPAL ACCOUNTANT GENERAL (AUDIT II) KERALA,
THIRUVANANTHAPURAM**

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION
143(6)(b) READ WITH SECTION 129 (4) OF THE COMPANIES ACT, 2013 ON THE
CONSOLIDATED FINANCIAL STATEMENTS OF KERALA STATE INDUSTRIAL
DEVELOPMENT CORPORATION LIMITED, THIRUVANANTHAPURAM FOR THE YEAR
ENDED 31 MARCH 2020**

The preparation of consolidated financial statements of **Kerala State Industrial Development Corporation Limited, Thiruvananthapuram** 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) read with Section 129 (4) of the Act is responsible for expressing opinion on the financial statements under section 143 read with Section 129 (4) 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 consolidated financial statements of **Kerala State Industrial Development Corporation Limited, Thiruvananthapuram** for the year ended **31 March 2020** under Section 143(6)(a) read with Section 129 (4) of the Act. We conducted a supplementary audit of the financial statements of **Kerala State Industrial Development Corporation Limited, Thiruvananthapuram** but did not conduct the supplementary audit of the financial statements of **O/E/N India Limited, Nitta Gelatin India Limited and Inkel KSIDC Projects Limited** for the year ended on that date. **Further, Section 139 (5) and 143 (6) (a) of the Act are not applicable to O/E/N India Limited, Nitta Gelatin India Limited and Inkel KSIDC Projects Limited being private entities for appointment of the Statutory Auditor and for conduct of supplementary audit. Accordingly, Comptroller and Auditor General of India has neither appointed the Statutory Auditors nor conducted the supplementary audit of these Companies.** 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) read with Section 129 (4) of the Act which have come to my attention and which in my view are necessary for enabling a better understanding of the financial statements and the related audit report:

A. COMMENTS ON CONSOLIDATED FINANCIAL POSITION

Balance Sheet as at 31 March 2020

Equity and Liabilities

Financial Liabilities

Payables (Note 12)

Current Account with Companies ₹102.90 lakh

1. *This includes an amount of ₹57.00 lakh, received as recoupment of investment in preference shares of Filatex Vechukunnel, treated as advance. The amount should have been shown as deduction from 'Investments' instead of under 'Payables'. This has resulted in overstatement of Financial Liabilities and Investments by ₹57.00 lakh.*

Provisions ₹4883.49 lakh (Note 13)

2. *The Company has valued its investments in equity instruments at the market rate/ fair value and the net gain or loss adjusted through Other Comprehensive Income. However, the provision provided during the prior years for these investment was not written back even after valuing the investment at fair value. This has resulted in overstatement of provision and corresponding understatement of Other Equity by ₹2138.58 lakh.*

Assets

Other Non-financial assets ₹649.81 lakh (Note 11)

3. *As per General Instructions for Balance Sheet given in the Companies Act 2013, balances with Banks to the extent of security against guarantee shall be disclosed separately. The Company had, for obtaining a bank guarantee of ₹800.00 lakh from HDFC Bank, created lien on fixed deposits of IGC amounting to ₹1128.00 lakh. This fact has not been disclosed in the Notes on accounts.*

B. COMMENTS ON CONSOLIDATED CASH FLOW

4. *Cash outflow from financing activities is overstated by ₹101.40 lakh due to inclusion of decrease in other equity due to bad debt. This has also resulted in overstatement of cash inflow from operating activities by the same amount.*

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5. *Income Tax Department raised a demand for ₹107.21 lakh under section 156 of IT Act, 1961 in respect of income tax for the assessment year 2018-19 on 12.04.2021. The Company has preferred an appeal against the demand notice. This fact has not been disclosed in the Notes on Accounts*

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The Company has assessed that even though the Company could not take over the assets of Commonwealth Trust (India) Limited, the liability on takeover of the land by Government/KSIDC was estimated at ₹50.00 crore.

The High Court has temporarily stayed the acquisition of the properties under the Act. These facts have not been disclosed in the notes on accounts.

D. COMMENTS ON AUDITORS REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

7. *As per Paragraph 28 of the Standards on Auditing (SA) 700, Forming an Opinion and Reporting on Financial Statements as issued by the ICAI, the Auditor's report shall include a section, directly following the Opinion section, with the heading "Basis for Opinion", that:*

- (a) States that the audit was conducted in accordance with Standards on Auditing;
- (b) Refers to the section of the auditor's report that describes the auditor's responsibilities under the SAs;
- (c) Includes a statement that the auditor is independent of the entity in accordance with the relevant ethical requirements relating to the audit, and has fulfilled the auditor's other ethical responsibilities in accordance with these requirements. The statement shall refer to the Code of Ethics issued by ICAI;
- (d) States whether the auditor believes that the audit evidence the auditor has obtained is sufficient and appropriate to provide a basis for the auditor's opinion.

The Independent Auditors have not included the above in the Basis of opinion Paragraph in their report and has therefore not complied with SA 700 to that extent.

*For and on behalf of the
Comptroller and Auditor General of India*

Sd/-
K.P ANAND

Thiruvananthapuram
Dated: 24.09.2021

PRINCIPAL ACCOUNTANT GENERAL (AUDIT II), KERALA



Kerala State Industrial Development Corporation Limited

Keston Road, Kowdiar, Thiruvananthapuram - 695 003

CIN: U45309KL1961SGC001937

GSTIN: 32AAACK9434D1ZV

Ph: 0471 - 2318922, Fax: 0471 - 2315893, E-mail: enquiry@ksidcmail.org

Regional Office: 2nd Floor, Choice Towers, Manorama Junction, Kochi - 682 016

Ph: 0484 - 2323010, Fax: 0484-2323011