

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD (KIIFB)

ANNUAL REPORT & ANNUAL ACCOUNTS 2023-2024



A STATUTORY BOARD UNDER FINANCE DEPARTMENT,
GOVERNMENT OF KERALA



Defining the Future

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

ANNUAL REPORT

&

ANNUAL ACCOUNTS FOR THE FINANCIAL YEAR 2023-24

www.kiifb.org

CORPORATE INFORMATION
KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

REGISTERED OFFICE: 2nd Floor, Felicity Square, MG Road, Statue,
Trivandrum, Kerala- 695 001
EMAIL: financeadmin@kiifb.org
WEBSITE: www.kiifb.org

BOARD MEMBERS

Pinarayi Vijayan
Hon'ble Chief Minister of Kerala- Chairperson
K N Balagopal
Hon'ble Minister for Finance- Vice Chairperson
V Venu IAS
Chief Secretary, Government of Kerala- Member
KG Sanal Kumar
Law Secretary, Government of Kerala- Member
Rabindra Kumar Agarwal IAS
Principal Secretary- Finance- Member

V.K.Ramachandran

Member

Salim Gangadharan

Independent Member

Radhakrishnan Nair

Independent Member

TS Vijayan

Independent Member

Sushil Khanna

Independent Member

J.N. Gupta

Independent Member

Ajay Kumar

Independent Member

KM Abraham

CEO & Member Secretary

STATUTORY AUDITORS

M/s Varma & Varma, Chartered Accountants (till 31.03.2024)

Address: TC 9/1504, Galaxy, SMRA 14, Sasthamangalam PO,
Trivandrum, Kerala- 695 010

M/s Suri & Co, Chartered Accountants (From 01.04.2024)

Address: TC 25/434, 44 Santhi Nagar Near Housing Board Junction,
Trivandrum, Kerala- 695 001

**SECRETARIAL
AUDITORS**

**M/s Mehta & Mehta,
Company Secretaries**

Address: Door No 1509(1),
George & Xavier's Square,
St Benedict Cross Road,
Ernakulam North, Cochin-
682 018

INTERNAL AUDITORS

**K. Venkatachalam Aiyer & CO, Chartered
Accountants**

Sriniketan, PB No 12,
Chettikulangara, Trivandrum, 695001

REGISTRAR & TRANSFER AGENT

Cameo Corporate Services Limited
Subramanian Building, No. 1 Club House
Road, Chennai, Tamil Nadu- 600 002

**DEBENTURE TRUSTEE FOR THE BONDS
ISSUED BY KIIFB**

Catalyst Trusteeship Limited
GDA House, Plot No. 85, Bhusari Colony (Right), Paud
Road,
Kothrud, Pune – 411 038

DEPOSITORIES

**National Securities Depositories
Limited**
**Central Depositories Services (India)
Limited**

BANKERS

SBI| Kotak Mahindra Bank| HDFC Bank| ICICI| Union Bank| Indian Bank| Axis Bank| Canara Bank|
Punjab National Bank| Bank of Maharashtra| Bank of India| Bank of Baroda| Standard Chartered
Bank| Indian Overseas Bank

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1. INTRODUCTION

Kerala Infrastructure Investment Fund Board (KIIFB), a body corporate created by the Kerala Infrastructure Investment Fund Act 1999 (Act 4 of 2000), came into existence on 11.11.1999 as the principal funding arm of Government of Kerala. The major goal of KIIFB is to provide funding for significant infrastructure projects in Kerala State. Comprehensive modifications to the Act have been made through the Kerala Infrastructure Investment Fund (Amendment) Act, 2016. With the expanded scope and structure, KIIFB dynamically mobilises funds for the infrastructure development of Kerala. This also includes major land acquisition needs for infrastructure development. To ensure the sustainable development, KIIFB uses cutting-edge financial instruments authorized by Securities and Exchange Board of India (SEBI) and Reserve Bank of India (RBI).

Based on the above, the Government of Kerala has set the ambitious target of accelerated investment in Infrastructure by announcing its decision to take up projects worth INR 50,000 Cr through KIIFB. To finance critical and large infrastructure projects, KIIFB has been authorised to mobilize funds both in the medium as well as long term. Government has approved a plan to issue General Obligation Bonds against unconditional Government guarantee and Revenue Bonds with structured payment mechanism for medium term requirement and has initiated steps to raise funds to meet long term requirements through Alternative Investment Funds (AIF), Infrastructure Investment Trust (InVIT), Infrastructure Debt Fund (IDF) and build the institutional framework needed for this. In this new scenario KIIFB has been restructured to serve as the primary Special Purpose Vehicle (SPV) for mobilising and channelling the funds for facilitating planned, hassle-free and sustainable development of both physical and social infrastructure, assuring overall wellness and prosperity.

This report contains the details of key activities and related financial information of KIIFB and disclosures under SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 for the financial year 2023 - 2024.

2.ORGANIZATION

2.1 KIIF BOARD

For the administration and supervision of the fund, as per Kerala Infrastructure Investment Fund Act, 1999 (KIIF Act) read with KIIF (Amendment) Act 2016, the Board of KIIFB shall comprise of the following members, namely:

- (a) Chief Minister - Chairperson
- (b) Minister for Finance - Vice-Chairperson
- (c) Vice-Chairman, State Planning Board - Member
- (d) Chief Secretary - Member
- (e) Secretary (Law) - Member
- (f) Secretary (Finance) - Member
- (g) Secretary (Finance-Resources) - Member
- (h) Seven independent members
- (i) Chief Executive Officer - Member Secretary

2.2 EXECUTIVE COMMITTEE

As per Kerala Infrastructure Investment Fund Act, 1999 (KIIF Act) read with KIIF (Amendment) Act 2016, the Executive Committee shall comprise of the following members, namely:

- (a) Minister for Finance - Chairperson
- (b) Chief Secretary - Member
- (c) Secretary (Law) - Member
- (d) Secretary (Finance) - Member
- (e) Secretary (Finance-Resources) - Member
- (f) Three independent members
- (g) Chief Executive Officer - Member

2.3 FUND TRUSTEE AND ADVISORY COMMISSION (FTAC)

The Fund Trustee & Advisory Commission (FTAC) constituted under Section 6 C of the KIIF Act, functions as the trustee of the Kerala Infrastructure Investment Fund (KIIF) and helps to ensure that all investments of the fund serve the purpose and intent of the Act and that there is no diversion of funds of the Board. The present FTAC comprises of the following Members: -

Chairperson - Shri. Vinod Rai, Former Comptroller & Auditor General of India

Members

Smt. Uma Shankar, Former Executive Director, Reserve Bank of India

Shri. R A Sankara Narayanan, Former Managing Director/CEO of Canara Bank, Former Managing Director/CEO of Vijaya Bank, Former Executive Director of BOI

2.4 DIVISIONS OF KIIFB

The office of KIIFB is headed by the Chief Executive Officer & Fund Manager with five main Divisions under his control, namely, Finance & Administration Division (including Institutional Finance Group & Legal Unit), Project Appraisal Division, Inspection Authority (Administrative Inspection Wing (AIW) and Technical Inspection Wing (TIW)), ESG Wing and Internal Audit Wing. The Chief Executive Officer also functions as the Ex- officio Secretary to Government.

2.4.1 Finance and Administration Division (F&A)

The Finance & Administration Division, headed by the Joint Fund Manager, looks after the administrative and financial matters of KIIFB. This Division also includes Institutional Finance Group (IFG) and Legal Unit. IFG handles the technical matters of fund mobilization and Legal unit caters to the legal matters of KIIFB. The core functions of this divisions includes mobilization and release of funds.

2.4.2 Project Appraisal Division (PAD)

The Project Appraisal Division is headed by the Executive Director (ED) and supported by Senior General Manager and General Manager. The Division is well equipped with Project Managers, Assistant Project Managers and other experts. Apart from the above, the division also avails expert services of CMD, a Government of Kerala undertaking, on need basis. The Division appraises the project reports for approval, prepared by the Administrative Departments through their SPVs for funding support from KIIFB.

2.4.3 Inspection Authority (IA)

Inspection Authority represents Governments strong commitment to ensure quality in all the works funded by KIIFB. The IA has two wings, namely, Administrative Inspection Wing (AIW) and Technical Inspection Wing (TIW).

The Administrative Inspection Wing is headed by a Special Secretary to Government and the Inspection Team consists of a Deputy Secretary, Under Secretary and three Project Assistants. The wing conducts periodic inspections in the offices of SPVs and their Project Monitoring Units (PMUs) to verify the compliances of systems and procedures applicable to the execution of public works under Government.

The Technical Inspection Wing is headed by the Chief Project Examiner (CPE). CPE is supported by Principal Project Examiners, Deputy Chief Consultant, Project Examiners, Consultants and Inspection Engineers. Apart from the above the TIW also maintains a Technical Resource Centre (TRC), which is outsourced to CMD, for providing technical support and training to the project engineers of SPVs on the best practices in Engineering. TIW ensures quality of works and is responsible for all the quality control procedures

followed in the KIIFB projects. TIW conducts regular studies/research on quality standards and best implementation practices in civil constructions and prepare guidelines on the same in consultation with government approved rules and procedures for adoption in KIIFB Funded projects.

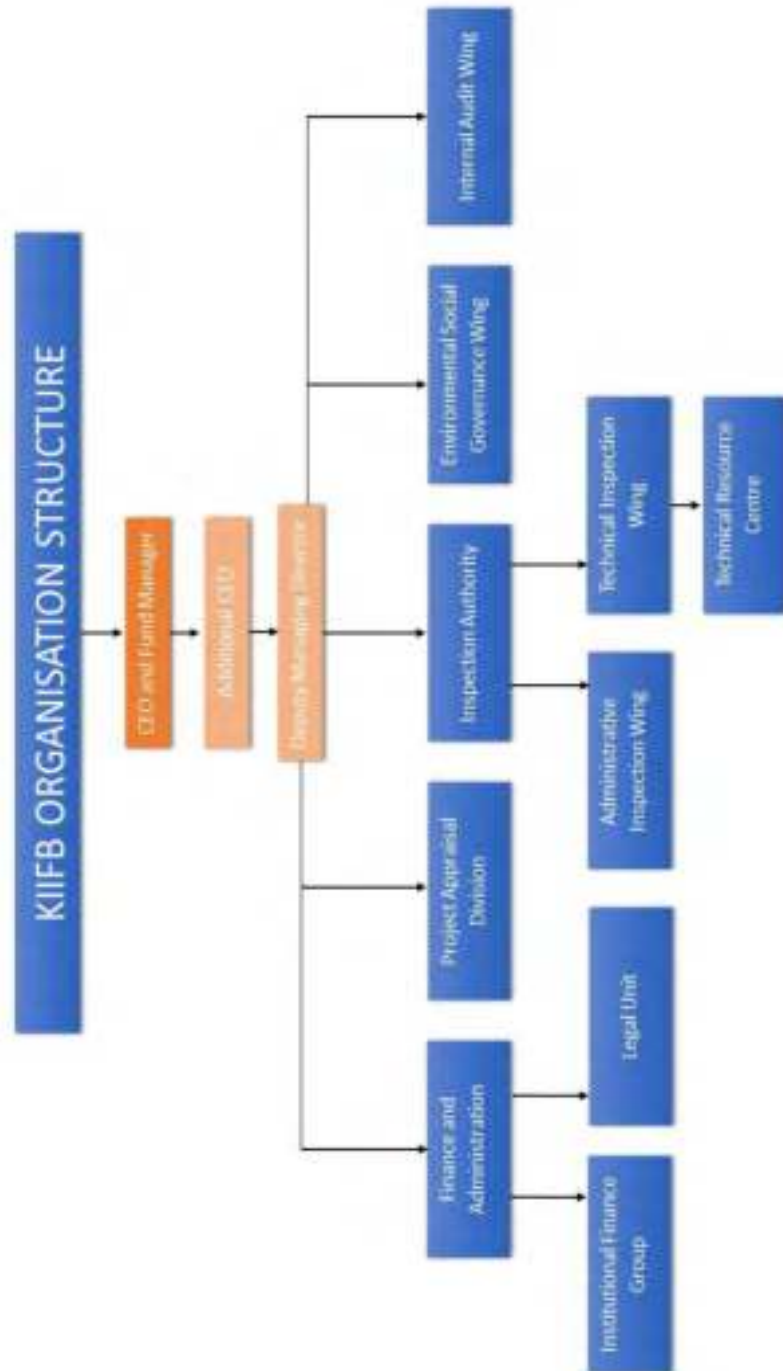
2.4.4 Environmental Social and Governance Wing (ESG)

The Environmental Social and Governance (ESG) wing is headed by General Manager. The ESG wing aims to ensure ESG integration in the work culture of KIIFB and SPVs through technical and administrative interventions. KIIFB envisages that all regulations and best practices with respect to Environmental, Social and Governance aspects are compiled by the SPV's. ESG Wing also assists the F&A in its initiatives in the sector of sustainable investments and undertaking the necessary due diligence activities.

2.4.5 Internal Audit Wing (IAW)

The Internal Audit Wing (IAW) is headed by Chief Auditor and the IAW conducts internal audit of KIIFB as well as coordinates all other kinds of Audits in KIIFB.

Organization Chart



3. BOARD'S REPORT



Defining the Future

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

(A Statutory Body under Finance Department, Government of Kerala)

Finance and Administration Division

website: www.kiifb.org

BOARD'S REPORT 2023-24

Dear Stakeholders,

KIIFB was established as the principal funding arm of Government of Kerala on 11.11.1999 by the Kerala Infrastructure Investment Fund Act 1999 (Act 4 of 2000). Through various functions provided in the act, KIIFB aims to channelize fund for critical and large public infrastructure projects in Kerala. Comprehensive modifications to the Act have been enacted through Kerala Infrastructure Investment (Amendment) Act, 2016. With the expanded scope and structure provided under the amended Act, KIIFB mobilizes and channels funds for facilitating planned, hassle-free and sustainable development of both physical and social infrastructure including major land acquisition needs that are integral to development ensuring all round wellbeing and prosperity.

The Board of Members of Kerala Infrastructure Investment Fund Board (KIIFB) takes pleasure in presenting the Annual Report 2023-24. The report covers the initiatives, significant achievements of KIIFB and statutory disclosures as per Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1.1 FINANCIAL HIGHLIGHTS

INR in Lakhs

Particulars	2023-24	2022-23
Recoupment of statutory contribution from Government of Kerala from corpus fund for financing of direct project cost as per contra	4,64,194.54	4,69,977.35
Interest income from financial assistance for revenue generating projects	55,810.59	46,541.05
Interest income from deposits and investments	17,187.58	16,518.73
Total Revenue	5,62,930.23	5,33,365.43
Financing of direct cost of projects- Out of corpus fund	4,64,194.54	4,69,977.35
Total Expenses	6,60,070.11	6,18,666.77
Profit/Loss after prior period item	(97,139.88)	(85,327.67)
Statutory contribution from Government of Kerala under corpus fund utilized to meet the net loss (deficit from operations) for the year in P&L account transferred	96,771.09	85,333.02
Net Worth	3,32,701.92	2,82,049.28
<i>Debt Equity Ratio</i>	<i>6.26</i>	<i>6.32</i>
<i>Debt Service Coverage Ratio</i>	<i>0.18</i>	<i>0.24</i>
<i>Interest Service Coverage Ratio</i>	<i>0.48</i>	<i>0.41</i>
<i>Long Term Debt to Working Capital</i>	<i>2.12</i>	<i>1.98</i>

3.2 BUSINESS ACHIEVEMENTS

Loan Sanctions and Project Disbursements

Particulars	INR in Cr	
	2023-24	2022-23
Loan sanctions during the year	5,116.47	10,123.14
Project disbursements during the year as approved by KIIFB Board	4,724.67	4,673.28

Sector-wise classification of Loans and Advances

SL No	Sector	INR in Cr			
		As on 31.03.2024		As on 31.03.2023	
		No	Amount	No	Amount
1	Industries	6	3,982.72	6	3877.03
2	Information Technology	3	659.88	3	521.05
3	Cultural Affairs	2	25.4	2	15.51
4	Power	1	1,680.81	1	1519.82
5	Transport	1	46.22	1	36.97
6	Tourism	1	11.32	1	8
7	LSGD	3	79.34	3	76.96

3.3 CORPUS FUND AND DEBT STRUCTURE

3.3.1 Corpus Fund

The corpus fund represents capital investment of the State Government in KIIFB to meet its long term/ short term capital requirements for financing the infrastructure projects in the State as per the objectives of KIIF Act, 1999 as amended by the Kerala Infrastructure Investment Fund (Amendment) Act, 2016.

3.3.2 Initial Corpus Fund

The initial corpus fund (INR 2,49,842.28/- lakhs) represents fund received towards initial corpus fund for major infrastructural development projects as per Government Orders- G.O(Ms) No 16/2016/Plg dated 30.03.2016 and G.O (Ms) No 18/2017/Plg dated 30.03.2017 and the amount received during the financial year 2021-22 as additional financial support for infrastructure development amounting to INR 32,207/- lakhs received as per G.O(Rt) No 389/2022/Fin dated 17.01.2022 which has been credited to the initial corpus fund. The amounts are kept separately in government treasury account (interest free).

Particulars	INR in Lakhs	
	As at 31.03.2024	As at 31.03.2023
Initial corpus fund for major developmental projects	2,82,049.28	2,82,049.28
Addition to initial corpus fund	50,652.64	-
Total	3,32,701.92	2,82,049.28

3.3.3 Revolving Corpus Fund

The revolving corpus fund is received on an annual basis towards financial support for infrastructure development by way of statutory contribution being share of KIIFB from cess on petrol and share of KIIFB from motor vehicle tax as per KIIF Act.

The corpus fund- revolving represents the funds received every year from Government of Kerala as part of the statutory contribution provided for in the State budget under the financial support for infrastructure development as stated in section 3(1A) read with section 7 of KIIF Act, 2016 towards the objectives based on resolution of the general body and also any amount received additionally from Government of Kerala to meet the additional fund requirements as per relative government order. The amount utilised towards direct cost of projects are recouped from the revolving/ corpus fund for the year and amount so utilised are shown as contra item in the profit and loss account to reflect the activities undertaken to meet the objectives as per the Act. The corpus fund- revolving also includes the fund received under LAC/ADS scheme and PTA/CSR fund as per government order.

During the year under review, INR 50,652.64/- lakhs was credited to the initial corpus fund comprising of INR 42,250/- lakhs received from Government of Kerala vide GO No 54/2024/Fin and GO No 9210/2023/Fin (read with Order No FA-2/S034/2024/KIIFB dated 10.01.2024) towards balance of Motor Vehicle Tax which was credited to the revolving corpus fund and INR 8,402.62 lakhs received as repayment of borrowing, fully provided for in the earlier years which has been written back to the P&I, and carried forwarded to the revolving corpus fund as approved by Government Orders vide GO Rt.No 4098/2024/Fin dated 18.05.2024 and GO Rt.No 4099/2024/Fin dated 18.05.2024.

3.3.4 Non-Convertible Debentures (NCDs)

During the financial year 2023-24, KIIFB has issued and allotted non-convertible bonds in the nature of debentures to the tune of INR 2,41,161 lakhs in multiple tranches backed by the guarantee of Government of Kerala. The details are provided below:

Unsecured, Redeemable, Non-Convertible Green Debentures

Issue Date	03.07.2023
Listing Date	05.07.2023
Purpose	To augment the long-term resources of the Issuer. The issue proceeds shall be used for providing long term financing to infrastructure projects in the State of Kerala duly in conformity with use of proceeds for green debt securities as per SLBI NCS Regulations (as may be amended). The proceeds shall be utilized primarily for the category of energy efficiency which shall include efficient and green buildings.
Coupon Rate	8.49%
Tenure	4-10 years
Exchange	BSE
Amount	INR 30,002 Lakhs

Domestic Bonds- Series I
Unsecured, Redeemable, Non-Convertible Debentures

Issue Date	22.12.2023 18.01.2024 (Reissue under same ISIN)
Listing Date	27.12.2023 19.01.2024 (Reissue under same ISIN)
Purpose	To augment the long-term resources of the Issuer. The issue proceeds shall be used for providing financing to infrastructure projects in the State of Kerala as approved by the Board Members of the Issuer.
Coupon Rate	8.95%
Tenure	4-10 years
Exchange	BSE
Amount	INR 1,49,996 Lakhs

Domestic Bonds- Series II
Unsecured, Redeemable, Non-Convertible Debentures

Issue Date	26.03.2024
Listing Date	28.03.2024
Purpose	To augment the long-term resources of the Issuer. (a) Providing financing to infrastructure projects in the State of Kerala as approved by the Issuer's board of members including but not limited to for acquisition of immovable assets for setting up such infrastructure project; (b) Repayment of any financial indebtedness availed by Issuer; and (c) Any other objectives of Issuer pursuant to the KJIF Act.
Coupon Rate	9.10 %
Tenure	4-10 years
Exchange	BSE
Amount	INR 61,166 Lakhs

Catalyst Trusteeship Limited acts as the Debenture Trustee to the above issuances and KIIFB has utilized the proceeds from the said issues for the purpose for which it was raised. During the period under review, coupon payments of the NCDs was done on a quarterly basis as per the terms of the Information Memorandum.

3.4 TRANSFER TO RESERVES

During the financial year under review, FY 2023-24, as detailed in Note 2.3 of the financial year statements, the net profit & loss account for the year of Rs 96,771.09 lakhs representing utilisation of corpus fund for meeting the expenses in relation to the administration of the fund has been recouped from the corpus fund by transferring an amount equal to the net loss for the year from operations from the Corpus Fund to P&I - Account.

3.5 RECOVERY EXPENSE FUND

In order to enable Debenture Trustees to take prompt action for enforcement of security in case of default in listed debt securities, a Recovery Expense Fund (REF) equal to 0.01% of the issue size subject to a maximum of INR 25 lakhs shall be created as per SEBI Circular SEBI/ H.O. MURSD/ CRADT/ CIR/ P/ 2020/ 207 dated 22.10.2020 which be utilized in a manner decided by the holders of securities in case of default. The provisions of this circular were made applicable with effect from January, 2021. The amount deposited by KIIFB towards REF with BST as on 31st March, 2024 is INR 24.11 lakhs.

3.6 CREDIT RATING

The credit rating of the NCDs issued by KIIFB by the following credit rating agencies, viz. India Ratings & Research Private Limited and Acuite Ratings & Research Limited as on 31st March 2024 is as follows:

Instrument	Rating Agency	Credit Rating	Outlook	Rating Action
8.49% Unsecured, Redeemable, Non-Convertible Green Debentures	India Ratings & Research Private Limited	IND AA (CE)	Stable	Affirmed
Domestic Bonds- Series I 8.95% Unsecured, Redeemable, Non-Convertible Debentures	Acuite Ratings & Research Limited	ACUITF AA (CE)		
Domestic Bonds- Series II 9.10% Unsecured, Redeemable, Non-Convertible Debentures		Provisional IND AA(CE)	Stable	Assigned
		Provisional ACUITF AA (CE)		

3.7 LARGE CORPORATE DISCLOSURE

Pursuant to SEBI Circular No SEBI/IO/DDIS/DDIS-RACPOD1/P/CIR/2023/172 dated 19.10.2023 with respect to "Ease of doing business and development of corporate bond markets –revision in the framework for fund raising by issuance of debt securities by large corporates" pursuant to Clause 3.2, where KINFRA being a debt-listed entity having outstanding long term borrowings of INR 1000 Cr and above with credit rating of AA, would be construed as a Large Corporate. Necessary disclosures have been made to the Stock Exchange in this regard. The disclosure in the specified format is provided below:

1.	Outstanding Qualified Borrowings at the start of the financial year (Rs. In Crores)	Rs 15,621.81 Cr
2.	Outstanding Qualified Borrowings at the end of the financial year (Rs. In Crores)	Rs 20,067.36 Cr
3.	Highest credit rating of the company relating to the unsupported bank borrowings or plain vanilla bonds, which have no structuring/support built in	IND AA (CE)/ Stable India Ratings & Research Private Limited Acutite AA (CE)/ Stable Acutite Ratings & Research Limited
4.	Incremental borrowing done during the year (qualified borrowing) (Rs. In Crores)	Rs 5,803.86 Cr
5.	Borrowings by way of issuance of debt securities during the year (Rs. In Crores)	Rs 2,411.64 Cr

3.8 MATERIAL CHANGES AND COMMITMENTS AFFECTING FINANCIAL POSITION BETWEEN THE END OF THE FINANCIAL YEAR AND DATE OF REPORT

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

3.9 CHANGE IN THE NATURE OF BUSINESS, IF ANY

There has been no change in the business of KINFRA during the financial year.

3.10 INTERNAL FINANCIAL CONTROL

KINFRA has in place systems in place to ensure orderly and efficient conduct of business, safeguarding its assets, preventing and detecting frauds and errors, accuracy and completeness of accounting records and timely preparation of reliable financial disclosures.

The internal control and governance processes are reviewed by the Internal Audit team of KINFRA for their adequacy and effectiveness and the terms of reference of Audit Committee constituted under Regulation 18 of SEBI LODR Regulations, 2015 requires the committee to evaluate the financial controls and risk management systems.

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

The provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 have been implemented in KIIFB with the aim of providing protection to women against sexual harassment at workplace and for prevention and redressal of complaints. No case of any harassment has been reported at any time in your Company and specifically no complaints of sexual harassments were received during the year 2023-24.

3.12 CORPORATE SOCIAL RESPONSIBILITY

KIIFB is a statutory body constituted by Kerala Infrastructure Investment Fund Act, 1999 (as amended by Kerala Infrastructure Investment Fund (Amendment) Act, 2016) coming under the Department of Finance, Government of Kerala. KIIFB, not being a company, the provisions of Companies Act, 2013 are not applicable to the entity.

3.13 WHISTLE BLOWER POLICY

KIIFB has put in place a "Whistle Blower Policy" for employees to report to the management instances of unethical behaviour, actual or suspected fraud, or violation of code of conduct by adopting highest standards of professionalism, honesty, integrity and ethical behavior. No complaints have been received under the Policy during the year. The Whistle Blower Policy has been hosted on the website of KIIFB- <https://kiifb.org/>.

3.14 RIGHT TO INFORMATION ACT, 2005

KIIFB is complying with the Right to Information Act, 2005 and has designated a Public Information Officer, and an Appellate Authority to look after the compliances of RTI Act, 2005.

During the financial year 2023-24, 58 RTI applications were received, and the applications were attended to and disposed off within the stipulated time.

3.15 DETAILS OF BOARD MEMBERS WHO WERE APPOINTED OR HAVE RESIGNED/ CEASED DURING THE YEAR AND TILL THE DATE OF THIS REPORT

- Dr Ajay Kumar (DIN: 01975789) has joined the Board of KIIFB as Independent Member pursuant to Government Order No G.O.(Ms) No 89/2023/FIN dated 08.06.2023
- Shri Sudipto Mundle (DIN: 02783008), Independent Member was relieved from the Board of KIIFB vide Government Order No G.O.(P)No.118/2023/FIN dated 06.12.2023.

- Shri V Venu, IAS (DIN: 01105099), Chief Secretary took charge on 01-07-2023 in place of Shri VP Joy, IAS pursuant to GO (Rt) No 2894/2023/GAD dated 27-06-2023. As per provisions of Section 4(3) of KIFB Act, 1999 read with KIFB (Amendment) Act, 2016 the Chief Secretary would be a member of Board.
- Shri KG Sanal Kumar, Law Secretary took charge on 03-08-2023 in place of Shri V Hari Nair pursuant to GO (Rt) No 3409/2023/GAD dated 24-07-2023. As per provisions of Section 4(3) of KIFB Act, 1999 read with KIFB (Amendment) Act, 2016 the Secretary (law) would be a member of Board.
- Shri Rabindrakumar Agarwal, IAS, Principal Secretary- Finance (DIN: 00365865) took charge on 01-08-2023 in place of Shri Bishwanath Sinha pursuant to GO (Rt) No 2896/2023/GAD dated 28-06-2023. As per provisions of Section 4(3) of KIFB Act, 1999 read with KIFB (Amendment) Act, 2016 the Secretary (Finance) would be a member of Board.

3.16 DETAILS OF MEETINGS OF THE BOARD/ COMMITTEE AND COMPOSITION

The Board of KIFB is assisted by adequate Board Level Committees. The details of meetings of the Board/ Committee and composition are given in the Corporate Governance Report that forms part of this Annual Report.

3.17 DECLARATION OF INDEPENDENT MEMBERS

KIFB has received necessary Declaration from each of the Independent Members during the year 2023-24 conforming that they meet the criteria of Independence as prescribed under SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015.

3.18 NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR

- KIFCON Private Limited (KIFCON) is a wholly owned subsidiary of KIFB where KIFB holds 100% shares of the company. KIFCON is engaged in the business of providing consultancy services in the fields of infrastructure and related technologies. KIFCON continues to be the subsidiary of KIFB as on the date of this report.
- Kerala Infrastructure Fund Management Limited (KIFML), a public limited company is an associate company of KIFB with 42.69% equity holding. KIFML is engaged in the business of acting as investment manager to Alternate Investment

Funds (AIFs) registered with SEBI. KIFML continues to be the associate of KIFB as on the date of this report.

3.19 BOARD MEMBER'S RESPONSIBILITY STATEMENT

KIFB Board Members have taken proper and sufficient care for the maintenance of adequate accounting records for safeguarding the assets of the organization and for preventing and detecting fraud and other irregularities and the annual accounts have been prepared on going-concern basis.

To the best of my knowledge of the Board Members and belief and according to the information and explanations obtained by them, the Board makes the following statements:

- in the preparation of the annual accounts for the financial year ended 31st March, 2024, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the organization as at 31st March, 2024;
- laid down internal financial controls to be followed by the organization and that such internal financial controls are adequate and were operating effectively;
- devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

3.20 AUDITS IN KIFB

3.20.1 Statutory Audit

M/s Varma & Varma, Chartered Accountants (FRN: 004532S) carried out the Statutory Audit of KIFB for the FY 2023-24. The five-year tenure of the firm got expired on 31.03.2024. M/s Suri & Co, Chartered Accountants (FRN: 001283S) have been appointed as the new Statutory Auditor of KIFB for a term of three years from FY 2024-25 till FY 2026-27.

3.20.2 Auditor's Report

The Audit Report on the financial statements for the FY 2023-24 is a part of the Annual Report. The Statutory Auditors of KIFB, M/s Varma & Varma, Chartered Accountants have given qualified opinion on the accounts of KIFB for the financial year 2023-24. The report for the FY 2023-24 is attached as *Annexure A*.

3.20.3 Secretarial Audit

Pursuant to Regulation 24A of SEBI (LODR) Regulations, 2015, KIFB has appointed M/s Mehta & Mehta, Company Secretaries (ICSI Unique Code: P1996MII007500) as Secretarial

Auditors for a term of three years, The Report of the Secretarial Auditor for the FY 2023-24 is attached as **Annexure-B**.

3.20.4 Internal Audit

The 40th Board of KIFB held on 13.10.2020 had approved the Terms of Reference (ToR) of Internal Audit and the authority of the Chief Internal Auditor (CIA) heading the internal audit wing of KIFB.

ToR envisages the Internal Audit specifically:

- as a Risk Management of the institution as the third line of defence model



- to Maintain an appropriate level of proficient Internal Audit team and conduct IA as envisaged in ToR.
- to Report to Internal Audit Management Committee (IAMC) & the Audit Committee.
- as an Interface to statutory audits, C & AG Audit and all other audits.
- in operational advisory role wherever IA is called for.

The Terms of Reference, KIFB Code propose the IA as an independent Wing. The Audit Committee of KIFB is the Executive Committee (EC). There is a four-member Internal Audit Management Committee (IAMC) comprising of CEO as the Chairman, Deputy Managing Director (DMD), Joint Fund Manager (JFM) and CIA-Convener to review and follow-up IA & reports periodically. The CIA reports to CEO and is under the administrative control JFM.

3.20.5 Risk Based Internal Audit (RDIA)

KIFB has always endeavoured to ensure efficiency, effectiveness, transparency, and accountability in its operations. The decision of the 40th meeting of the General Body of KIFB held on 13th October 2020 to implement Risk Based Internal Audit (RDIA) at KIFB is a major step in this direction. It is, in fact, a major leap towards establishing international standards in the operations of KIFB.

A brief kick into the history of RBIA: The starting point is Basel Committee on Banking Supervision (BCBS). All member countries of Basel Committee on Banking Supervision have begun to implement the Basel Accords which are a series of banking regulation agreements. RBIA was championed in India by Reserve Bank of India through one of its discussion papers. Later, from December 2002 onwards, Reserve Bank of India made RBIA mandatory in the Indian Banking sector. From February 2021 onwards it was made mandatory for Non-Banking Financial Companies (NBFCs) and Primary (Urban) Cooperative Banks (UCBs) also. In this context, KIIFB's voluntary decision to adhere to the same standards underlines the organization's proactiveness in implementing widely accepted standards to safeguard the public interest.

Institute of Internal Audit (IIA) defines RBIA as a methodology that links internal auditing to an organization's overall risk management framework. RBIA allows internal audit to provide assurance to the Board that risk management processes are managing risks effectively, in relation to the risk appetite.

Based on the Terms of Reference (ToR) approved by KHF Board, the RBIA at KIIFB shall undertake a programme of reviews of key functional areas, processes, and systems to ensure that material risks are identified and managed. This will include reviews of design and operating effectiveness of the internal governance structures and processes of the organisation, the setting of and adherence to risk appetite, the risk and control culture of the organisation, risks of poor customer treatment giving rise to conduct or reputational risk, capital and liquidity risk, key corporate events, and outcome of processes. It will also evaluate and assess emerging risks and their potential impact on the KIIFB's operations. In the audit follow-up part, it will provide an independent assessment of the progress made by management in implementing actions to manage risk issues and control weaknesses reported in external and internal audit reports. In brief, the approved RBIA framework shall provide assurance about the governance, risk management, project and financial controls and its quality assurance processes.

The RBIA at KIIFB is envisaged in two stages.

Stage-1: The Risk Registers of functional areas of each department has been prepared based on scrupulous evaluation of SOP, Manual, Code, Scheme and Act. The Risk Based Internal Audit approach has been designed through preparing a Risk Control Matrix (RCM). The function of internal audit wing has been streamlined by preparing a detailed internal audit manual and SOP. The Manual, SOP and RCM has been developed by an expert Chartered Accountant firm through an outsourcing mechanism.

Stage-2: As proposed in the manual, internal audit is captured in two streams – Concurrent & RBIA. Both the streams are professionally conducted by engaging a senior Chartered Accountant firm, according to RCM, Audit Manual & SOP as detailed in stage 1.

3.20.6 Status of Audit

Internal Audit Wing (IAW) is the coordinating hub of all audits of KHPB, and status of audits are as follows:

1	Statutory Audit	Completed up to the FY 2023-24. (standalone and consolidated)
2	Limited review audit	Completed for all three Quarters of 2023-24.
3	Accountant General Audit	Completed up to the 31.03.2020
4	Tax Audit	Completed up to the FY 2022-23 (AY 2023-24)
5	Peer review audit (Applicable till 22-23)	Completed up to the FY 2022-23.
6	Internal Audit- Concurrent	For the F.Y 2023-24, audits of all 4 quarters were completed.
7	Internal Audit- Risk Based	For the F.Y 2023-24, audits of all 15 areas with multiple frequencies were completed.

For the F.Y 2023-24, three Internal Audit Management Committee (IAMC) meetings were held. 17 audit frequencies were placed in these meetings, with the remaining frequencies to be considered in subsequent IAMC meetings as per the approved audit plan. The status reports of the audits, including any focus points, are reported to the Audit Committee or Executive Committee.

Note: "Frequency" refers to the number of times an audit is conducted based on the intensity of the associated risk.

3.20.7 Structure of Internal Audit



3.21 SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS

There are no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and KIIFB's operations in future.

3.22 LISTING

The debt securities of KIIFB are listed on Bombay Stock Exchange (BSE). KIIFB has paid the requisite listing fees to the stock exchange during the period under review.

3.23 DEBENTURE TRUSTEE

KIIFB has appointed M/s Catalyst Trusteeship Limited (formerly known as GDA Trusteeship Ltd) as Debenture Trustees for the Non-Convertible Bonds issued during the financial year 2023-24. The contact details of the Debenture Trustees are detailed below:-

Catalyst Trusteeship Limited GDA House, Plot No. 85, Bhusari Colony (Right), Pand Road, Kothrud, Pune - 411 038 Ph: 020 - 66807200 Fax : 020 - 25280275
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3.24 REPORT ON CORPORATE GOVERNANCE

The report on Corporate Governance for the year ended 31st March 2024 is attached as *Annexure C*.

3.25 COST RECORDS

KIIFB is not a company and provisions of Companies Act, 2013 pertaining to maintenance of cost records is not applicable to KIIFB.

3.26 GREEN BOND DISCLOSURES

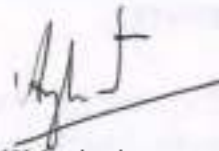
Disclosures pertaining to green debt securities issued by KIIFB as required under SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 ("SEBI Operational Circular") and amendments made thereto read with additional disclosures prescribed under SEBI Circular No SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/023 dated February 6, 2023 is attached as *Annexure D*.

3.27 ACKNOWLEDGEMENT

The Board of KIIFB places on record their gratitude to the Government of Kerala, Government Departments and Agencies, Securities and Exchange Board of India and all other statutory/ regulatory authorities for the guidance and support extended to KIIFB

During the year. The Board gratefully acknowledges the continued support and co-operation of the Banks/ Financial Institutions, Debenture Trustees, Rating Agencies and the Stock Exchange. The Board appreciates and thanks the efforts put in by the Statutory Auditors, Internal Auditors and Secretarial Auditors. Last but not the least, the Board would like to place on record their deep sense of gratitude towards the employees of the organization for their excellent services, SPVs and contractors associated with KIIIFB and look forward to their continued association going forward.

**FOR AND ON BEHALF OF THE BOARD OF
KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**



Date 12/08/2024
Place Trivandrum

Dr KM Abraham
Member Secretary Chief Executive Officer

ANNEXURE A
CONSOLIDATED & STANDALONE FINANCIALS

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To

The Members of Kerala Infrastructure Investment Fund Board,
Thiruvananthapuram

Report on the Audit of Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated financial statements of Kerala Infrastructure Investment Fund Board (the holding entity hereinafter referred to as 'KIIFB') and its subsidiary company, KIIFCON Private Limited and associate company, Kerala Infrastructure Fund Management Limited (together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31st 2024, the Consolidated Profit and Loss account and the Consolidated Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matters described in the Basis for Qualified Opinion section of our report, the accompanying Consolidated financial statements give a true and fair view of the state of affairs of the Group as at March 31, 2024, and of its consolidated profit and its consolidated cash flows for the year ended on the above said date in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

Basis for Qualified Opinion

1. As stated in Note No.24.3, invoices of first level service providers to whom certain activities have been outsourced by KIIFB relating to 'Ente Keralam' programme expenditure amounting to Rs.6744.96 lakhs have been made available to our verification as directed by the Executive committee at its meeting on 01.09.2023. However, the management is not able to confirm whether first level service provider is final end service provider, and internal controls in this regard need to be strengthened while entering in to contracts for better transparency. The expenditure incurred as above has been charged to project costs since according to the management such costs are directly relatable to projects and on account of this no provision has been made in the budget for such direct project costs. The above expenses have been ratified by the general body at their meeting held on 04.03.2024.
2. An amount of Rs.1592.79 lakhs has been incurred for promotion and media activities through various parties to whom works were outsourced on nomination basis (single tender). This procedure is not in compliance with the stipulations in SOP for procurement of media services in force during the year requiring invitation of open tender for such works. In the absence of proper tendering, the reasonableness of the



rates could not be verified by us. The above amount of Rs.1592.79 lakhs includes an amount of Rs.745 lakhs incurred for promotional campaigns in social media, international SMS services etc for which invoices of first level service providers were made available to us as directed by the executive committee and management is not able to confirm whether such first level service provider is the final end service provider. Internal controls in entering into contracts required to be strengthened for better transparency. Further appropriate audit evidences to authenticate the receipt of the services provided as claimed in the invoices of the first level service provider were not available on record, explained to be due to practical difficulties. We have placed reliance on the authentication and attestation of receipt of services by the Nodal Officer media management group with the approval of payment by CEO. The above expenses have been incurred within the budget approved by the General Body.

3. As stated in Note No. 29, KIIFB had incurred an expenditure of Rs.936.66 Lakhs during the year towards KSFE Software expenses which includes amounts incurred through external agency (a Government PSU - KSIE Limited) to whom the activities for server hosting and licence renewal charges of KSFE Pravasi software have been outsourced by KIIFB on nomination basis (single quote). The claims are supported by invoices of first level intermediary agencies and the management is not able to confirm whether such first level service provider is the end service provider. Internal controls needs to be strengthened while entering into such contracts for better transparency. KSIE Limited has raised invoice on KIIFB at 3% & 10% over cost incurred depending upon the nature of service provided through the intermediary agency to whom the services have been sub-contracted.

As stated in the notes, KIIFB has paid operating cost (Server hosting and License renewal charges) to KSIE Ltd during the years from 2020-21 to 2023-24 amounting to Rs.3,964.81 lakhs against the capital cost of acquisition/ development of software of Rs.3,037.94 Lakhs (Gross carrying value). The direction of the Executive Committee meeting held on 01.09.2023 and also the General Body meeting held on 04.03.2024 to expedite steps to enter into agreement with KSFE for recovery of the cost incurred on the software till date is pending to be implemented. In our opinion, such delay in execution of the agreement requires to be avoided/ minimised.

In view of the facts and circumstances dealt with in para 1 to 3 above, we are not able to express our opinion on the authenticity of expenses incurred during the period dealt with in the above paragraphs.



We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the group in accordance with the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the said Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the audit of the consolidated financial statements.

Emphasis of Matter

We draw attention to the following matters described in the Notes to accounts of the Consolidated financial statements:

- (i) As stated in Note No.1.2 to the consolidated notes to accounts, during the year, an amount of Rs.42,250 lakhs was received from GoK vide GO No.54/2024/fin and GO no. 9210/2023/fin (read with Order No. FA-2/5034/2024/KIIFB dated 10.01.2024) towards balance of motor vehicle tax which was credited to Revolving Corpus Fund. Further, KSIDC has repaid borrowing to extent of Rs.8402.64 lakhs , which was fully provided for in earlier years and accordingly, the provision to extent of Rs.8402.64 lakhs was written back to P&L and carried forward to Revolving Corpus Fund. The above amounts of Rs.50652.64 lakhs (Rs.42,250 lakhs plus Rs.8402.64 lakhs) which was lying in the Revolving Corpus Fund was transferred to Initial Corpus Fund during the year by the management and equivalent fund was directly credited/ transferred to special treasury account earmarked for initial corpus. The transfer as above has been approved by Govt. of Kerala vide GO Rt.No 4098/2024/Fin dated 18.05.2024 (Rs.42250 lakhs) and GO Rt No.4099/2024/Fin dated 18.05.2024 (Rs.8402.64 lakhs).
- (ii) Interest income has been recognised on revenue generating projects in cases where there have been certain delays on implementation of the projects financed by such loans, as detailed in Note no.22.2 to the consolidated financial statements. According to the management, certain inherent delays which have occurred during implementation stage of infrastructure does not have adverse effect on the recovery of loans granted considering the operational model of KIIFB as detailed in Note no 12.3 and these loans are expected to be recovered from SPVs which are all government owned or controlled agencies and hence considered by the management as good and recoverable. Such recovery however would depend upon actual income generation from land acquisition of projects having an aggregate cost incurred till 31.03.2024 amounting to Rs.2,87,972.40 lakhs so far as it relates to income accrued on such projects.



- (iii) Loan agreements are pending to be executed as on date with one SPV for loan outstanding aggregating to Rs.667.47 Lakhs although more than 40% stage of disbursement (as per the terms of Tripartite Agreement between KIIFB, SPV and the concerned Government department) has been exceeded requiring execution of such loan agreement, as stated in Note no.22.3 to the consolidated financial statements. As explained by the management, steps for execution of loan agreements is under process, which is pending for requisite clearance from the concerned departments of the Govt of Kerala.
- (iv) As stated in Note No 12.1 to the consolidated financial statements, Prudential norms on Income recognition, asset classification and provisioning for long term infrastructure projects was adopted by KIIFB w.e.f 01-04-2023, vide circular resolution dated 13.04.2023 and the same has been revised in the 46th General Body Meeting of KIIFB held on 02.09.2023. KIIFB has classified projects into four categories based on the viability of projects into High, Medium, Low and no commercial viability projects. Based on the said norms, additional provision amounting to Rs.9475.92 lakhs have been made in books of accounts for KSEB -Nilavu project towards outstanding loan amount and unrealised interest accrued till 31.03.2023 since the said project has been classified to category III during the year. No interest income has been recognised during the current year on the loans for said project as stated in Note No.12.2.
- (v) As stated in Note No.2.6.1 to the consolidated financial statements, the balances under statutory contribution receivable from GoK of Rs.10,61,862.03 Lakhs upto 31.03.2024 is considered good and recoverable by the management. According to the management there is no uncertainty with regard to ultimate recovery, based on financial operational model of KIIFB as per the KIIF Act, 1999 (amended by act of 2016) as such amounts are expected to be recouped from the statutory contribution receivable in future. We have relied entirely on the management representation in this regard considering the facts of the case.
- (vi) As stated in Note No.33 to the consolidated financial statements, the procedures followed for appraisal of projects by the project appraisal division offers scope for improvement by documentation of the assumptions followed in making financial projections relating to estimated costs and revenues.
- (vii) As stated in Note No.18.2 to the consolidated financial statements, receivable from Information & Public Relations Department amounts to Rs.916.73 lakhs for which claims raised are pending for more than one year. However, the balance has been confirmed as at 31.03.2023.



We also draw attention to the following matters reported in emphasis of matter paragraph of audit report of subsidiary company, KIIFCON Private Limited, (but not disclosed in notes to accounts of subsidiary company)\

- (i) Overseas Keralites investment and Holding Ltd (OKIH) had entered an MOU with KSCU(KIIFB Consultancy Service Unit) on 01.03.2022. On formation of KIIFCON Pvt Ltd, all the projects of KSCU were transferred to KIIFCON vide order No. FA-7/5024/2022/KIIFB dtd 27.11.2022. Hence the project of OKIH was also transferred to KIIFCON Pvt Ltd. The project was on hold due to the unavailability of land parcels and the same was re-started on confirmation on land availability at Thalapaady, Kasargode district. This year KIIFCON has accounted Rs.0.28 lakhs as overtime expenses for the project. A draft agreement is made between KIIFCON and OKIH, however the same is not finalised till date.
- (ii) KIIFCON has entered into a supplementary agreement for consultant contract with Cochin Smart Mission Limited on 17.12.2022 with a validity from 01.01.2022 for 24 months which expired on 31.12.2023. The former organization of KIIFCON, i.e., KSCU (KIIFB Consultancy Service Unit) had already entered into an agreement with CSML on 06.07.2022 and this agreement between KIIFCON and CSML includes all the terms and conditions of the original agreement vide a clause "Except for the transfer of projects from KSCU to KIIFCON, all other conditions of the original agreement dtd 06.07.2022 shall remain the same.

Total cost of the project was for Rs. 1368 lakhs divided among 4 components with weightage of amount. Later, the 2 components of the project were said to have subsumed to other 2 components with no change in total project cost. Owing to this change, we had observed that invoices were raised in variation with the weightage given to each component as per the agreement. These varied terms of payments are not backed by any agreements between M/S CSML and M/s KIIFCON Pvt Ltd.

KIIFCON requested to CSML for the extension of PMC agreement with a fixed monthly remuneration of Rs. 15 lakhs +GST in addition to the existing payment conditions and the confirmation letter in this regard was received from CSML. The supplementary agreement with the revised payment condition is under process with CSML. Accordingly, company has raised invoice only till 31.12.2023, the invoice for balance months shall be raised only on execution of supplementary agreement. Company has quantified and provided unbilled revenue of Rs. 50.51 lakhs in the books of accounts for the period January to March 2024 in compliance with Accounting Standards.



- (iii) TDS deducted by Clients is subject to reconciliation with 26 AS, as the same is not fully updated till date.
- (iv) CEO and Director of KIIFCON Mr. Satyajeet Rajan is a director in another company SAIL-SCL Kerala Ltd. In the MCA website the said company has filed annual accounts only till 31.03.2019 and the Company status is under CIRP. Mr. Satyajeet Rajan has resigned from the directorship of M/s SAIL-SCL on January 2015, however the requisite forms are not filed with ROC. Hence his status is still as director in the said company. Principal Secretary has issued a letter to M/s SAIL on 21.02.2024 to file requisite forms with ROC with effect from his cessation of directorship from the company i.e., January 2015. However, the same is yet to take place and the status is same in MCA website till date.
- (v) Company has undertaken a Pilot project of GIS mapping at 8 wards of cochin municipality for M/s CSML. Company has submitted a proposal of Rs. 2,50.83 lakhs +GST@18% on 08.11.2022 and the sanction was accorded on 16.11.2022. Company also submitted cost breakup on 23.02.2023 and the same was also accepted and 12.07.2023. On 06.02.2024, KIIFCON has submitted a MOP of 90% 250.83 lakhs i.e. (225.80 lakhs +GST@18%) However, the final invoice was raised for Rs. 159.43 lakhs GST i.e., 75% of 212.56 lakhs (taking 250.83 lakhs as inclusive of GST) according to the communication from M/s CSML on 23.02.024 via email regarding revision of total cost to Rs.250.83 lakhs including GST.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How addressed in Audit
(i) As stated in Note No.II. (I) to consolidated financial statement, KIIFB has introduced prudential norms on Income recognition, asset classification and provisioning relevant and applicable for long term infrastructure projects w.e.f 01-04-2023 as per the decision of general	As per the principles laid down in AS 9 Revenue recognition, KIIFB has recognized interest income on accrual basis as per the terms of the loan agreement, wherever such agreements have been entered into and for which agreement is not executed upon reaching 40% stage of disbursement at rate



Key Audit Matters	How addressed in Audit
body through circular resolution dated on 13.04.2023. This was amended in the 46th General Body Meeting of KIIFB held on 02.09.2023. According to the revised norms, KIIFB has classified projects into four categories based on the viability of projects into High (Category I), Medium (Category II), Low (Category III) and no commercial viability projects (Category IV).	agreed as per terms of sanction. (At discounted rate). Based on revised IRAC Norms, 6 nos of loans having principal of Rs.17,461.56 Lakhs and interest of Rs.1906.48 lakhs have been classified as Category II . Based on revised IRAC Norms, 2 nos of loans having principal of Rs.3,0323.88 Lakhs and interest of Rs.10,134.24 lakhs have been classified as Category III and this has been fully provided for as doubtful and income recognition has been discontinued from the date of such reclassification on prudential basis as stated in Note no.12.2 to the consolidated financial statement. Recognition of interest revenue for projects are as per the IRACP Norms adopted by KIIFB in the general body. Income has been recognized based on the terms of the loan sanctioned and categorization of loan. There is no significant doubt as to realization and recovery of interest at this stage for category I and II loans. Loans categorized under category III reckoned as low viability has been fully provided for and recognition of income also has been stopped. The loans are given to State Government controlled entities and there are no over dues in principal and interest outstanding as at 31.03.2024 as per terms of loan agreement as stated in Note No.12.5 to the consolidated financial statement. Provision for all standard asset at 0.40% has been made during the year towards the outstanding amount of principal and interest as prescribed under IRACP Norms. Facts have
(ii) Interest income for Category I projects are recognised at Average Cost of Domestic Borrowing (ACDB) of KIIFB reset every six months in a calendar year with monthly compounding (in some cases rate agreed at the time of sanction), Category II projects at discounted rate of interest as compared to category I and with respect to Category III and IV projects interest income is not recognised in books of account. On facts of the case, there have been certain inherent delays in respect of many of the projects financed with long gestation periods. As per the terms of the loan sanctioned, the repayment of	



Key Audit Matters	How addressed in Audit
principal and interest commences on completion of moratorium period. Interest is payable by the borrower as per terms of agreement as above regardless of completion of project. According to the management such delays in project implementation is not likely to have any adverse impact on recovery of finance granted for revenue generating projects. Such recovery however would depend upon actual income generation from land acquisition of projects having an aggregate cost incurred till 31.03.2024 amounting to Rs.2,87,972.40 lakhs in so far as it is relatable to these projects.	been duly disclosed in the consolidated financial statements.
(iii)As per GoK Order [GO(Ms) No 153/2023/ GAD dated 13-10-2023], KIIFB was instructed to incur the expenditure towards infrastructure and construction facilities for the event 'Keraleeyam 2023'. The Chief Engineer (CE), PWD was entrusted the responsibility for conducting the event by Program Committee of Keraleeyam, GoK. Based on the above decisions, KIIFB issued office order stating the condition that CE buildings, PWD shall arrange to tender the work following the due procedures and do the evaluation of the same and identification of successful bidder for each work. The details of successful bidder/s shall be intimated to KIIFB. An amount of Rs.1295.46 lakhs has been incurred towards 'Keraleeyam' event organised by Government of Kerala through Chief Engineer (CE), PWD.	The management has furnished to us a specific representation that GoK has entrusted the responsibility of conducting the event 'Keraleeyam 2023' to Chief Engineer, PWD. Since PWD is a Government Department, the compliance of stipulated procedures w.r.t. tendering, identification and evaluation of bidders is their sole responsibility and KIIFB has no responsibility in this regard. All the payments made by KIIFB to the vendors are based on approvals of The Chief Engineer (CE), PWD. We have placed reliance on the above management representation and the facts are disclosed in Note No 27.3 to the consolidated financial statement.



Key Audit Matters	How addressed in Audit
However, the evidence in support of compliance by PWD with the procedure stipulated by KIIFB with respect to tendering, identification and evaluation of bidders was not seen insisted upon and obtained.	
(iv) Promotional and advertisement expenses includes an amount of Rs.538.80 lakhs incurred towards nationwide media and publicity campaign of the Government of Kerala against restriction on borrowing powers of the State imposed by the Central Government. We had enquired on relation of such expenditure with the activities of KIIFB.	As stated in Note No.27.3 to the consolidated financial statement, such action by the Central government would gravely impact the operations of KIIFB which is built up as a premier agency providing quality infrastructure for the people of Kerala and expenses for building up a media campaign against this was unavoidable to sustain the existence of KIIFB. Moreover such expenses incurred was within the overall budget for promotional activities approved by the General Body and the payment was authorised by the Media Management Group (MMG) of KIIFB. We have relied on the management representation in this regard.
(v) Interest paid to Kerala Non-Resident Keralites Welfare Board (KNRKWB) of Rs 1787.18 Lakhs is accounted for by the management based on the scheme workings furnished by KNRKWB which is pending for reconciliation by KIIFB due to certain practical difficulties as explained to us. Steps are being taken for reconciliation of the same.	Confirmation of balance from KNRKWB for principal loan amount has been received as at 31.03.2024. For the purpose of calculation of interest we have relied on the data set provided by management and as per management representation furnished, the computation of interest as above is realistic and correct. We have relied on the above submission of the management
(vi) The corpus fund-revolving represents the funds received every year from Government of Kerala as part of statutory contribution provided for in the State budget under financial support for	The balances under statutory contribution receivable from GoK as at 31.03.2024 of Rs. 10,61,862.03 Lakhs is considered good and recoverable by the management.



Key Audit Matters	How addressed in Audit
infrastructure development as stated in Section 3(1A) r.w.s Section 7 of KIIFB Act, 2016 towards the objectives based on resolution of the general body and also any amounts received additionally from Government of Kerala to meet additional fund requirements as per relative government order. The amounts utilised towards direct cost of projects are recouped from the revolving/ corpus Fund for the year and amount so utilised are shown as contra item in the P&L a/c to reflect the activities undertaken to meet the objectives as per the Act. The revolving corpus fund is received on an annual basis towards financial support for Infrastructure Development by way of statutory contribution being share of KIIFB from Cess on petrol and share of KIIFB from Motor Vehicle Tax as per KIIFB Act. The balances under statutory contribution receivable from GoK as at 31.03.2024 is Rs. 10,61,862.03 lakhs considered good and recoverable as the same would be recouped from statutory contribution receivable every year as per operational model of KIIFB.	The recoverability is based on financial operational model of KIIFB as per the KIIF Act, 1999 as such amounts are expected to be recouped from the statutory contribution receivable in future as per the operational model implemented by KIIFB as envisaged in the KIIF Act. Therefore, as per recovery model as above, which is built in to Asset Liability Management (ALM), there is no uncertainty with regard to ultimate recovery of the above amount due from GoK as per management representation in this regard. We have placed our reliance on the management representation as above. The ALM model is placed for overseeing and monitoring at the periodical meetings of the Fund Trustee and Advisory Committee (FTAC) which comprises of eminent financial experts of the country having rich and wide experience in the field of financial management to safeguard the best interest of KIIFB. The status of latest ALM was also duly taken note of by the General body in its 47th meeting held on 04.03.2024 and as per presentation made at the Board meeting ALM has been found to be stable and sound as disclosed in Note No.30 to the consolidated financial statement. We have placed reliance on the surveillance being exercised utilising the technical expert knowledge of the FTAC committee in respect of sound functioning of the ALM Model and also the review of soundness of ALM by the Board at its meeting as above.



Other Matters

We did not audit the financial statements of the subsidiary company KIIFCON Private Limited, whose financial statements reflect total assets of Rs.1089.68 lakhs as at March 31, 2024, total revenue of Rs.922.45 lakhs and net cash outflows of Rs.380.27 lakhs for the year ended March 31, 2024 as considered in the consolidated financial statements before consolidation adjustments. These financial statements have been audited by other auditor whose report has been furnished to us by the management of KIIFB and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in so far as it relates to the aforesaid subsidiary is based solely on the reports of such other auditor.

Our opinion above on the consolidated financial statements, and our report on other legal and regulatory requirements below, is not modified in respect of the above matter with respect to our reliance on the work done and reports of the other auditor.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

The Management of KIIFB is responsible for the preparation of these Consolidated financial statements that give a true and fair view of the consolidated state of affairs, consolidated results of operations and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those charged with governance are responsible for overseeing the group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated 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, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- 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 group'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 group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all



relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal & Regulatory Requirements

1. We report on the basis of audit report of KIIFB and the associate company M/s. Kerala Infrastructure Fund Management Limited audited by us and relying on the report of subsidiary company KIIFCON Private Limited audited by other auditors 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 purposes of our audit except for the matter stated in Basis for Qualified Opinion paragraph (1) to (3).
 - (b) In our opinion and based on report of the other auditors, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books except for the matters stated in Para (f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 in respect of the associate company.
 - (c) The Consolidated Balance Sheet, Consolidated Profit and Loss account and the Consolidated Cash Flow Statement of the company dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - (d) The rupee denominated external borrowings being Masala Bonds availed by KIIFB, in the year 2018-2019 and repaid in full during the current year, which are fully secured by the sovereign guarantee issued by the Government of Kerala and have the required approval of the Reserve Bank of India under the Foreign Exchange Management Act 1999. As explained to us by the management of KIIFB, on other legal issues relating to the said borrowings, as per the legal opinion received from a renowned jurist and legal expert, the issue of Masala bonds made for the borrowings by KIIFB as above, is neither illegal nor is in violation of any law, which, being a legal matter, no opinion is expressed thereon.
 - (e) In respect of the associate company, as stated in Note No. 40.1 to the consolidated financial statements, in respect of the remuneration payable to the Managing Director, provision has been made in the accounts towards variable pay of Rs. 24 lakhs and earned leave salary of Rs. 1.59 lakhs. The provision for leave salary is subject to approval of the Nomination and Remuneration Committee and AGM of the associate Company. The actual amount of variable pay based on performance criteria is pending to be fixed by the Nomination and Remuneration committee.



- (f) In respect of the associate company, based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, audit trail feature was not enabled throughout the year. Since audit trail feature was not enabled, comment on tampering the audit trail is not applicable. In respect of the subsidiary company, the company has used such accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per statutory requirements for record retention. The above reporting requirements is not applicable for KIIFB. Since it is not a company registered under the Companies Act, 2013 but a body corporate under a separate state enactment.
- (g) In our opinion and relying on the opinion expressed in the audit report of the other auditor in the case of subsidiary company, the aforesaid Consolidated financial statements of the group comply with the Accounting Standards issued by the Institute of Chartered Accountants of India in all material aspects.

For Varma and Varma
Chartered Accountants
FRN.004532S



Pankajakshan
C.G.Pankajakshan

Partner

Membership No.020512

UDIN: 24020512BKGUxQ8839

Place : Thiruvananthapuram

Date : 25.05.2024

Kerala Infrastructure Investment Fund Board
2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001
Consolidated Balance sheet as at 31.03.2024

(Figures in Lakhs Rs.)

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
I. EQUITY AND LIABILITIES			
1 Initial Corpus Fund	1	3,32,701.92	2,82,049.28
2 Corpus Fund - Revolving (shown on the asset side)	2	-	-
3 Non-current liabilities			
(a) Long-term borrowings	3	17,88,950.02	14,32,257.88
(b) Deferred tax liabilities	11	-	368.79
(c) Other Long term liabilities	4	7,099.67	5,401.25
4 Current liabilities			
(a) Short-term borrowings	5	2,85,203.82	3,44,923.44
(b) Trade payables	6		32.43
Total outstanding dues of Micro Enterprise & Small Enterprise		26.65	-
Others		39.17	-
(c) Other current liabilities	7	22,152.79	17,150.77
(d) Short-term provisions	8	83.05	68.63
		24,36,257.09	20,82,252.47
II. ASSETS			
1 Non-current assets			
(a) Property, plant and equipment and Intangible Asset	9		
(i) Tangible assets		470.91	485.21
(ii) Intangible assets		586.13	1,473.66
(b) Non-current investments	10	96.36	120.97
(c) Long-term loans and advances	12	5,24,104.58	4,86,946.01
(d) Corpus fund revolving being the Statutory contribution receivable from GoK -Non current	2	7,48,862.03	4,96,975.02
(e) Other Non Current Assets	13	5,357.24	5,981.87
2 Current assets			
(a) Current investments	14	-	1,05,175.02
(b) Inventories	15		
(i) Unbilled Revenue		50.51	-
(c) Trade receivables	16	457.89	160.54
(d) Cash and cash equivalents	17	7,19,439.59	5,92,979.08
(e) Short term loans and advances	18	1,17,145.48	1,05,719.31
(f) Corpus fund revolving being the Statutory contribution receivable from GoK -Current	2	3,13,000.00	2,80,900.00
(g) Other current assets	19	6,686.37	5,335.78
		24,36,257.09	20,82,252.47

Notes forming part of consolidated financial statements

I, II & 1-41

The accompanying notes form an integral part of the consolidated financial statements

For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

Dr.K.M.ABRAHAM(CFA)
FUND MANAGER



Thiruvananthapuram
 Date : 25.05.2024

AUDITOR'S REPORT

As per our report of even date attached

for Varma & Varma
 Chartered Accountants
 FRN.004532S

C.G Pankajakshan
 (Partner)
 M.No. 020512

Kerala Infrastructure Investment Fund Board
2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001
Consolidated Statement of Profit and Loss for the year ended 31.03.2024

(Figures in Lakhs Rs.)

Particulars	Note No.	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
I. Revenue:			
i) Recoupment of statutory contribution from Government of Kerala from Corpus Fund for financing of direct project cost as per Contra	24	4,64,194.54	4,69,977.35
ii) Interest income from financial assistance for revenue generating projects	22	55,810.59	46,541.05
iii) Interest income from deposits and investments	21	17,196.92	16,518.73
iv) Profit on Sale of Mutual Fund Investment		17,103.06	-
v) Revenue from operations of subsidiary company - KIIFCON	20	913.11	443.53
vi) Other income	23	8,454.66	328.30
Total Revenue (I)		5,63,672.88	5,33,808.96
II. Expenses:			
i) Financing of direct cost of projects -Out of Corpus Fund	24	4,64,194.54	4,69,977.35
ii) Changes in inventories of finished goods, work-in-progress and stock-in-trade	15	(50.51)	-
iii) Employee benefits expense	25	1,036.13	803.57
iv) Finance costs	26	1,83,464.19	1,41,696.48
v) Depreciation and amortisation expense	9	989.42	1,100.04
vi) Other expenses	27	10,939.40	5,286.18
Total expenses (II)		6,60,573.17	6,18,863.62
III. Profit / (Loss) (I- II)		(96,900.29)	(85,054.66)
Prior Period Item	28	-	(26.33)
Profit / (Loss) after prior period item		(96,900.29)	(85,080.99)
IV. Tax expense:			
(1) Current tax of subsidiary company-KIIFCON		(83.05)	(68.63)
(2) Tax for Earlier years			
(3) Deferred tax(Expense)/Income	11	368.79	(5.35)
Less : Statutory contribution from GoK under Corpus fund utilised to meet the net loss (deficit from operations)for the year in P& L account transferred		96,822.71	85,333.03
V. Net Profit / (Loss) for the Year of Subsidiary/Associate company transferred to Reserve & Surplus (Includes share of loss in associate company Rs.24.61 lakhs.(P.Y-16.91 lakhs)		183.56	161.16

Notes forming part of consolidated financial statements 1, II & 1-41

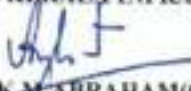
The accompanying notes form an integral part of the consolidated financial statements

AUDITOR'S REPORT

As per our report of even date attached

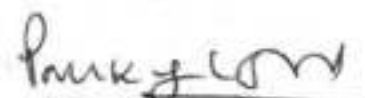
for Varma & Varma
Chartered Accountants
FRN.0045325

For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD


Dr. K.M. ABRAHAM(CFA)
FUND MANAGER



Thiruvananthapuram
Date : 25.05.2024


C.G. Pankajakshan
(Partner)
M.No. 020512

Kerala Infrastructure Investment Fund Board
2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001
Consolidated Cash Flow Statement for the year ended 31.03.2024

Particulars	(Figures in Lakhs Rs.)	
	For the year ended 31.03.2024	For the year ended 31.03.2023
A. Cash flow from operating activities		
Profit before income tax	(96,900.25)	(85,080.99)
Adjustments for:		
Depreciation and amortisation expense	989.42	1,100.04
Interest income	(72,007.21)	(65,054.78)
Finance Cost	1,83,464.19	1,81,866.48
Profit on Sale of Mutual Fund Investment	(17,103.06)	-
Provision for conversion of loan into Non income generating project (incl accrued interest)	9,475.92	39,384.84
Increase in income tax refund	(43.01)	-
Provision for Revenue generating project written back	(8,402.64)	-
Loan Asset converted to non income generating project- KINFRA	-	4,055.64
Receivable Written off	-	164.56
Provision for TDS Asset FY 2019-20	-	375.77
Provision for standard asset	2,363.78	-
Operating profit / (loss) before working capital changes	1,036.50	28,026.56
Changes in working capital:		
Adjustments for (increase) / Decrease in operating assets:		
Loans and Advances	13,042.60	86.38
Financial assistance made to Revenue Generating Projects	(11,455.80)	(45,998.89)
Other Non Current and Current Assets	(1,730.09)	(408.05)
Trade receivables	(297.35)	(186.23)
Inventory	(50.31)	-
Adjustments for (increase) / (Decrease) in operating liabilities:		
Other Current/Non current Liabilities	(12,241.69)	(2,125.33)
Trade Payables	33.30	32.43
Net Changes in working capital:	(9,664.35)	(9,926.09)
Cash generated from operations	(9,664.35)	(9,926.09)
Net income tax (paid) / refunds	988.47	782.19
Net cash from/ (used in) operating activities (A)	(8,675.88)	(9,143.90)
B. Cash flow from investing activities		
Purchase of PPE (excluding changes in CWIP)	(87.56)	(235.10)
(Purchase)/ disposal proceeds of Investments	-	-
Sale proceeds of PPE	-	-
Interest income received out of fixed deposit	17,196.92	16,518.73
(Purchase)/ Sale proceeds of Investments	1,22,278.09	(42,175.02)
Net cash from/ (used in) investing activities (B)	1,39,387.45	(28,891.39)
C. Cash flow from financing activities		
Loans from :-		
(i) Banks and Financial Institutions	5,32,261.88	4,73,204.78
(ii) Bonds	2,66,888.00	26,433.00
(iii) Pradhan Mantri Scheme	1,507.77	3,520.62
Bonds repaid during the year	(2,13,000.00)	-
Loans repaid during the year	(88,664.04)	(93,967.61)
Statutory contribution from Govt.	42,250.00	2,47,876.55
Additional Financial Support for Infrastructure Development	2,80,828.01	-
CSR and PTA fund	24.04	486.30
Unutilised portion of LAC ADS share repaid	(54.39)	-
Recognition by way of Statutory contribution from Govt of Kerala from Corpus Fund for direct project cost (other than NABARD)	(4,69,233.29)	(4,61,291.31)
Interest received during the period from Deposits made out of corpus fund	4,486.60	1,163.71
Finance cost paid	(1,64,505.66)	(1,34,962.18)
Fund utilized for NABARD Projects	5,038.73	(12,741.68)
Net cash from/ (used in) financing activities (C)	(4,231.86)	49,672.01
Net increase (decrease) in cash and cash equivalents (A+B+C)	1,26,480.51	11,636.72
Cash and cash equivalents at the beginning of the financial year	5,92,979.08	2,81,242.56
Cash and cash equivalents at end of the year	7,19,459.59	5,92,979.08
Notes:		
1. The Above cash flow statement has been prepared under indirect method prescribed in 'AS 3 "Cash Flow Statements"'		
2. Components of cash and cash equivalents		
Balance with banks		
Cash in Hand	0.12	0.03
Balance with Treasury	0.02	0.01
Term Deposits/Overlap	1,82,383.77	2,89,156.72
Other deposit, savings and current accounts	53,332.76	24,749.98
Other Bank balance in Treasury Accounts	2,22,701.92	2,82,040.28
In Mutual Fund Saving Fund Account with Axis Bank	-	23.06
Fixed Deposit with Bank (Loan against OD)	1,51,001.00	-
	7,19,459.59	5,92,979.08

Notes forming part of consolidated financial statements

The accompanying notes form an integral part of the consolidated financial statements

1. B & 1-41

For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD


Dr. K.M. ABRAHAM (CFA)
FUND MANAGER

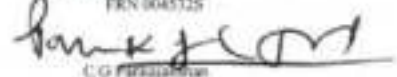


Thiruvananthapuram
Date : 23.05.2024

AUDITOR'S REPORT

As per our report of even date attached

For Varma & Varma
Chartered Accountants
FRN 0045725


C.G. Prasad
(Partner)
M No. 020512

Kerala Infrastructure Investment Fund Board
2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001
Notes to consolidated Financial Statements for the year ended 31.03.2024

All amounts in Lakhs except for specifically stated

NOTE-I

GENERAL INFORMATION

Kerala Infrastructure Investment Fund Board (referred to as KIIFB) was established on 11.11.1999 under the Kerala Infrastructure Investment Fund Act 1999 (Act 4 of 2000) with the main objective of financing the investment in critical and large infrastructure projects in the State of Kerala. Comprehensive modification of the Act and Scheme has been made through an amendment Ordinance in August 2016. With new strategy and structure, KIIFB aims to dynamically mobilise funds for the infrastructure development of Kerala including major land acquisition needs of the State. KIIFB has recourse to the advanced financial instruments approved by SEBI / RBI and is expected to promote substantial development of sustainable infrastructure in the State.

KIIFB is a body corporate established under an Act of Government of Kerala (KIIF ACT 1999) exclusively for undertaking sub-sovereign functions of financing the key infrastructure projects in the State of Kerala and all activities are done in pursuance of the above objective only.

Non convertible Debt Securities of KIIFB (Debentures) are listed on stock exchange of BSE Limited in pursuant to the provisions of SEBI Act 1992, LODR Regulations and Debenture trustee regulations.

The rupee denominated Masala Bond of KIIFB backed by the Guarantee of Govt of Kerala, listed in the London Stock Exchange and Singapore Stock Exchange has been fully repaid and closed during the year.

NOTE-II

SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF CONSOLIDATION

- The consolidated financial statements incorporate the financial statements of KIIFB (the holding entity) and its wholly owned subsidiary company KIIFCON Pvt Limited* and its associate company Kerala Infrastructure Fund Management Limited (collectively known as 'the Group'). The consolidated financial statements relate to KIIFB, its subsidiary and the entity's share of profit / loss in its associate company.
- Consolidated financial statements are prepared as per AS 21 under which subsidiaries are consolidated on line-by-line basis from the date the control is transferred to the Group. Inter-entity transactions, balances and unrealised gains/ losses on transactions between group entities are eliminated. The carrying amount of the entity's interests and the non-controlling interests (NCI) are adjusted to reflect the changes in their relative interests in the subsidiaries. The consolidated financial statements include the share of profit / loss of an associate entity which has been accounted for using 'equity method' as per AS 23 'Accounting for Investments in Associates in Consolidated Financial Statements'. Accordingly, the share of profit / loss of the associate entity (the loss being restricted to the cost of investment) has been added to / deducted from the cost of investment.

The consolidated financial statements are prepared by applying uniform accounting policies in use at the Group.

- Following subsidiaries and associate company have been considered in the preparation of the consolidated financial statements:

Name of the entity	abbreviation Used	Relationship	% of Holding	
			31 March 2024	31 March 2023
Kerala Infrastructure Fund Management Limited	KIFML	Associate Company	42.69%	42.69%
KIIFCON Private Limited	KIIFCON	Subsidiary Company	100%	100%

The general information of the subsidiary and associate is as under :

KIIFCON Private Limited

KIIFCON Pvt. Ltd. is a private Limited Company which is engaged in the business of providing consultancy services in the fields of infrastructure and related technologies and has commenced commercial operations.

Kerala Infrastructure Fund Management Ltd (KIFML)

Kerala Infrastructure Fund Management Limited ('the Company') is a public limited company incorporated under the provisions of the Companies Act, 2013 which is mainly engaged in the business of acting as the investment manager of Alternate Investment Funds which are registered with SEBI.



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B. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- a. The Consolidated financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and Accounting Standard issued by Institute of Chartered Accountants of India.
- b. Subsidiary company follows Mercantile System of Accounting and recognizes significant items of income and expenditure on accrual basis, except to the extent otherwise stated in the notes. The financial statements have been prepared and presented under the historic cost convention on accrual basis of accounting, in accordance with generally accepted accounting principles ("GAAP") applicable in India. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ("Act") and pronouncements of the Institute of Chartered Accountants of India, the provisions of the Act (to the extent notified).
- c. The Financial Statements are presented in INR, which is the functional currency and all values are rounded to the nearest lakhs (INR 1,00,000), except when otherwise indicated. Due to rounding, numbers presented may not add up precisely to totals provided.

USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period.

C. PROPERTY, PLANT AND EQUIPMENT

(a) **Tangible Assets:** The Gross carrying amount of Property, Plant & Equipment have been accounted on cost model and cost comprises of purchase price, duties, levies and any direct attributable costs of bringing the assets to its working condition for the intended use.

Depreciation: Depreciation has been provided on Written down Value Method at the rates proscribed in appendix to the Income Tax Rules.

(b) Intangible Asset

Intangible Assets are recorded at the cost of acquisition of such assets and are carried at cost less accumulated amortisation and impairment, if any.

Amortisation: Amortisation has been provided for on Written down Value Method on assets (other than masala bond expenses and issue expense for KSFE) at the rates prescribed in appendix to the Income Tax Rules. In respect of expenditure incurred towards issuance of Masala Bond and expenditure towards issue for KSFE Bond, the same is amortised over a period 5 years being the period during which the benefits are expected to materialise. The expenditure has been fully amortised as at the year end being the fifth year.

D. PRIOR PERIOD ADJUSTMENTS

As per AS 5 "Net profit or Loss for the period, Prior Period Items and Changes in Accounting Policies".

- (i) Prior period adjustments represent entries for correction of errors or omissions in the preparation of financial statements of one or more prior periods and as such are shown separately in the Notes annexed to and forming part of Accounts.
- (ii) Extra-ordinary items are those material adjustments that arise from events or transactions that are clearly distinct from the ordinary activity of KIIFB and are not expected to occur frequently or regularly and therefore are shown separately in the Notes annexed to and forming part of Accounts.



E. REVENUE RECOGNITION

In line with the prescriptions in AS 9 "on Revenue Recognition", revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection as per the assessment of the management.

In subsidiary company, Revenue is recognised only when the performance milestones are achieved and it can be reliably measured.

Interest income on fixed deposits is recognised time proportionately based on periods for which amounts are outstanding and the interest rate applicable.

Interest generated from the investments made out of the corpus funds received are credited to the corpus fund as such interest is to be mandatorily used for the objectives of the Act and hence forms a part of statutory contribution accounted under Corpus Fund.

Interest income on loans granted for revenue generating projects is recognised on accrual basis as per the terms of the loan agreement, wherever such agreements have been entered into except to the extent otherwise disclosed in the notes to accounts. In case of loans granted for which the loan agreement is pending to be executed, interest is recognised on accrual basis at rates and methodology as per comparable loan agreements entered into with other parties as per the estimate of the management or at the interest rates agreed upon at the time of sanction of loan in certain cases where ever applicable. Late payment charges, prepayment charges are recognised on a point in time basis, and are recorded when realized since the probability of collecting such monies is established when the borrower pays.

F. CORPUS FUND- Revenue Recognition and Accounting of Utilisation

The corpus fund-revolving represents the funds received every year from Government of Kerala as part of statutory contribution provided for in the State budget under financial support for infrastructure development as stated in Section 3(1A) r.w.s Section 7 of KIIF Act, 2016 towards the objectives based on resolution of the general body and also any amounts received additionally from Government of Kerala to meet additional fund requirements as per relative government order. The amounts utilised towards direct cost of projects are recouped from the revolving/ corpus Fund for the year and amount so utilised are shown as contra item in the P&L a/c to reflect the activities undertaken to meet the objectives as per the Act. The corpus fund-revolving also includes funds received under LAC/ADS scheme and PTA/CSR Fund as per government order. For the purpose of consolidated financial statements, revolving corpus fund also includes profit/ loss of subsidiary and share of profit or loss of associate.

G. INVESTMENTS

As per AS 13 "Accounting for Investments", Current Investments are carried at the lower of cost or quoted / fair value, computed category-wise. Long-term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such decline is other than temporary. Investments that are readily realisable and intended to be held for not more than 12 months from the date of acquisition are classified as current investment. All other investments are classified as non-current investments.

H. BORROWING COST

As per AS 16 "Borrowing Costs", Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

I. INCOME RECOGNITION AND ASSET CLASSIFICATION NORMS

KIIFB has introduced revised prudential norms on Income recognition, asset classification and provisioning relevant and applicable for long term infrastructure projects w.e.f 01-04-2023 as per the decision of general body through circular resolution dated on 13.04.2023. As per the said norms, an asset is recognised as Non performing when there is arrears of principal or interest overdue for more than twelve months only. Once an asset is recognised as non performing (Substandard or lower), entire unrealised interest is reversed and income is accounted for on cash basis only. Provisioning of non performing assets is done as per norms as under :

a)The assets are classified as follows :

(i) Standard Assets - up to 12 months overdue

(ii) Substandard Assets – Beyond 12 months but less than 24 months overdue

(iii) Doubtful Assets – Beyond 24 months overdue

(iv) Loss Assets – fully to be written off subject to security value realisation

(v) In case of revenue generating projects (RGP)for which repayment agreements are pending to be entered, and disbursement is more than 40%- such RGP will be considered as substandard asset after 24 months from the date 40% payment milestone has been reached or from the date of identification of the project as RGP in books of accounts, whichever is later.



b) Provisioning Norms

	Type of Asset	Provision Required (%) - Expected Credit
(i)	Standard Asset	0.40%
(ii)	Substandard Asset	
	Beyond 12 months and up to 18 months overdue for repayment agreements executed and beyond 24 months and up to 30 months overdue	10%
	Beyond 18 months and up to 24 months overdue for repayment agreements executed and beyond 30 months and up to 36 months overdue	25%
(iii)	Doubtful Assets	
	Up to One year	50%
	One to three years	75%
	More than three years	100%
(iv)	Loss Assets	100%

Further IRACP norms has been amended in the 46th General Body Meeting of KIIFB held on 02.09.2023. KIIFB has classified projects into four categories based on the viability of projects into High(Category I), Medium(Category II), Low (Category III) and no commercial viability projects(Category IV). Projects under category III are not identified as loan in books of accounts and accordingly IRACP norms are not applicable till such time repayment agreement are executed or the projects are identified as loan in books of accounts whichever is earlier. Projects under category IV have no commercial viability and are implemented through grant scheme.

J. ACCOUNTING FOR TAXES ON INCOME

Income Tax is accounted in accordance with Accounting Standard on Accounting for Taxes on Income (AS-22), which include Current Taxes and Deferred Taxes. Provision for Current Tax is made in accordance with the provisions of The Income Tax Act, 1961. Deferred Tax assets/ liabilities representing timing differences between accounting income and taxable income are recognized to the extent considered capable of being reversed in subsequent years by applying tax rate substantively enacted as at the end of the year. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available, except that Deferred Tax Assets arising due to unabsorbed depreciation and losses are recognised if there is a virtual certainty that sufficient future taxable income will be available to realise the same.

K. CASH FLOW STATEMENT

Cash flows from operating activities are prepared using the indirect method, whereby net profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

L. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As per AS 29 "Provisions, Contingent Liabilities and Contingent Assets", Provisions are recognised when KIIFB has a present obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the correct management estimates. Contingent Liabilities are not recognised but are disclosed in notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

M. EMPLOYEE BENEFITS

Provision of AS 15 "Employee Benefits", has been considered while Preparation of Financial Statements

- Short Term Employee Benefits - All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognized in the period in which the employee renders the related service.
- Defined contribution plan and Defined benefit plan - KIIFB does not have any defined contribution plan and defined benefit plan as detailed in Note No 20.1 in the financial statements.



Note - 1**Initial Corpus Fund**

Initial corpus fund for Major Infrastructural Development Projects

Add: Addition to Initial Corpus Fund

As at 31.03.2024

2,82,049.28

50,652.64

3,32,701.92

As at 31.03.2023

2,82,049.28

-

2,82,049.28

1.1 The initial Corpus fund of Rs 2,49,842.28 Lakhs represents fund received towards initial corpus fund for Major Infrastructural Development Projects as per GoK Govt. Orders - G.O (Ms) No 16/2016/Plg. dated 30.03.2016 and G.O (Ms) No 18/2017/Plg. dated 30.03.2017 and amount received during the financial year 2021-22 as additional financial support for infrastructure development amounting to Rs 32,207/- Lakhs has been received as per G.O(Rt)No. 389/2022/Fin dated 17.01.2022 which has been credited to Initial Corpus fund. The amounts are kept separately in government treasury account, (interest free). The additional contribution during 2021-22 is to provide funds required over and above the mandatory entitlement of tax devolution for the year to bridge the shortfall for the year in its ALM projection calculated at an annual growth of 10% over its revenues from petrol cess and share of Motor Vehicle tax. Since the amount has been credited to special treasury savings account, the same is to be treated as part of the initial corpus.

1.2 During the year, an amount of Rs.42,250 lakhs was received from GoK vide GO No.54/2024/fin and GO no. 9210/2023/fin (read with Order No. FA-2/5034/2024/KIIFB dated 10.01.2024) towards balance of motor vehicle tax which was credited to Revolving Corpus Fund. Further, KSIDC has repaid borrowing to extent of Rs.8402.64 lakhs, which was fully provided for in earlier years and accordingly, the provision to extent of Rs.8402.64 lakhs was written back to P&L and carried forward to Revolving Corpus Fund. The above amounts of Rs.50652.64 lakhs (Rs.42,250 lakhs plus Rs.8402.64 lakhs) which was lying in the Revolving Corpus Fund was transferred to Initial Corpus Fund by the management and equivalent fund was directly credited/ transferred to special treasury account earmarked for initial corpus. The transfer as above has been approved by Govt. of Kerala vide GO Rt.No 4098/2024/Fin dated 18.05.2024 (Rs.42250 lakhs) and GO RT No.4099/2024/Fin dated 18.05.2024 (Rs.8402.64 lakhs).

Note - 2**Corpus Fund - Revolving**

A. Fund from Contingency Fund of Government of Kerala

Total -(A)

As at 31.03.2024

75.00

As at 31.03.2023

75.00

75.00**75.00****B. Corpus fund by way of statutory contribution from GoK****Opening Balance**

12,88,192.10

10,38,715.75

Add: Statutory contribution received during the year

3,23,025.00

2,46,969.00

Less: Transfer to initial corpus fund (refer note 1.2)

(42,250.00)

-

Add(less): Allotment of funds(return) of unutilised LAC-ADS share

(94.39)

30.00

Add: Allotment of funds under PTA & CSR Fund

24.64

406.30

Add : Interest received during the period from Deposits made out of corpus fund (Refer Note 2.2)

4,486.69

1,163.71

Add : Corpus fund resumed by the Govt during the preceeding year returned during the year

103.15

1,010.50

Less : Corpus fund resumed by the Govt .during the year

(49.24)

(103.15)

Closing Balance of funds available for utilisation**15,73,437.95****12,88,192.11**

Utilisation of Corpus Fund

(i) Funds Utilised for financing of direct project cost as at year end (see Note 2.4 below)	(23,37,692.83)	(18,73,498.29)
(ii) Fund Utilised for financial assistance by way of long term loans to revenue generating projects as at year end (see Note 2.5 below)	(5,14,072.12)	(5,02,823.11)
(iii) Deficit from operations in P & L a/c recouped	(2,89,598.13)	(1,92,775.42)
(iv) Transfer to Initial Corpus fund (refer note 1.2)	(8,402.64)	-
Subtotal	(31,49,765.72)	(25,69,096.82)
Total-(B)	(15,76,327.77)	(12,80,904.71)

C. Reserve for financial assistance to revenue generating projects

Financial assistance for revenue generating projects adjusted as per contra	5,14,072.12	5,02,823.11
Total-(C)	5,14,072.12	5,02,823.11

D. Reserve & Surplus of Subsidiary/Associate Company

Subsidiary Company -KIIFCON	389.71	178.06
Associate Company- KIFML	(71.09)	(46.48)
Total	318.62	131.58

Total (A)+(B)+(C)+ (D)	(10,61,862.03)	(7,77,875.02)
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Less: Transferred to statutory contribution receivable from GoK (see Note 2.6 below)

(10,61,862.03)	(7,77,875.02)
-----------------------	----------------------

2.1 The corpus fund represents capital investment of State Government in KIIFB to meet its long term/short term capital requirements for financing the infrastructure projects in the State as per the objectives in the KIIF Act, 1999 as amended by amendment Act of 2016. The revolving corpus fund is received on an annual basis towards financial support for Infrastructure Development by way of statutory contribution being share of KIIFB from Cess on petrol and share of KIIFB from Motor Vehicle Tax as per KIIFB Act.

2.2 Interest generated from the investments made directly out of corpus fund amounting to Rs. 4486.69 Lakhs is credited to the corpus fund based on resolution of the board taken in line with the provisions of KIIF Act, which stipulates that such interest is to be mandatorily used for the objectives of KIIFB and hence forms a part of statutory contribution accounted under Corpus Fund. Such interest are directly attributable to deposits made out of such contribution during the year.

2.3 Consolidated Deficit in operations in P & L a/c recouped

	As at 31.03.2024	As at 31.03.2023
Accumulated deficit as at beginning of the year	(1,92,775.42)	(1,07,442.39)
Current Year	(96,822.71)	(85,333.03)
Closing Balance	(2,89,598.13)	(1,92,775.42)

The net loss in Profit and Loss account for the year of Rs. 96,822.71 lakhs representing utilisation of Corpus Fund for meeting the expenses in relation to the administration of the fund has been recouped from the Corpus Fund by transferring an amount equal to the net loss for the year from operations from Corpus Fund to P&L a/c.

2.3.1 The above disclosure of profit/ loss from subsidiary/ associate company is included in above head only for the purpose of Consolidation of financial statements as per AS-21.

2.4 Particulars of Fund Utilised out of Corpus Fund / Statutory contribution for direct project cost

	As at 31.03.2024	As at 31.03.2023
Opening Balance	18,73,498.27	14,03,520.94
Add: Utilised during the year for financing of direct project cost (See	4,64,194.56	4,69,977.35
Closing Balance	23,37,692.83	18,73,498.29

2.4.1 Out of utilisation above an amount of Rs.56,709.16 lakhs has been incurred as project cost towards NABARD Projects till 31.03.2024.

2.5 Particulars showing movement of fund utilised out of Corpus Fund / statutory contribution for financial assistance to revenue generating projects

	As at 31.03.2024	As at 31.03.2023
Opening Balance	5,02,823.11	4,86,941.57
Add : Financial assistance given during the year including retention amount	43,035.97	62,406.68
Less : Financial assistance repaid during the year	(23,177.48)	(12,352.46)
Less: Classified to Category III project (Considered doubtful)	(8,609.48)	(34,172.68)
Closing Balance	5,14,072.12	5,02,823.11



2.6 Particulars of Fund transferred to statutory contribution receivable from GoK	As at 31.03.2024	As at 31.03.2023
Current portion of statutory contribution receivable	3,13,000.00	2,80,900.00
Non Current portion of statutory contribution receivable	7,48,862.03	4,96,975.02
	10,61,862.03	7,77,875.02

2.6.1 The balances under statutory contribution receivable from GoK of Rs.10,61,862.03 lakhs on consolidated basis is considered good and recoverable and there is no uncertainty with regard to ultimate recovery, based on financial operational model of KIFB as per the KIFB Act, 1999 as such amounts are expected to be recouped from the statutory contribution receivable in future years and are incorporated in the Asset Liability Management system and represents net amount spent as per the operational model implemented by KIFB as envisaged in the KIFB Act.

2.6.2 Current portion of statutory contribution receivable has been ascertained on the basis of Budgetary allotment of statutory contribution as per annual Finance Act 2024 of GoK and balance amount has been shown under Non Current Asset.

Note - 3

Long Term Borrowings	As at 31.03.2024	As at 31.03.2023
Unsecured Loans		
(a) KNRKWB under Pravasi dividend scheme (Note 3.3)	33,800.56	32,292.79
(b) KSFE Pravasi Bond (Note 3.1)	1,16,817.00	91,113.00
(c) Masala Bond (Note 3.2)	-	2,15,000.00
(d) Issue proceeds from Bonds (Note 3.4)	-	-
Domestic Bond	2,11,162.00	-
Green Bond	30,002.00	-
(e) Loan From Banks and Financial Institutions (Note 3.5)	-	-
i. Loan From NABARD	1,05,432.15	1,17,330.00
ii. Loan From SBI	62,989.01	75,558.49
iii. Loan From Union Bank	50,000.00	58,750.00
iv. Loan From Indian Bank	80,875.06	89,758.96
v. Loan From Canara Bank	63,750.00	67,113.34
vi. Loan from Bank of Maharashtra	95,721.48	1,00,662.47
vii. Loan from Bank of Baroda	1,85,156.25	2,00,000.00
viii. Loan from Bank of India	68,246.85	70,000.00
ix. Loan from ICICI	15,000.00	20,000.00
x. Loan from Kotak Mahindra Bank	10,000.00	10,000.00
xi. Loan from REC	4,49,836.14	3,79,602.27
xii. Loan from KFC	83,337.53	1,00,000.00
xiii. Loan from PFC	75,571.63	-
xiv. Loan from HUDCO	2,69,038.50	1,50,000.00
Total A	20,06,736.16	17,77,181.32

Less: Current Maturity of loan shown under Short Term Borrowings:

i. Loan From NABARD	11,897.85	10,359.38
ii. Loan From REC	64,862.30	25,893.51
iii. Loan from KFC	16,661.32	12,500.00
iv. Loan From Union Bank	8,750.00	8,750.00
v. Loan From Indian Bank	10,080.00	8,820.00
vi. Loan from SBI	12,500.00	12,500.00
vii. Loan from Canara Bank	7,000.00	3,250.00
viii. Loan from Bank of Baroda	25,000.00	14,843.75
ix. Loan from Bank of India	7,000.00	1,750.00
x. Loan from Bank of Maharashtra	10,000.00	5,000.00
xi. KSFE Pravasi Bond	25,830.00	21,256.80
xii. Masala Bond	-	2,15,000.00
xiii. Loan from ICICI	5,000.00	5,000.00
xiv. Loan from HUDCO	11,538.00	-
xv. Loan from Kotak Mahindra Bank	1,666.67	-
Total B	2,17,786.14	3,44,923.44

Total (A-B)

17,88,950.02 14,32,257.88



Note - 3.1**KSFE Pravasi Bond**

KIIFB had issued Security Bonds & Deposit Bonds to KSFE Ltd. Security bonds carry the interest rate of that for FDs (of similar tenure) at Government Treasury prevailed during the time of issue of the Bonds and the rate offered by Deposit Bond is 0.10% higher than Security bond. Exclusive Government orders are also been issued in this regard. These bonds are also backed by the Guarantee of the State to the extent of value of Bond Outstanding.

Maturity Profile of the KSFE Pravasi bond

Maturity Profile	Amount in Rs.(Lakhs)
2024 - 25	25,830
2025 - 26	33,957
2026 - 27	47,577
2027 - 28	4,521
2028 - 29	3,916
2029 - 30	846
2031 - 32	80
2033 - 34	90
Total	1,16,817

Note - 3.2**Masala Bond @ 9.723%**

KIIFB had raised an amount of Rs. 215000 lakhs through overseas Rupee denominated Bond offering (Masala Bond) with the due approval of Reserve Bank of India as required under Foreign exchange management Act 1999 in the year 2018-19. KIIFB has also ensured compliance with approvals or permissions, if any required from other regulatory authority or Government under other relevant laws/regulations as stated in the letter of RBI in due consultation with eminent jurist and legal expert. These 5 year tenure bonds were issued at a coupon rate of 9.723% p.a. Tenure of the bond has expired during the year and liability towards principal and interest has been fully repaid as at the reporting date.

Note - 3.3

Revised Tripartite agreement is pending to be executed between KNRKWB, KIIFB and GoK by incorporating matters relating to treatment / adjustment of TDS receivable for KNRKWB.

Loan amount includes interest accrued on loan upon maturity amounting to Rs.1776.23 lakhs (P.Y-1647.31 lakhs) as per the terms of agreement and KNRKWB Scheme. Interest on loan are calculated based on the records relating to loan balances (yearly basis) furnished by KNRKWB.

Note 3.4**a) Domestic Bond-I**

Domestic Bond Series I issued on 22.12.2023 amounting to Rs.149996 lakhs at a coupon rate of 8.95% per annum payable quarterly. Non convertible domestic bond in nature of debenture comprising of seven sub series 'A' through 'G' with maturity ranging from 4-10 years which is listed in Stock exchange BSE Limited.

b) Domestic Bond-II

Domestic Bond Series II issued on 26.03.2024 amounting to Rs.61166 lakhs at a coupon rate of 9.1% per annum payable quarterly. Non convertible domestic bond in nature of debenture comprising of seven sub series 'A' through 'G' with maturity ranging from 4-10 years which is listed in Stock exchange BSE Limited.

c) Green Bond

Green bond issued on 03.07.2023 for an amount of Rs.30002 lakhs at coupon rate of 8.49% per annum payable quarterly. Non convertible green bond in nature of debenture comprising of seven sub series 'A' through 'G' with maturity ranging from 4-10 years which is listed in Stock exchange BSE Limited.

The above bonds are backed by guarantee of government of Kerala.

Maturity Profile of Bonds

Maturity Profile (in Years)	Amount in Rs.(Lakhs)			
	Green Bond Series	Domestic Bond Series I	Domestic Bond Series II	Total
4	4,286	21,428	8,738	34,452
5	4,286	21,428	8,738	34,452
6	4,286	21,428	8,738	34,452
7	4,286	21,428	8,738	34,452
8	4,286	21,428	8,738	34,452
9	4,286	21,428	8,738	34,452
10	4,286	21,428	8,738	34,452
Total	30,002	1,49,996	61,166	2,41,164



Note No 3.5

Loan From Banks and Financial Institution and other lenders

i. KIIFB has availed Loan from various Public Sector Banks, scheduled banks, companies and Financial Institutions duly backed by Guarantee of Government of Kerala as mandated by the KIIF Act, 1999 and subsequent amendment Act of 2016 passed by Kerala Legislature except in the case of loan from Kerala Non Residents Keralites' Welfare Board (KNRKWB) under Pravasi dividend scheme which is guaranteed by GoK to KNRKWB.

ii. The details of the term loans and the terms of repayment are as follows:

Sl No	Name of lender	Sanction Date	Amount Sanctioned (in INR Lakhs)	Tenure and Interest Rate (%)	Repayment Terms
1	State Bank of India	15.12.2018	100000	10 Years with 2 years moratorium Interest Rate of 7.7% 9.55% (w.e.f 31.01.2024)	In 32 equal quarterly instalments of Term Loan availed within 18 months of first disbursement and commencing after a moratorium of 24 months from the date of first disbursement.
2	Indian Bank	19.12.2018	50000	12 Years with 2 years moratorium Interest Rate of 7.7% 9.2% (w.e.f 31.01.2024)	Repayable in 120 monthly instalments of Rs.4.20 Crore each besides interest charged on monthly rests after an initial moratorium period of 2 years. Interest to be serviced as and when debited including during holiday period. Total door to door tenure is 12 years.
	Indian Bank	30.06.2021	50000	12 Years with 2 years moratorium Interest Rate of 7.5% 8.85% (w.e.f 01.09.2023)	Repayable in 120 monthly instalments of Rs.4.20 Crore each besides interest charged on monthly rests after an initial moratorium period of 2 years. Interest to be serviced as and when debited including during holiday period. Total door to door tenure is 12 years.
3	Union Bank of India	15.02.2020	25000	12 Years with 2 years moratorium Interest Rate of 7.55% 10.20% (w.e.f 26.02.2024)	The Term loan to be repaid in 120 equal monthly instalments after initial moratorium of 2 years. In the initial moratorium interest has to be serviced as and when due whether debited or not.
		29.12.2018	50000	10 Years with 2 years moratorium Interest Rate of 7.55% 10.10% (w.e.f 01.02.2024)	The Term loan to be repaid in 96 equal instalments after initial moratorium of 2 years. In the initial moratorium interest has to be serviced every month.



4	NABARD	24.03.2017	20080	12 Years including 2 Years moratorium. Interest Rate of 9%	12 Years including 2 Years moratorium. Principal to be repaid in 40 quarters.
			36420	12 Years including 2 Years moratorium. Interest Rate of 8.8%	
		27.04.2021	80000	15 Years including 2 Years moratorium. Interest Rate of 7.9%	15 Years including 2 Years moratorium. Principal to be repaid in 52 quarters.
5	Canara Bank	29.08.2019	20000	12 Years with 2 years moratorium. Interest Rate of 7.55% 8.9% (w.e.f. 06.09.2023)	The Term loan to be repaid in 40 equal quarterly instalments after initial moratorium of 2 years. In the initial moratorium interest has to be serviced every month.
		30.11.2021	50000	12 Years with 2 years moratorium. Interest Rate of 7.45% 8.95% (w.e.f. 31.12.2023)	
6	KNRKWB under Pravasi dividend scheme	19.12.2019	18114.525	Interest rate @9%	Repayment in accordance with the terms of the pravasi dividend scheme.
			13276	Interest rate @8.3%	
			1649	Interest rate @8.6%	
7	Bank of India	21.12.2021	70000	12 Years with 2 years moratorium. Interest Rate of 7.45% 9% (w.e.f 24.12.2023)	The Term loan to be repaid in 40 equal quarterly instalments after initial moratorium of 2 years. In the initial moratorium interest has to be serviced every month.
8	Bank of Maharashtra	26.07.2021	100000	12 Years with 2 years moratorium. Interest Rate of 7.50% 8.8% (w.e.f 23.09.2023)	The Term loan to be repaid in 40 equal quarterly instalments after initial moratorium of 2 years. In the initial moratorium interest has to be serviced every month.
9	Bank of Baroda	26.05.2021	75000	10 Years with 2 years moratorium. Interest Rate of 7.55% 8.90% (w.e.f 30-09-2023)	The Term loan to be repaid in 32 equal quarterly instalments after initial moratorium of 2 years. In the initial moratorium interest has to be serviced every month.
		29.09.2021	125000		



10	Rural Electrification Corporation Limited	06.06.2021	400000	7 Years with 2 years moratorium Interest Rate of 8.80%	The Term loan to be repaid in 60 equal monthly instalments after initial moratorium of 2 years. In the moratorium period interest has to be serviced every month.
		22.03.2024	7047	Interest Rate 8.80%	
11	Housing and Urban Development Corporation Ltd.(HUDCO)	01.09.2021	100000	15 Years with 2 years moratorium Interest Rate of 7.45% 9.05% (w.e.f. 22.03.2024)	The Term loan to be repaid in 52 equal quarterly instalments after initial moratorium of 2 years. In the moratorium period interest has to be serviced quarterly.
		06-10-2022	200000	15 Years with 2 years moratorium Interest Rate of 9.05%/ 8.80% (w.e.f. 13.12.2023/14.09.2023)	The Term loan to be repaid in 52 quarterly instalments after initial moratorium of 2 years. In the moratorium period interest has to be serviced quarterly.
		13-03-2024	85000	9.4% per annum (First year). The interest rate shall be reset on annual basis.	The Term loan to be repaid in 56 equal quarterly instalments.
12	ICICI Bank	28-01-2022	30000	5 Years with 1 Year moratorium Interest Rate 7.45% 8.95% (w.e.f. 02.04.2023)	The Term loan to be repaid 8 equal semi-annual instalment after a moratorium of 1 year from date of 1st disbursement
13	Kotak Mahindra Bank	28-09-2022	10000	5 year including moratorium of 2 years Interest Rate 8.4% 9.5% (w.e.f. 16.09.2023)	Moratorium shall be 2 years from the date of first Loan disbursement Loan shall be repaid by way of 36 monthly principal payments starting from month following the 2 year moratorium Interest shall be paid on monthly basis.
14	Kerala Financial Corporation (KFC)	28-06-2022	100000	7 years with 12 months moratorium Interest Rate of 7.95% 9.40% (w.e.f. 01.07.2023)	The Term loan to be repaid in 24 equal quarterly instalment commencing after a moratorium of 12 months from the date of first instalment



15	Power Finance Corporation(PFC)	28-03-2024	99133	Interest rate of 8.95% p.a shall remain fixed for all disbursements upto a period of 1 year from the date of 1st disbursement or till 31 st March 2025, which ever is earlier. The interest rate shall be reset on annual basis.	The loan shall be repaid in 180 equal monthly instalments on 15 th day of each month , commencing from the first repayment date falling 12 months after scheduled Date of Commencement of Commercial Operations (DCCO).
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Note - 4

Other Long term liabilities

Interest Accrued on Loan From KNRKWB under Pravasi dividend scheme

Less: Transfer of accrued Interest to principal upon maturity

Total

Retention Money Payable

As at 31.03.2024

As at 31.03.2023

8,200.93

6,374.54

(1,776.23)

(1,647.31)

6,424.70

4,727.23

674.97

674.02

7,099.67

5,401.25

Note - 5

Short Term Borrowings

Secured, Repayable on Demand

Overdraft from Indian Bank

(Secured by Lien on Deposits.)

(Interest rate 0.20% higher than FD rate)

Total-(A)

As at 31.03.2024

As at 31.03.2023

67,417.69

-

67,417.69

-

Current maturity of long term borrowing :

i. Loan From NABARD

ii. Loan From REC

iii. Loan from KFC

iv. Loan From Union Bank

v. Loan From Indian Bank

vi. Loan from SBI

vii. Loan from Canara Bank

viii. Loan from Bank of Baroda

ix. Loan from Bank of India

x. Loan from Bank of Maharashtra

xi. KSFE Pravasi Bond

xii. Missala Bond

xiii. Loan from ICICI

xiv. Loan from HUDCO

xv. Loan from Kotak Mahindra Bank

11,897.85

10,359.38

64,862.30

25,893.51

16,661.32

12,500.00

8,750.00

8,750.00

10,080.00

8,820.00

12,500.00

12,500.00

7,000.00

3,250.00

25,000.00

14,843.75

7,000.00

1,750.00

10,000.00

5,000.00

25,830.00

21,256.80

-

2,15,000.00

5,000.00

5,000.00

11,538.00

-

1,666.66

-

2,17,786.13

3,44,923.44

2,85,203.82

3,44,923.44

Total (A)+(B)



Trade Payables - (KHFCON)

6.1

Note - 7

As at 31.03.2024

7.1 Sundry creditors for expenses does not include bills raised by Rail India Technical and Economic Services (RITES) for work done up to 31.03.2024 amounting to Rs. 174 Lakhs which are pending to be approved by the Board. Details disclosed in Note 34.5 relating to Invoices pending approval. The above amount is outstanding for more than one year.

Note - 8

Short-term provisions

Note - 9

Written down balance of Property, Plant and Equipment & Intangible Asset

Refer Note - 9 Property, Plant and Equipment and Depreciation statement

Note - 10

Non-current investments

10.1 Carrying amount of Investment in Associate Company



Note - 11

Deferred Tax Asset

Particulars	As at 31.03.2024	As at 31.03.2023
Opening Balance	(368.79)	(363.44)
Add : Deferred Tax Asset /(Liability) for the year	3,436.48	(5.35)
Closing Deferred Tax Asset /(liability)	<u>3,067.69</u>	<u>(368.79)</u>
<i>Net Deferred Tax (Expense)/ Income taken to Profit and Loss account*</i>	368.79	(5.35)
Components of Deferred Tax	As at 31.03.2024	As at 31.03.2023
Deferred Tax Liability : A		
On ICDS adjustment on revenue recognition	212.64	12,865.41
On excess of net book value over Income Tax Written Down Value of Property, Plant & Equipment	16.08	247.93
	<u>228.72</u>	<u>13,113.34</u>
Deferred Tax Asset : B		
On business loss and unabsorbed depreciation	4,196.10	12,744.55
On provision for Standard Asset	(899.69)	-
	<u>3,296.41</u>	<u>12,744.55</u>
Net Deferred tax Asset (A-B)	<u>3,067.69</u>	<u>(368.79)</u>

Previous year figure being deferred tax liability shown on liability side

Net Deferred Tax Asset taken to Balance Sheet*

Nil

*The management estimates that the deferred tax asset can be set off against the deferred tax liability expected to arise in future. However, in the absence of virtual/ reasonable certainty that sufficient future taxable income will arise in order to set off the deferred tax asset on depreciation and business loss, as a matter of prudence, no deferred tax asset (on a net basis) is recognised as at the reporting date.

Note - 12

Long Term Loans & Advances

(Considered good)	As at 31.03.2024	As at 31.03.2023
Financial assistance made to Revenue Generating Projects	4,26,758.68	3,99,373.48
(contra by credit to Financial assistance Reserve for revenue)		
Accrued Interest on Loans for projects*	99,450.74	87,572.53
Total-(A)	<u>5,26,209.42</u>	<u>4,86,946.01</u>
(Considered doubtful)		
Financial assistance made to Revenue Generating Projects	30,323.88	30,117.04
Accrued Interest on Loans for projects	10,134.24	9,267.80
Less : Provision for conversion of Loan into Non income generating project (Net)	(40,458.12)	(39,384.84)
Total-(B)	<u>-</u>	<u>-</u>
Total(A+B)	<u>5,26,209.42</u>	<u>4,86,946.01</u>
Less : Provision for Standard Asset	(2,104.84)	-
Total	<u>5,24,104.58</u>	<u>4,86,946.01</u>

* Represents interest not yet fallen due

12.1 The meeting of the General Body of KIIFB held on 27.02.2023 has directed to take steps to frame and develop IRAC norms relevant and applicable for long term infrastructure projects based on study conducted by an external agency. Such norms prepared have been approved by the General Body at its meeting held on 27.02.2023 and amended by way of circular resolution dated 13.04.2023 thereafter. Further based on Prudential norms on Income recognition, asset classification and provisioning (IRACP Norms) for long term infrastructure projects was adopted by KIIFB w.e.f 01-04-2023, vide circular resolution stated above and the same has been revised in the 46th General Body Meeting of KIIFB held on 02.09.2023.

As per the revised IRACP norms, KIIFB has classified projects into four categories based on the viability of projects into High, Medium, Low and no commercial viability projects. As per the provisions of IRACP Norms, project identified and categorised as Category I/ II earlier but later re-categorised as category III project, entire interest accrued in the past periods shall be reversed. Hence for such projects IRACP Norms are not applicable from the effective date of classification till such the repayment agreement are executed or project identified as loan in books of accounts whichever is earlier.



Details showing categorisation of Revenue generating projects and outstanding balance are given below.

Category	Type of Category	No. of Projects	Rs. in Lakhs	Rs. in Lakhs
			Loan	Interest Accrued
I	Projects which have high commercial viability	8	4,96,610.56	1,25,466.03
II	Projects which have medium commercial viability	6	17,461.56	1906.48
III	Projects which have low commercial viability	2	30,323.88	10,134.24
IV	Projects which have no commercial viability	0	-	-
		16	5,44,396.00	1,37,506.75

Table showing movement of Provision Rs. in Lakhs

Particulars	As at 31.03.2024	As at 31.03.2023
Opening balance of provision	39,384.84	-
Add: Provision made during the year	9,475.92	39,384.84
Less: Reversal of provision	(8,402.64)	-
Closing balance of provision	40,458.12	39,384.84

- 12.2 At the meeting of CEO, Principal Secretary of Industries department and KSIDC officials held on 24.06.2023 it was decided to place before the general body of KIIFB, a proposal for conversion of the project Bio 360 life science park phase I which was hitherto treated as revenue generating, into non-revenue generating project. The amount disbursed to the project till the close of the year is Rs. 30,117.04 Lakhs and accrued interest Rs.9,267.80 Lakhs upto 31.03.2021.No interest has been recognised on the project subsequent to 31.03.2021 pending implementation of resolution plan. The total cost of Rs.39,384.84 Lakhs (Incl accrued interest) has been fully provided for as doubtful and charged to P&L A/c of the preceding year as project cost. Further in the 46th general body of KIIFB revised IRACP norms was placed and the above loan was classified as category III project.(Projects with low commercial viability). Accordingly no interest has been recognised on the project. During the year, an amount of Rs.8402.64 lakhs being the unutilised portion of loan has been refunded by KSIDC based on the proceedings of Special tahsildar LA(General),Trivandrum dated 05.02.2024. Accordingly the said remittance has been adjusted against the principal amount of loan and corresponding provision for loss made in prior year has been written back in the books of accounts under other income.

In addition to the above, 46th General body held on 02.09.2023 has classified two projects namely ITD001-02-SPV KSITIL (Amount o/s including accrued interest Rs.10850.82 lakhs) and LSG 007-01-SPV KSEB (Amount o/s including accrued interest Rs.9475.92 lakhs) into lower commercially viable project (Category III). However repayment agreement was executed for the project ITD 001-02 after the balance sheet date on 13-04-2024. As per the terms of agreement interest rate was reduced to fixed rate of 5% from the existing ACDB rate. On execution of repayment agreement, such classification of project was upgraded to category II treating it as adjusting event as per AS-4 and differential excess interest amounting to Rs.263.26 lakhs has been reversed to interest income of the year.

Additional provision amounting to Rs.9475.92 lakhs has been made in books of accounts towards outstanding loan amount and accrued interest till 31.03.2023 for LSG 007-01 project being classified to category III during the year. No interest income has been recognised during the current year for said project.

- 12.3 On facts of the case, in respect of many of the revenue generating projects financed, there have been certain inherent delays during implementation which according to the management does not have adverse effect on the recovery of loans granted considering the operational model of KIIFB. Moreover, since the borrowers are government owned or controlled agencies, the loans are considered by the management as good and recoverable based on confirmations from the borrowers including for land acquisition projects aggregating to Rs. 2,87,972.40 Lakhs.(cost incurred till 31.03.2024).

- 12.4 Out of the financial assistance to revenue generating projects, an amount of Rs.44,414.68 Lakhs is secured by way of mortgage by deposit of title deed.

- 12.5 There are no overdues in principal and interest outstanding as at 31.03.2024 as per terms of loan agreement.

- 12.6 Provision for standard assets at 0.40% has been made towards the outstanding amount of principal and interest as prescribed under IRACP Norms, i.e. (Category I and II projects)



Note - 13**Other Non Current Assets****Considered Good**

	As at 31.03.2024	As at 31.03.2023
TDS Credit (F.Y. 2023-24) Refer Note 32	238.46	-
TDS Credit (F.Y. 2022-23)	56.47	1,094.30
TDS Credit (F.Y. 2021-22)	1,139.44	1,139.44
TDS Credit (F.Y. 2019-20)	3,564.81	3,564.81
Income Tax Refund Due (F.Y. 2018-19)	118.79	118.79
GST Deposit -Appeal	163.32	-
Deposits	75.95	64.53
Total	5,357.24	5,981.87

13.1 TDS Credit for FY 2022-23 represents credit adjusted against outstanding demand vide intimation order dated 23.01.2024.

Note - 14**Current Investments at cost**

	As at 31.03.2024	As at 31.03.2023
SBI Mutual Funds (Growth Fund) (refer note 14.1)	-	60,000.00
Investment in Government Securities (refer note 14.2)	-	44,698.05
Accrued Interest on Investment in Government Securities	-	476.97
Total	-	1,05,175.02

14.1 Investments in SBI Mutual Fund units has been sold during the year at a profit of Rs.17,103.06 lakhs.

14.2 Investment in Government Securities and Government Strips as per terms stipulated in issue circular of masala bond issue has been fully redeemed during the year end, upon closure of tenure of Masala Bond.

Note 15: Inventories

	As at 31.03.2024	As at 31.03.2023
Unbilled Revenue As at 01.04.2023	-	-
Add: Increase Unbilled Revenue during the Year	50.51	-
Less: Decrease Unbilled Revenue during the Year	-	-
Unbilled Revenue As at 31.03.2024	50.51	-

15.1 Unbilled Revenue as above is cost of the work done by the KIIFCON in Cochin Smart Mission Ltd project for the period January 2024 to March 2024 for which billing is not done due to technical reasons.

Note - 16**Trade Receivables - (KIIFCON)**

	As at 31.03.2024	As at 31.03.2023
Trade Receivables	457.89	160.54
	457.89	160.54

16.1	Particulars	Outstanding for following periods from due date of payment			
		Less than 6 months	6 months - 1 year	1-2 yrs	More than 2 yrs
	(i) Undisputed Trade receivables- considered good	457.89	-	-	-
	(Previous year)	(160.54)	-	-	-
	(ii) Undisputed Trade Receivables- considered doubtful	-	-	-	-
	(Previous year)	-	-	-	-
	(iii) Disputed Trade Receivables considered good	-	-	-	-
	(Previous year)	-	-	-	-
	(iv) Disputed Trade Receivables considered doubtful	-	-	-	-
	(Previous year)	-	-	-	-
	Total - Current year	457.89	-	-	-
	Total - Previous year	(160.54)	-	-	-



Note - 17**Cash and Cash Equivalents**

	As at 31.03.2024	As at 31.03.2023
Cash on Hand	0.12	0.03
Balance with Treasury	0.02	0.01
Balance with Banks	-	-
in Term Deposits	1,82,383.77	2,86,156.72
in Sweep Accounts	-	-
in Savings account and current account	53,352.76	24,749.98
	2,35,736.67	3,10,906.74
Other bank balance		
Balance with Treasury (Refer Note 17.1)	3,32,701.92	2,82,049.28
In Masala Bond Sinking Fund Account with Axis Bank	-	23.06
Fixed Deposit with Bank(Lien against OD)	1,51,001.00	-
Total	7,19,439.59	5,92,979.08

17.1 Balance with treasury under other bank balances represents initial Corpus fund and additional financial support to infrastructure development of Rs 3,32,701.92 lakhs kept separately in government treasury account.

Note - 18**Short Term Loans and Advances**

	As at 31.03.2024	As at 31.03.2023
Advances and other Receivables (refer note 18.1, 18.2)	2,371.21	2,269.68
Current maturity of Financial assistance made to Revenue Generating Projects (contra by credit to Financial assistance Reserve for revenue)	87,313.44	1,03,449.63
Current maturity of interest accrued w.r.t Financial assistance made to Revenue Generating Projects	27,921.77	-
	(460.94)	-
Less : Provision for Standard Asset		
Total	1,17,145.48	1,05,719.31

18.1 Advance and receivable includes an amount of Rs.67.22 Lakhs receivable from KIFML(Associate company)

18.2 Advance and receivable also includes an amount of Rs 916.73 Lakhs incurred towards expenses to be recovered from Information & Public Relations Department for which claims are raised and pending for more than one year which is subject to confirmation as at 31.03.2024. However, the balance has been confirmed as at 31.03.2023. In the opinion of management such amount is considered good and recoverable.

Note - 19**Other Current Assets**

	As at 31.03.2024	As at 31.03.2023
Prepaid Expenses	143.12	92.04
GST Receivable	69.30	5.93
Accrued Interest on Deposits	6,370.21	5,211.40
TDS Asset	53.43	26.41
Rent Advance	0.25	-
EMD	0.50	-
Advance Income Tax - KJIFCON	49.56	-
Total	6,686.37	5,335.78

Note - 20**Revenue from operations-KJIFCON**

	For the year ended 31.03.2024	For the year ended 31.03.2023
DPR Services	192.66	62.13
Project Management Consultancy Services	243.78	381.40
Consultancy Fee- Creation of Digital Twin	159.43	-
Consultancy Fee- Route Rationalisation	147.91	-
Review & Vetting of Estimate	19.15	-
Transaction Advisory Services	150.00	-
Lab Services	0.18	-
Total	913.11	443.53

Note - 21**Interest income from deposits and investments**

	For the year ended 31.03.2024	For the year ended 31.03.2023
Interest earned during the year	21,683.61	17,682.44
Less : Interest received during the period from Deposits made out of corpus fund (Refer note 17.1)	(4,486.69)	(1,163.71)
	17,196.92	16,518.73



Note - 22

Interest Income from Financial Assistance for revenue generating project

For the year ended	For the year ended
31.03.2024	31.03.2023
55,810.59	46,541.05
55,810.59	46,541.05

22.1 Interest income on loans granted for revenue generating projects is recognised on accrual basis as per the terms of the loan agreement, wherever such agreements have been entered into. Such loan agreement are entered into upon reaching 40% stage of disbursement as per the terms of the tripartite agreement between KIIFB, the SPV and the concerned Govt department.

As per revised IRACP norms projects are classified into four categories namely I, II, III and IV based on commercial viability high, medium, low and no commercial viability respectively. Interest income for Category I projects are recognised at Average Cost of Domestic Borrowing (ACDB) of KIIFB reset every six months in a calendar year with monthly compounding (in some cases rate agreed at the time of sanction). Category II projects at discounted rate of interest as compared to category I and with respect to other two categories interest income is not recognised in books of accounts.

22.2 On facts of the case, many of the projects financed with long gestation period are yet to be completed as at the year end. As per the terms of the loan sanctioned the repayment of principal and interest commences on completion of moratorium period. There have been certain significant time overrun on some of the projects due to various factors, but interest is payable on completion of moratorium period regardless of project completion as per terms of agreement.

22.3 Loan agreements are pending to be executed with one SPV as at 31.03.2024 for loan outstanding aggregating to Rs.667.47 lakhs although more than 40% stage of disbursement as per the terms of the tripartite agreement between KIIFB, the SPV and the concerned Govt department has been exceeded (which is less than one month) as at the year end. Steps are under process for execution of loan agreement which is pending the requisite clearance from the concerned departments of the Govt of Kerala.

22.4 The interest income recognised includes an amount of Rs.330.27 lakhs which is classified under category I and II projects (majority cases with discounted interest rate). This represents the case dealt with in Para 22.3 above and loan with progress/ disbursements below 40% for which original loan agreement is pending to be executed as at 31.03.2024.

Note - 23**Other Income**

Income from Consultancy Division-KIIFCON
Miscellaneous Income
Interest on Income Tax refund
Provision for Revenue generating project written back
Total

For the year ended	For the year ended
31.03.2024	31.03.2023
-	206.91
7.01	1.52
45.01	119.87
8,402.64	-
8,454.66	328.30

Note - 24**Financing of direct cost of projects -Out of Corpus Fund**

General Education
Public Works
Water Resources
Medical
Higher Education
Other Projects
NABARD Project
Loan to KINFRA written off Direct project cost
Provision for Category III Loan (refer Note 12.2)
Centage/ Additional Centage
Allocation of Expenses towards Projects

For the year ended	For the year ended
31.03.2024	31.03.2023
17,720.60	23,172.82
2,26,871.10	1,86,043.19
48,361.15	74,987.55
52,113.28	45,624.37
30,292.35	12,258.91
48,813.00	52,261.01
5,038.73	12,741.68
-	4,055.64
9,475.92	39,384.84
11,500.80	7,535.74
14,007.61	11,911.60
4,64,194.54	4,69,977.35

24.1 Centage/ additional centage charges to SPVs are accounted based on claims received. The centage charges are paid as a percentage of project cost to SPVs as per Government order. The liability for centage is recognized based on claims submitted through invoices after proper verification and authentications/ approval of claim by the management. Centage are allocated to project cost based on Government Order and General body approval.

24.2 Expenses towards Projects include expenses directly attributable to projects such as Technical Resource Centre expenditure, Detailed Project Report support services, Independent quality audit & design review charges, Land Acquisition unit expenses, Testing equipment's and Centage /additional centage charges which are allocated to cost of projects. However, the same are pending to be allocated to individual projects as at 31.03.2024 from the inception.



24.3 Allocation of Expenses towards Projects includes cost incurred towards 'Ente Keralam' program during the year amounting to Rs.6744.96 lakhs. Government of Kerala vide G.O 2/2023/1&PRD dated 09.03.2023 has entrusted KIIFB to incur infrastructure and media publicity cost of 'Ente Keralam' activities. The "Ente Keralam" program expenses amounting to Rs.6,744.96 lakhs was incurred during the year through external agencies mainly (Kerala State Industrial Enterprises Limited (Rs. 1,545.36 Lakhs), Global Kerala Initiative - GKI (Rs. 1,861.53 Lakhs), Indian Institute of Infrastructure & Construction referred to as IIC (Rs. 3,047.23 Lakhs), which are government owned or controlled entities/NGO) to whom the activities/functions were outsourced by KIIFB. Such outsourced agencies have been engaged by the CEO on nomination basis (single quote) which has been ratified by the meeting of the general body held on 04.03.2024. As directed by 24th executive committee the invoices of first level service providers (intermediary agencies in some cases) to whom such services have been outsourced were obtained w.r.t IIC, GKI and KSIE Ltd. M/s IIC has provided with an administrative and facilitation charges at 20% as provided in the MOU and KSIE Ltd has raised invoice at 4% higher on the cost incurred by them and with respect to GKI such service charges is at 5% higher on cost incurred by them. The above expenses were incurred during the first quarter ended 30.06.2023, in the period on which such programme was undertaken and these have been treated as a part of project costs shown as contra in the statement of P&L account. No specific budget provision was made for such expenses since these are direct expenses incurred for various projects. Board has ratified the decision taken by CEO for award of contract on single tender basis with respect to Ente keralam expenses at their meeting held on 04.03.2024 (47th general body).

Note - 25

Employee Benefit Expenses

	For the year ended 31.03.2024	For the year ended 31.03.2023
Salary, Wages & Allowances	941.66	695.54
Employers Contribution to various Fund	5.07	4.11
Other Employee Expenses	89.40	103.92
Total	1,036.13	803.57

25.1 The employees in KIIFB working on contract basis do not come under the purview of the Central Provident Fund and Gratuity rules for compulsory remittance of PF and Gratuity contributions. Other than through cadre posts, deputation or direct contract, KIIFB has an arrangement for obtaining necessary outsourced services through CMD. Hence, the provisions of the CPF and Gratuity Act/Rules are currently not applicable to KIIFB.

Note - 26

Finance Cost

	For the year ended 31.03.2024	For the year ended 31.03.2023
Guarantee Commission (GOK)	14,805.15	13,085.44
Interest on Loan from Banks and Financial Institution	1,27,968.07	98,442.76
Interest on Masala Bond	20,732.97	20,904.78
Interest on Domestic Bond	3,415.83	-
Interest on Green Bond	1,892.98	-
Interest on KSFE Bond	8,170.30	6,202.47
Interest on Loan from KNRKWB	1,787.18	2,907.73
Interest on OD	217.69	-
Other Interest and Finance Charge	4,474.02	153.30
Total	1,83,464.19	1,41,696.48

Note - 27

Other Expenses

	For the year ended 31.03.2024	For the year ended 31.03.2023
Technical & Consultancy Charges	2,881.33	1,529.90
Professional Fee	555.41	260.65
Promotional and advertisement Expenses (Refer Note 27.3 below)	2,895.26	661.03
Meeting and Conference expense	21.60	24.58
Repairs and Maintenance	30.18	41.28
Electricity & Water Charges	19.18	19.99
Rent and Utility Charges	251.48	263.19
Telephone & Internet Charges	4.30	4.46
Provision for standard asset	2,565.78	-
Vehicle Hire Charges	171.43	145.06
Printing and Stationery	13.80	17.21
Miscellaneous Expense	49.54	33.12
Receivable Written Off	-	540.33
Payments to the auditor (Refer Note 27.1 below)	22.10	20.17
GST on Reverse charge mechanism	352.27	311.35
Software Charges	162.92	124.62
KSFE Software operating and hosting charges (Refer Note 27.2 below)	936.66	1,289.24
Business Promotion Expenses	1.82	-
Travelling & Accommodation Expense	4.34	-
Total	10,939.40	5,286.18



27.1 Details of Payments to the Auditor

Amount in Lakh Rs.

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Statutory Audit fees	15.94	13.87
Special purpose audit fee	-	1.50
Limited Review Audit Fee	2.25	-
Tax Audit fees	1.50	0.50
Other taxation services	1.50	4.00
Other certification services	0.91	0.30
Total	22.10	20.17

- 27.2 Expenditure incurred under various expenses heads includes an amount aggregating to Rs.1639.47 Lakhs being the actual expenditure incurred in excess of the operational budget approved in the general body for the FY 2023-24 which is to be approved/ratified in the General Body of KIIFB to be held for approval of accounts for the year. The details are given below. While approving the budget for Misc. administrative expenses, the LA unit expense was taken as included due to an inadvertent error and if such expenditure is excluded, actual expenditure is within the budget limit only. This has been rectified/regularised in the previous year figure of expenditure by excluding LA unit expense while approving the budget for the FY 2024-25 in the general body. This stands support to the fact that the inclusion of word 'LA Expense' in the budget for the year 2023-24 was only an error.

Amount in Lakhs Rs.

Head of Account	Actual (I)	Budget* (II)	Excess-(III)
Repairs & maintenance	30.18	28.58	1.60
Misc. administrative expenses including LA	1,917.66	279.79	1,637.87
Total	1,947.84	308.37	1,639.47

- 27.3 Promotional and advertisement expenses includes an amount of Rs.1295.46 lakhs incurred towards providing infrastructure facilities to "Keraleeyum" event as per GO 153/2023 dt.13.10.2023. The work was undertaken by Chief engineer Building PWD as recommended by programme committee of Keraleeyam. Tendering process, identification and evaluation of bidder, supervision and execution is done by Chief engineer Building PWD. The details of successful bidder/s shall be intimated to KIIFB by CE, PWD.

Promotional and advertisement expenses also includes expense incurred towards media, promotional and advertisement expenses of Rs.1592.79 lakhs incurred through various parties to whom such works were outsourced. The selection of the party was made on a negotiated basis on rates considered competitive considering the nature and exigency of the work involved and also taking into account the prior experience with the party. The above expenses are within the budgetary limit approved by general body.

Out of the above an amount of Rs 538.80 lakhs incurred towards nation wide media and publicity campaign of the Government of Kerala against restriction on borrowing powers of the State imposed by the Central Government since it would gravely impact the operations of KIIFB which is built up as a premier agency providing quality infrastructure for the People of Kerala. The expenses were fully budgeted and authorised by the Media Management Group(MMG) of KIIFB.

Note - 28

Prior Period Item

For the year ended
31.03.2024For the year ended
31.03.2023

Prior Period Expenditure -

Software Subscription and Manpower Cost

Rental Charges

Total

-

25.78

-

0.55

-

26.33



Note - 29

KIIFB has incurred an expenditure of Rs.936.66 Lakhs during the year towards KSFE Software expenses which includes an amount of Rs 861.22 incurred through external agency (a Government PSU - KSIE Limited) to which the activities for server hosting and licence renewal charges of KSFE Pravas software have been outsourced by KIIFB on nomination basis (single quote) which are supported by invoices of first level intermediary agencies and invoice of end service provider is not available. KSIE Limited has raised invoice on KIIFB at 3% & 10% over cost incurred depending upon the nature of service provided through the intermediary agency to whom the services have been sub-contracted. The aggregate operating cost (Server hosting and License renewal charges) paid to KSIE Ltd during the years from 2020-21 to 2023-24 amounts to Rs.3,964.81 lakhs against the capital cost of acquisition/ development of software of Rs.3,037.94 Lakhs (Gross carrying value). In terms of the MoA between KIIFB and KSFE dt.01.06.2019, a separate agreement is to be entered into between the parties for recovery of the total cost (operating and capital) of the software from KSFE which is pending to be executed. The Board had at its meeting held on 04.03.2024 directed to expedite the steps to enter into such an agreement and due to certain reasons, the same is yet to be complied with.

Note - 30

KIIFB has put in place a system/ process of computation of Asset Liability Management. A detailed external review of the ALM system was conducted by independent IT consultants to assess the functionality and management of financial risk of KIIFB and to conduct a comprehensive scenario-based testing of the ALM System to ensure its robustness on 15.02.2022. The observations of the reviewers was duly considered by the management of KIIFB at the meeting held on 15th February 2022 and the status of ALM was taken note of by the General Body. Further follow up presentation of ALM was made in the 47th general body held on 04.03.2024. The board has taken note of the same and as per the presentation, ALM has been placed on record to be sound/stable. The ALM model is placed for overseeing and monitoring at the periodical meetings of the Fund Trustee and Advisory Committee (FTAC) of KIIFB which comprises of eminent financial experts of the country having rich and wide experience in the field of financial management. The committee reviews the sound functioning of the ALM Model and it was found to be properly in place to safeguard the best interest of KIIFB.

Note - 31**Capital Commitments**

In accordance with the decision of 46th General Body, KIIFB has entered into a finance capital commitment as sponsor for the Alternate Investment Fund – Kerala Infrastructure Fund (KIF) to extent of Rs 18000 lakhs at 30% of revised fund size of 60000 lakhs. Accordingly, a commitment agreement was entered during the year by KIIFB with trustee and investment manager of KIF.

Note - 32

Reconciliation of Form 26 AS (as per Income Tax Act,1961) and Book of accounts - Reconciliation of Income for the current reporting period and credit as per Form 26AS with books of accounts could not be done since Form 26AS in income tax web portal is yet to be updated with the entries for the year 23-24 and effect of such non reconciliation could not be ascertained. Any adjustment found required shall be made in succeeding period/year upon such reconciliation.

Note - 33

Finance for Revenue Generating Projects treated as Loan receivable from SPV in the books are appraised by the Project Appraisal Division and implementation is closely monitored. The division comprise of high level technical expert team under the Executive Director, who is a senior chartered engineer having vast experience in the field of construction and infrastructure. Each Project is reviewed by Project Manager as a Nodal Officer and supervised by Senior General Manager of the Division. The detailed project report is appraised by the division which places its detailed appraisal report before the EC/ General body of KIIFB. The detailed project report contains comments on review from technical, economic, financial, environment, social and institutional angle. The functions as above is governed by the norms stipulated in Standard Operating Procedures for project acceptance and SPV on boarding. In the opinion of management, the appraisal function done is sound and operating effectively.

Note - 34**Contingent Liability**

34.1 During the previous year Income tax demand of Rs 112.57 Lakhs was raised for AY 2018-19 under limited scrutiny assessment disallowing the carried forward business loss of Rs.203.46 Lakhs for the A.Y.2014-15 against which appeal has been filed with higher authorities and is pending disposal. The demand amount of Rs 32.25 Lakhs is on account of erroneous computation in the assessment order for which rectification has been filed and has not been paid or provided for in positive anticipation of a favourable order. The balance demand of Rs 80.33 Lakhs has been paid and written off to Profit & Loss account in the previous year though the matter has been contested on appeals before higher authorities as stated above - on a due consideration of the grounds of appeal.

Income Tax Department has adjusted the said demand amount (Rs.112.57 Lakhs) against the Refund due for AY 2019-20 which has resulted in double payment to the extent of Rs 80.33 Lakhs already remitted as stated as above. KIIFB is in the process of taking steps for recovery of said refund amount by filing a refund reissue application with the department. The entire amount has been carried forward under Refund due from the department in Note 11.



34.2 Demands raised for the AY 2020-21 vide order u/s.143(3) dt.27.9.22 and AY 2021-22 vide order u/s.143(3) dt.20.12.22 on completion of scrutiny assessment aggregating to Rs.1,292.01 Lakhs (Rs.79.59 Lakhs for AY 20-21 (considering the rectification order u/s.154 of the Act dt 15.03.23) and Rs.1,212.42 Lakhs 21-22) has been contested on appeals filed with appellate authorities. Since the demands have arisen on account of wrong interpretation/ invocation of the provisions of Section 69C of the Income Tax Act, 1961 the amount is not considered payable by the management and not provided for as the management is quite hopeful of favourable outcome of the appeal filed.

The Income Tax Department has adjusted refund of succeeding years to the extent of Rs.1297.39 lakhs against the above demands.

34.3 Income tax proceedings for AY 2022-23 was completed during the year vide order u/s 143(3) dated 23.03.2024 and disallowances were made by assessing authority to extent of Rs 592.16 lakhs. No demand has been raised since the addition made has been adjusted against the loss for the year. KIIFB has filed appeal against the addition made as above and is pending for disposal.

34.4 Income tax demand of Rs.190.30 Lakhs (including interest for delayed payment) has been raised by the DCIT -TDS u/s.201 of the Act on KIIFB by treating the Board as an assessee in default for non-deduction /delay in the remittance of TDS on works bills raised by contractors on SPVs/Advance payments to SPVs on the above account. The management is of the firm view that there is no liability for tax deduction in the hands of board as the privity of contract under Section 194C is between the awardee of the work (SPV) and contractor and hence TDS provisions under Chapter XVIII are not applicable to KIIFB on such payments. The person responsible for such payment including TDS thereon is the SPV u/s 204 of the Income Tax Act is only the SPV who has awarded the work to the contractor and in whose name the work bill has been raised by contractors. KIIFB has obtained legal opinion from Senior advocate of repute on the above matter. KIIFB has also obtained stay order from Hon'ble High Court of Kerala on a writ petition filed for an interim period of six months and steps are under way to further extend the stay. The balance amount of demand has not been provided for in the accounts in positive anticipation of a favourable order on disposal of the writ petition on merits.

34.5 Invoices raised by the Vendor pending approval by the management : M/s RITES has been engaged for independent quality review, design review, consultancy and assisting in the empanelment of supervision consultants. Invoices issued by M/s RITES and reflected in GSTR-2B that have not been received by KIIFB as on the date of reporting amount to Rs.833.19 lakhs. Additionally, in respect of invoices received, claim to extent of Rs 174 lakhs (outstanding for more than one year) is not provided for pending verification /approval and are considered as contingent liability due to difficulties in estimating the amount that may be approved.

In addition to the above, invoice amounting to Rs.413 lakhs of Ospyn technologies Pvt Ltd has not been treated as expense in P&L account since the same is pending for verification/approval by management.

34.6 GST department has issued a demand amounting to Rs.1633.19 lakhs towards tax liability and Rs.163.32 lakhs towards applicable penalty under the act vide order No.10/2023-24 GST ADC Section 73(9) of CGST Act 2017 pertaining to the period from 2017-18 to 2022-23 relating to certain transactions under reverse charge mechanism payments. The matter is disputed by KIIFB based on the facts of the case and filed an appeal to GST appellate tribunal against the order. The same is pending for disposal as at the reporting date.

Note - 35

Related Party Disclosures in accordance with AS-18

Name of the Related Party	Nature of relationship	Nature of Transaction	For the year ended 31.03.2024	For the year ended 31.03.2023
Dr. K.M. Abraham, CFA, IAS	CEO and Member Secretary	Salary	46.09	42.49
Shri. Vikramjit Singh, IPS (upto May 2022)	Deputy Managing Director	Salary	-	2.88
Shri. K.P.Purushothaman	Executive Director	Salary	33.52	31.16
Shri. Satyajit Rajan, IAS	Additional CEO	Salary	37.44	34.97
		Travelling Expense	0.34	-
Kerala Infrastructure Fund Management Limited (KIFML)	Associate company	Reimbursement of Expense	-	3.54
		Balance outstanding (Receivable)	67.22	63.68
		Carrying Value of Investment	96.36	120.97



Note - 36**Segment Reporting**

The group's activities fall within a single business segment of infrastructure development financing/consulting in terms of AS-17 'Segment Reporting' and hence there are no other separate reportable business and geographical segment as per AS 17 Segment Reporting.

Note - 37

Internal Audit System - During the current reporting year, concurrent audit has been completed up to the quarter ended 31.03.2024, of which report of Q3 and Q4 are to be placed in the ensuing Internal audit management committee. Further all 15 areas in multiple frequency of Risk Based Internal Audit (RBLA) have been completed as per the Audit Plan. Final Internal Audit Report of Concurrent Audit Q1, Q2 and 8 Reports of RBLA has also been issued as approved by the Internal Audit Management Committee. The matters stated in the audit report has been duly considered for making required/necessary adjustments in the books of accounts and also for preparation of financial statements.

Note 38**Disclosure with respect to Subsidiary Company**

- 38.1 CIF values of imports are Nil
 38.2 Earnings in Foreign Exchange is NIL
 38.3 Expenditure in Foreign Exchange is Nil
 38.4 Estimated amount of contracts remaining to be executed in the Capital Account - ₹ Nil
 38.5 The Subsidiary Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

Note 39

DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

**Disclosures are required under the Micro, Small and Medium Enterprises Development Act, 2006 ("the Act") based on the information available with the Company are given below:*

Particulars	As at 31.03.2024	As at 31.03.2023
The Interest Due on the principal remaining outstanding as at the end of the year	-	-
The Amount of interest paid under the Act, along with the amounts of the payment made beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without interest adding the specified under	-	-
The Amount of interest accrued and remaining unpaid at the end of t	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date then the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under the Act.	-	-



Note 40

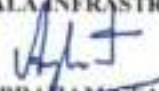
Disclosure with respect to Associate Company

- 40.1** The company has appointed Shri. Dr Kamalakannan Ellangovan as Managing Director during the immediately preceding financial year w.e.f. 23.12.2022 and has paid managerial remuneration of fixed pay amounting to Rs. 24 lakhs. Provision has been made in the accounts towards variable pay of Rs. 24 lakhs and earned leave salary of Rs. 1.59 lakhs. The provision for leave salary is subject to approval of the Nomination and Remuneration Committee and AGM of the Company. The actual amount of variable pay is based on performance criteria is pending to be fixed by the Nomination and Remuneration Committee.
- 40.2** The company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, audit trail feature was not enabled throughout the year.

Note 41

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification/ disclosure.

For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD


Dr. K. M. ABRAHAM (CFA)
FUND MANAGER



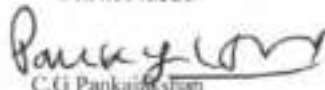
Thiruvananthapuram
Date : 25.05.2024



AUDITOR'S REPORT

As per our report of even date attached

for Varma & Varma
Chartered Accountants
FRN.0045328


C.G. Pankajeshan
(Partner)
M.No. 020512

Note 9

Property, Plant and Equipment and Depreciation Statement For the period 01-04-2023 to 31-03-2024

PARTICULARS		GROSS BLOCK					DEPRECIATION/AMORTISATION				NET BLOCK	
SL. No.	ITEM	As on 01.04.2023	Additions		Sale/ Adjustme nt during the period	Total As on 31.03.2024	Rate %	As on 01.04.2023	For the Period	Up to 31.03.24	WDV As On 31.03.2024	WDV As On 31.03.2023
			On / Before 04.10.2023	After 04.10.2023								
A	Tangible Asset											
1	Air Cooler (Previous Year)	0.05 (00.05)	-	-	-	0.05 (00.05)	10	0.05 (00.05)	-	0.05 (00.05)	-	-
2	Computer (Previous Year)	250.68 (212.84)	0.64 (25.10)	12.95 (12.74)	-	264.27 (250.68)	40	191.49 (156.27)	26.53 (35.22)	218.02 (191.49)	46.25 (59.19)	59.19 (56.57)
3	Communication Equip (Previous Year)	4.06 (03.78)	0.06	0.05 (00.28)	-	4.17 (04.06)	40	3.68 (03.52)	0.18 (00.16)	3.86 (03.68)	0.31 (00.38)	0.38 (00.26)
4	Furniture & Fittings (Previous Year)	77.23 (64.74)	11.78 (09.28)	0.95 (03.21)	-	89.96 (77.23)	10	24.59 (18.92)	6.49 (05.67)	31.08 (24.59)	58.88 (52.64)	52.64 (45.82)
5	Photostat Machine (Previous Year)	1.72 (01.72)	-	-	-	1.72 (01.72)	40	1.66 (01.61)	0.03 (00.05)	1.69 (01.66)	0.03 (00.06)	0.06 (00.11)
6	Printer (Previous Year)	6.76 (04.81)	0.15 (00.64)	0.12 (01.31)	-	7.03 (06.76)	40	4.33 (03.13)	1.05 (01.18)	5.38 (04.33)	1.65 (02.43)	2.43 (01.66)
7	Plant & Machinery (Previous Year)	279.72 (258.76)	0.85 (20.28)	0.08 (00.68)	-	280.65 (279.72)	15	120.05 (91.93)	24.08 (28.12)	144.13 (120.05)	136.52 (159.67)	159.67 (166.83)
8	Electrical Equipment (Previous Year)	20.03 (18.51)	0.78	0.17 (01.52)	-	20.98 (20.03)	10	7.78 (06.50)	1.32 (01.28)	9.10 (07.78)	11.88 (12.25)	12.25 (12.01)
9	Vehicle (Previous Year)	69.61 (69.61)	-	59.00	-	128.61 (69.61)	15	35.27 (29.21)	9.58 (06.06)	44.85 (35.27)	83.76 (34.34)	34.34 (40.40)
10	Computer & Accessory (Previous Year)	171.93 (153.63)	-	-	-	171.93 (171.93)	40	117.92 (87.18)	21.60 (30.74)	139.52 (117.92)	32.41 (54.01)	54.01 (66.45)
11	Interior Decoration (Previous Year)	146.93 (90.66)	-	-	-	146.93 (146.93)	10	36.69 (26.07)	11.02 (10.62)	47.71 (36.69)	99.22 (110.24)	110.24 (64.59)
	TOTAL	1,028.72 (879.11)	14.26 (84.83)	73.37 (64.71)	-	1,116.30 (1,028.72)		543.51 (424.41)	101.88 (119.10)	645.39 (543.51)	470.91 (485.21)	485.21 (454.70)



Amount in Rs. Lakhs

PARTICULARS		GROSS BLOCK					DEPRECIATION/AMORTISATION				NET BLOCK	
SL. No.	ITEM	As on 01.04.2023	Additions		Sale/ Adjustment during the period	Total As on 31.03.2024	Rate %	As on 01.04.2023	For the Period	Up to 31.03.24	WDV As On 31.03.2024	WDV As On 31.03.2023
			On / Before 04.10.2023	After 04.10.2023								
B	Intangible Asset											
1	Software for KSFE Pravasi Chit (Previous Year)	1,847.51 (1847.51)	-	-	-	1,847.51 (1847.51)	25	1,245.77 (1045.19)	150.44 (200.58)	1,396.21 (1245.77)	451.31 (601.74)	601.74 (802.32)
2	Software TRC (Previous Year)	259.02 (185.31)	-	-	-	259.02 (259.02)	25	114.22 (78.34)	36.20 (35.98)	150.42 (114.22)	108.60 (144.80)	144.80 (107.07)
3	Other Software (Previous Year)	104.54 (92.76)	-	-	-	104.54 (104.54)	25	69.58 (57.92)	8.74 (11.66)	78.32 (69.58)	26.22 (34.96)	34.96 (34.84)
4	Expenses on Issuance of Masala Bond (Previous Year)	2,473.14 (2473.14)	-	-	-	2,473.14 (2473.14)		1,982.58 (1487.95)	490.56 (494.63)	2,473.14 (1982.58)	- (490.56)	490.56 (985.19)
5	Expenses on issue of KSFE Bond (Previous Year)	1,190.43 (1190.43)	-	-	-	1,190.43 (1190.43)		988.83 (750.74)	201.60 (238.09)	1,190.43 (988.83)	- (201.60)	201.60 (439.69)
	TOTAL	5,874.64 (5789.15)	- (11.78)	- (73.71)	- (73.71)	5,874.64 (5874.64)		4,400.98 (3420.04)	887.54 (980.94)	5,288.52 (4400.98)	586.13 (1473.66)	1,473.66 (2369.11)
	TOTAL	6,903.36 (6668.26)	14.26 (96.61)	73.32 (138.49)	- (138.49)	6,990.94 (6903.36)		4,944.49 (3844.45)	989.42 (1100.04)	5,933.91 (4944.49)	1,057.04 (1958.87)	1,958.87 (2823.81)

Note

9.1 The property, plant and equipment and the intangible assets are purchased using the corpus fund received. However, the amount is not deducted from the gross value of assets or no separate deferred income is recognised for an amount equivalent to the cost of asset in accordance with AS-12 Accounting for Government Grants, since the break up details of assets acquired out of corpus fund/loans have not been maintained.

9.2 The system of maintenance of a formal Fixed Asset register showing full particulars of assets in various locations and physical verification of fixed assets is in the process of implementation. Physical verification of fixed assets and reconciliation of values with asset register is pending to be done and adjustments if any required on such verification would be made in the succeeding year on completion of this process. Based on the management assessment of the internal controls in place over physical possession and available records regarding details of fixed assets, no material discrepancies are expected to arise on physical verification of fixed assets.

9.3 The Gross carrying value and net carrying value of intangible asset towards software for KSFE Pravasli Chit and issue expenses amounts to Rs. 3037.94 lakhs and Rs. 451.30 lakhs respectively. Revenue expenses incurred towards software maintenance charges during the year amounts to Rs. 936.66 lakhs (cumulatively over the period amounts to Rs. 1964.81 lakhs). The actual borrowing infused is Rs. 1,16,817 lakhs only and is perpetually growing. The management estimates no impairment in the value of the asset considering the benefits out of the borrowing by issue of bonds to KSFE at reasonable rate of interest and further towards recovery of cost as per terms of MoA between KSIFB and KSFE. Accordingly the value in use as per management is sufficient to cover the net carrying value of asset. The higher expenditure on maintenance is explained by the management to be on account of substantially higher utilisation capacity of the software, as compared to its actual use/exploitation.



INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS

To

The Members of Kerala Infrastructure Investment Fund Board,
Thiruvananthapuram

Report on the Audit of Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of Kerala Infrastructure Investment Fund Board (hereinafter referred to as 'KIIFB'), which comprise the standalone Balance Sheet as at March 31st 2024, the standalone Profit and Loss account and the standalone Cash Flow Statement for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effect of the matters described in the Basis for Qualified Opinion section of our report, the accompanying standalone financial statements give a true and fair view of the state of affairs of the KIIFB as at March 31, 2024, and of its Nil profit/loss and its cash flows for the year ended on the above said date in accordance with the Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

Basis for Qualified Opinion

1. As stated in Note No.19.3, invoices of first level service providers to whom certain activities have been outsourced by KIIFB relating to 'Ente Keralam' programme expenditure amounting to Rs.6744.96 lakhs have been made available to our verification as directed by the Executive committee at its meeting on 01.09.2023. However the management is not able to confirm whether first level service provider is final end service provider, and internal controls in this regard need to be strengthened while entering into contracts for better transparency. The expenditure incurred as above has been charged to project costs since according to the management such costs are directly relatable to projects and on account of this no provision has been made in the budget for such direct project costs. The above expenses have been ratified by the general body at their meeting held on 04.03.2024.
2. An amount of Rs.1592.79 lakhs has been incurred for promotion and media activities through various parties to whom works were outsourced on nomination basis (single tender). This procedure is not in compliance with the stipulations in SOP for procurement of media services in force during the year requiring invitation of open tender for such works. In the absence of proper tendering, the reasonableness of the rates could not be verified by us. The above amount of Rs.1592.79 lakhs includes an



amount of Rs.745 lakhs incurred for promotional campaigns in social media, international SMS services etc for which invoices of first level service providers were made available to us as directed by the executive committee and management is not able to confirm whether such first level service provider is the final end service provider. Internal controls in entering into contracts required to be strengthened for better transparency. Further appropriate audit evidences to authenticate the receipt of the services provided as claimed in the invoices of the first level service provider were not available on record, explained to be due to practical difficulties. We have placed reliance on the authentication and attestation of receipt of services by the Nodal Officer media management group with the approval of payment by CEO. The above expenses have been incurred within the budget approved by the General Body.

3. As stated in Note No. 24, KIIFB had incurred an expenditure of Rs.936.66 Lakhs during the year towards KSFE Software expenses which includes amounts incurred through external agency (a Government PSU - KSIE Limited) to whom the activities for server hosting and licence renewal charges of KSFE Pravasi software have been outsourced by KIIFB on nomination basis (single quote). The claims are supported by invoices of first level intermediary agencies and the management is not able to confirm whether such first level service provider is the end service provider. Internal controls needs to be strengthened while entering in to such contracts for better transparency. KSIE Limited has raised invoice on KIIFB at 3% & 10% over cost incurred depending upon the nature of service provided through the intermediary agency to whom the services have been sub-contracted.

As stated in the notes, KIIFB has paid operating cost (Server hosting and License renewal charges) to KSIE Ltd during the years from 2020-21 to 2023-24 amounting to Rs.3,964.81 lakhs against the capital cost of acquisition/ development of software of Rs.3,037.94 Lakhs (Gross carrying value). The direction of the Executive Committee meeting held on 01.09.2023 and also the General Body meeting held on 04.03.2024 to expedite steps to enter into agreement with KSFE for recovery of the cost incurred on the software till date is pending to be implemented. In our opinion, such delay in execution of the agreement requires to be avoided/ minimised.

In view of the facts and circumstances dealt with in para 1 to 3 above, we are not able to express our opinion on the authenticity of expenses incurred during the period dealt with in the above paragraphs.



We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of KIIFB in accordance with the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the said Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the audit of the financial statements.

Emphasis of Matter

We draw attention to the following matters described in the Notes to accounts of the standalone financial statements:

- (i) As stated in Note No.1.2 to the accounts, during the year, an amount of Rs.42,250 lakhs was received from GoK vide GO No.54/2024/fin and GO no. 9210/2023/fin (read with Order No. FA-2/5034/2024/KIIFB dated 10.01.2024) towards balance of motor vehicle tax which was credited to Revolving Corpus Fund. Further, KSIDC has repaid borrowing to extent of Rs.8402.64 lakhs, which was fully provided for in earlier years and accordingly, the provision to extent of Rs.8402.64 lakhs was written back to P&L and carried forward to Revolving Corpus Fund. The above amounts of Rs.50652.64 lakhs (Rs.42,250 lakhs plus Rs.8402.64 lakhs) which was lying in the Revolving Corpus Fund was transferred to Initial Corpus Fund during the year by the management and equivalent fund was directly credited/ transferred to special treasury account earmarked for initial corpus. The transfer as above has been approved by Govt. of Kerala vide GO Rt.No 4098/2024/Fin dated 18.05.2024 (Rs.42250 lakhs) and GO Rt No.4099/2024/Fin dated 18.05.2024 (Rs.8402.64 lakhs).
- (ii) Interest income has been recognised on revenue generating projects in cases where there have been certain delays on implementation of the projects financed by such loans, as detailed in Note no.17.2 to the standalone financial statements. According to the management, certain inherent delays which have occurred during implementation stage of infrastructure does not have adverse effect on the recovery of loans granted considering the operational model of KIIFB as detailed in Note no 10.3 and these loans are expected to be recovered from SPVs which are all government owned or controlled agencies and hence considered by the management as good and recoverable. Such recovery however would depend upon actual income generation from land acquisition of projects having an aggregate cost incurred till 31.03.2024 amounting to Rs.2,87,972.40 lakhs so far as it relates to income accrued on such projects.



- (iii) Loan agreements are pending to be executed as on date with one SPV for loan outstanding aggregating to Rs.667.47 Lakhs although more than 40% stage of disbursement (as per the terms of Tripartite Agreement between KIIFB, SPV and the concerned Government department) has been exceeded requiring execution of such loan agreement, as stated in Note no.17.3 to the standalone financial statements. As explained by the management, steps for execution of loan agreements is under process, which is pending for requisite clearance from the concerned departments of the Govt of Kerala.
- (iv) As stated in Note No 10.1, Prudential norms on Income recognition, asset classification and provisioning for long term infrastructure projects was adopted by KIIFB w.e.f 01-04-2023, vide circular resolution dated 13.04.2023 and the same has been revised in the 46th General Body Meeting of KIIFB held on 02.09.2023. KIIFB has classified projects into four categories based on the viability of projects into High, Medium, Low and no commercial viability projects.

Based on the said norms, additional provision amounting to Rs.9475.92 lakhs have been made in books of accounts for KSEB -Nilavu project towards outstanding loan amount and unrealised interest accrued till 31.03.2023 since the said project has been classified to category III during the year. No interest income has been recognised during the current year on the loans for said project as stated in Note No.10.2.

- (v) As stated in Note No.2.6.1 to the accounts, the balances under statutory contribution receivable from GoK of Rs.10,62,129.01 Lakhs upto 31.03.2024 is considered good and recoverable by the management. According to the management there is no uncertainty with regard to ultimate recovery, based on financial operational model of KIIFB as per the KIIF Act, 1999 (amended by act of 2016) as such amounts are expected to be recouped from the statutory contribution receivable in future. We have relied entirely on the management representation in this regard considering the facts of the case.
- (vi) As stated in Note No.28 to the accounts the procedures followed for appraisal of projects by the project appraisal division offers scope for improvement by documentation of the assumptions followed in making financial projections relating to estimated costs and revenues.
- (vii) As stated in Note No.14.2 to the accounts, receivable from Information & Public Relations Department amounts to Rs.916.73 lakhs for which claims raised are pending for more than one year. However, the balance has been confirmed as at 31.03.2023.

Our opinion is not modified in respect of these matters.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current year. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	How addressed in Audit
(i) As stated in Note No.II. (I) KIIFB has introduced prudential norms on Income recognition, asset classification and provisioning relevant and applicable for long term infrastructure projects w.e.f 01-04-2023 as per the decision of general body through circular resolution dated on 13.04.2023. This was amended in the 46th General Body Meeting of KIIFB held on 02.09.2023. According to the revised norms, KIIFB has classified projects into four categories based on the viability of projects into High (Category I), Medium (Category II), Low (Category III) and no commercial viability projects (Category IV).	As per the principles laid down in AS 9 Revenue recognition, KIIFB has recognized interest income on accrual basis as per the terms of the loan agreement, wherever such agreements have been entered into and for which agreement is not executed upon reaching 40% stage of disbursement at rate agreed as per terms of sanction. (At discounted rate). Based on revised IRAC Norms, 6 nos of loans having principal of Rs.17,461.56 Lakhs and interest of Rs.1906.48 lakhs have been classified as Category II . Based on revised IRAC Norms, 2 nos of loans having principal of Rs.3,0323.88 Lakhs and interest of Rs.10,134.24 lakhs have been classified as Category III and this has been fully provided for as doubtful and income recognition has been discontinued from the date of such reclassification on prudential basis as stated in Note no.10.2 to the accounts. Recognition of interest revenue for projects are as per the IRACP Norms adopted by KIIFB in the general body. Income has been recognized based on the terms of the loan sanctioned and categorization of loan.



Key Audit Matters	How addressed in Audit
(ii) Interest income for Category I projects are recognised at Average Cost of Domestic Borrowing (ACDB) of KIIFB reset every six months in a calendar year with monthly compounding (in some cases rate agreed at the time of sanction), Category II projects at discounted rate of interest as compared to category I and with respect to Category III and IV projects interest income is not recognised in books of account. On facts of the case, there have been certain inherent delays in respect of many of the projects financed with long gestation periods. As per the terms of the loan sanctioned, the repayment of principal and interest commences on completion of moratorium period. Interest is payable by the borrower as per terms of agreement as above regardless of completion of project. According to the management such delays in project implementation is not likely to have any adverse impact on recovery of finance granted for revenue generating projects. Such recovery however would depend upon actual income generation from land acquisition of projects having an aggregate cost incurred till 31.03.2024 amounting to Rs.2,87,972.40 lakhs in so far as it is relatable to these projects.	There is no significant doubt as to realization and recovery of interest at this stage for category I and II loans. Loans categorized under category III reckoned as low viability has been fully provided for and recognition of income also has been stopped. The loans are given to State Government controlled entities and there are no over dues in principal and interest outstanding as at 31.03.2024 as per terms of loan agreement as stated in Note No.10.5 to the accounts. Provision for all standard asset at 0.40% has been made during the year towards the outstanding amount of principal and interest as prescribed under IRACP Norms. Facts have been duly disclosed in the standalone financial statements.



Key Audit Matters	How addressed in Audit
(iii) As per GoK Order [GO(Ms) No 153/2023/ GAD dated 13-10-2023], KIIFB was instructed to incur the expenditure towards infrastructure and construction facilities for the event 'Keraleeyam 2023'. The Chief Engineer (CE), PWD was entrusted the responsibility for conducting the event by Program Committee of Keraleeyam, GoK. Based on the above decisions, KIIFB issued office order stating the condition that CE buildings, PWD shall arrange to tender the work following the due procedures and do the evaluation of the same and identification of successful bidder for each work. The details of successful bidder/s shall be intimated to KIIFB. An amount of Rs.1295.46 lakhs has been incurred towards 'Keraleeyam' event organised by Government of Kerala through Chief Engineer (CE), PWD. However, the evidence in support of compliance by PWD with the procedure stipulated by KIIFB with respect to tendering, identification and evaluation of bidders was not seen insisted upon and obtained.	The management has furnished to us a specific representation that GoK has entrusted the responsibility of conducting the event 'Keraleeyam 2023' to Chief Engineer, PWD. Since PWD is a Government Department, the compliance of stipulated procedures w.r.t. tendering, identification and evaluation of bidders is their sole responsibility and KIIFB has no responsibility in this regard. All the payments made by KIIFB to the vendors are based on approvals of The Chief Engineer (CE), PWD. We have placed reliance on the above management representation and the facts are disclosed in Note No 22.3 to the financial statements.
(iv) Promotional and advertisement expenses includes an amount of Rs.538.80 lakhs incurred towards nationwide media and publicity campaign of the Government of Kerala against restriction on borrowing powers of the State imposed by the Central Government. We had enquired	As stated in Note No.22.3 to the accounts, such action by the Central government would gravely impact the operations of KIIFB which is built up as a premier agency providing quality infrastructure for the people of Kerala and expenses for building up a media campaign against this was unavoidable to sustain the existence of KIIFB. Moreover such expenses incurred



Key Audit Matters	How addressed in Audit
on relation of such expenditure with the activities of KIIFB.	was within the overall budget for promotional activities approved by the General Body. and the payment was authorised by the Media Management Group(MMG) of KIIFB. We have relied on the management representation in this regard.
(v) Interest paid to Kerala Non-Resident Keralites Welfare Board (KNRKWB) of Rs 1787.18 Lakhs is accounted for by the management based on the scheme workings furnished by KNRKWB which is pending for reconciliation by KIIFB due to certain practical difficulties as explained to us. Steps are being taken for reconciliation of the same.	Confirmation of balance from KNRKWB for principal loan amount has been received as at 31.03.2024. For the purpose of calculation of interest we have relied on the data set provided by management and as per management representation furnished, the computation of interest as above is realistic and correct. We have relied on the above submission of the management.
(vi) The corpus fund-revolving represents the funds received every year from Government of Kerala as part of statutory contribution provided for in the State budget under financial support for infrastructure development as stated in Section 3(1A) r.w.s Section 7 of KIIFB Act, 2016 towards the objectives based on resolution of the general body and also any amounts received additionally from Government of Kerala to meet additional fund requirements as per relative government order. The amounts utilised towards direct cost of projects are recouped from the revolving/ corpus Fund for the year and amount so utilised are shown as contra item in the P&L a/c	The balances under statutory contribution receivable from GoK as at 31.03.2024 of Rs. 10,62,129.01 Lakhs is considered good and recoverable by the management. The recoverability is based on financial operational model of KIIFB as per the KIIF Act, 1999 as such amounts are expected to be recouped from the statutory contribution receivable in future as per the operational model implemented by KIIFB as envisaged in the KIIF Act. Therefore, as per recovery model as above, which is built in to Asset Liability Management (ALM), there is no uncertainty with regard to ultimate recovery of the above amount due from GoK as per management representation in this regard. We have placed



Key Audit Matters	How addressed in Audit
to reflect the activities undertaken to meet the objectives as per the Act.	our reliance on the management representation as above.
The revolving corpus fund is received on an annual basis towards financial support for Infrastructure Development by way of statutory contribution being share of KIIFB from Cess on petrol and share of KIIFB from Motor Vehicle Tax as per KIIFB Act.	The ALM model is placed for overseeing and monitoring at the periodical meetings of the Fund Trustee and Advisory Committee (FTAC) which comprises of eminent financial experts of the country having rich and wide experience in the field of financial management to safeguard the best interest of KIIFB. The status of latest ALM was also duly taken note of by the General body in its 47 th meeting held on 04.03.2024 and as per presentation made at the Board meeting ALM has been found to be stable and sound as disclosed in Note No.25 to the accounts.
The balances under statutory contribution receivable from GoK as at 31.03.2024 is Rs. 10,62,129.01 lakhs considered good and recoverable as the same would be recouped from statutory contribution receivable every year as per operational model of KIIFB.	We have placed reliance on the surveillance being exercised utilising the technical expert knowledge of the FTAC committee in respect of sound functioning of the ALM Model and also the review of soundness of ALM by the Board at its meeting as above.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation of these standalone financial statements that give a true and fair view of the state of affairs, results of operations and cash flows of KIIFB in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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



Those charged with governance are responsible for overseeing KIIFBs financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they 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 scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than 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, but not for the purpose of expressing an opinion on the effectiveness of KIIFBs internal control.
- 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 KIIFBs 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 KIIFB to cease to continue as a going concern.



- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

Report on Other Legal & Regulatory Requirements

1. 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 purposes of our audit except for the matter stated in Basis for Qualified Opinion paragraph (1) to (3).
 - (b) In our opinion, proper books of account as required by law have been kept by KIIFB so far as it appears from our examination of those books.
 - (c) The standalone Balance Sheet, standalone Profit and Loss account and the standalone Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - (d) The rupee denominated external borrowings being Masala Bonds availed by KIIFB, in the year 2018-2019 and repaid in full during the current year, which are fully secured by the sovereign guarantee issued by the Government of Kerala and have the required approval of the Reserve Bank of India under the Foreign Exchange Management Act 1999. As explained to us by the management of KIIFB, on other legal issues relating to the said borrowings, as per the legal opinion received from a renowned jurist and legal expert, the issue of Masala bonds made for the borrowings by KIIFB as above, is neither illegal nor is in violation of any law, which, being a legal matter, no opinion is expressed thereon.



- (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards issued by the Institute of Chartered Accountants of India in all material aspects.



For Varma and Varma
Chartered Accountants
FRN.004532S

Pankajakshan

C.G.Pankajakshan
Partner

Membership No.020512

UDIN: 24020512BKGUXP6063

Place : Thiruvananthapuram

Date : 25.05.2024

Kerala Infrastructure Investment Fund Board
2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001
Standalone Balance Sheet as at 31.03.2024

(Figures in Lakhs Rs.)

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
I. EQUITY AND LIABILITIES			
1 Initial Corpus Fund	1	3,32,701.92	2,82,049.28
2 Corpus Fund - Revolving (shown on the asset side)	2	-	-
3 Non-current liabilities			
(a) Long-term borrowings	3	17,88,950.02	14,32,257.88
(b) Deferred tax liabilities	9	-	368.79
(c) Other Long term liabilities	4	7,099.67	5,401.25
4 Current liabilities			
(a) Short-term borrowings	5	2,85,203.82	3,44,923.44
(b) Other current liabilities	6	21,945.10	17,058.86
		24,35,900.53	20,82,059.50
II. ASSETS			
1 Non-current assets			
(a) Property, plant and equipment and Intangible Asset	7		
(i) Tangible assets		470.91	485.21
(ii) Intangible assets		586.13	1,473.66
(b) Non-current investments	8	425.52	425.52
(c) Deferred tax assets	9	-	-
(d) Long-term loans and advances	10	5,24,104.58	4,86,946.01
(e) Corpus fund revolving being the Statutory contribution receivable from GoK -Non current	2	7,49,129.01	4,97,106.59
(f) Other Non Current Assets	11	5,357.24	5,981.87
2 Current assets			
(a) Current investments	12	-	1,05,175.02
(b) Cash and cash equivalents	13	7,19,031.43	5,92,470.47
(c) Short term loans and advances	14	1,17,282.31	1,05,791.71
(d) Corpus fund revolving being the Statutory contribution receivable from GoK -Current	2	3,13,000.00	2,80,900.00
(e) Other current assets	15	6,513.40	5,303.44
		24,35,900.53	20,82,059.50

Notes forming part of standalone financial statements

I, II & 1-33

The accompanying notes form an integral part of the standalone financial statements

AUDITOR'S REPORT

As per our report of even date attached

For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

Dr.K.M.ABRAHAM(CFA)
FUND MANAGER



Thiruvananthapuram
Date : 25.05.2024



for Varma & Varma
Chartered Accountants
FRN.0045328

Pankajakshan
C.G Pankajakshan
(Partner)
M.No. 020512

Kerala Infrastructure Investment Fund Board
2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001
Standalone Profit and Loss Account for the year ended 31.03.2024

(Figures in Lakhs Rs.)

Particulars	Note No.	For the Year Ended 31.03.2024	For the Year Ended 31.03.2023
I. Revenue:			
i) Recoupment of statutory contribution from Government of Kerala from Corpus Fund for financing of direct project cost as per Contra	19	4,64,194.54	4,69,977.35
ii) Interest income from financial assistance for revenue generating projects	17	55,810.59	46,541.05
iii) Interest income from deposits and investments	16	17,187.58	16,518.73
iv) Profit on Sale of Mutual Fund Investment		17,103.06	
v) Other income	18	8,634.46	328.30
Total Revenue (I)		5,62,930.23	5,33,365.43
II. Expenses:			
i) Financing of direct cost of projects -Out of Corpus Fund	19	4,64,194.54	4,69,977.35
ii) Employee benefits expense	20	784.10	755.79
iii) Finance costs	21	1,83,464.15	1,41,696.48
iv) Depreciation and amortisation expense	7	989.42	1,100.04
v) Other expenses	22	10,637.90	5,137.11
Total expenses (II)		6,60,070.11	6,18,666.77
III. Profit / (Loss) (I- II)		(97,139.88)	(85,301.34)
Prior Period Item	23	-	(26.33)
Profit / (Loss) after prior period item		(97,139.88)	(85,327.67)
IV. Tax expense:			
(1) Current tax		-	
(2) Tax for Earlier years			
(3) Deferred tax(Expense)/Income	9	368.79	(5.35)
Less : Statutory contribution from GoK under Corpus fund utilised to meet the net loss (deficit from operations)for the year in P& L account transferred		96,771.09	85,333.02
V. Net Profit / (Loss) for the Year		-	-

Notes forming part of standalone financial statements

I, II & 1-33

The accompanying notes form an integral part of the standalone financial statements

AUDITOR'S REPORT

As per our report of even date attached

For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

Dr.K.MABRAHIM(CFA)
FUND MANAGER



for Varma & Varma
Chartered Accountants
FRN,004532S

Pankaj
C.G Pankajakshan
(Partner)
M.No. 020512

Thiruvananthapuram
Date : 25.05.2024

Kerala Infrastructure Investment Fund Board
2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001
Standalone Cash Flow Statement for the year ended 31.03.2024

(Figures in Lakhs Rs.)

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
A. Cash flow from operating activities		
Profit before income tax	(87,119.88)	(85,327.67)
Adjustments for:		
Depreciation and amortisation expense	989.42	1,100.04
Interest income	(72,698.17)	(62,059.78)
Finance Cost	1,82,464.15	1,41,696.48
Profit on Sale of Mutual Fund Investment	(17,103.06)	-
Provision for conversion of loan into Non income generating project(s) (net interest)	9,475.92	39,384.84
Dividend Income	(51.81)	-
Interest on income tax refund	(45.01)	-
Provision for Revenue generating project written back	(8,402.64)	-
Loan Asset converted to non income generating project- KINPRA	-	4,055.64
Receivable Written off	-	164.56
Provision for TDS Asset FY 2019-20	-	375.77
Provision for standard asset	2,565.78	-
Operating profit / (loss) before working capital changes	754.90	38,389.88
Changes in working capital:		
Adjustments for (Increase) / Decrease in operating assets:		
Loans and Advances	14,978.18	17.98
Financial assistance made to Revenue Generating Projects	(11,455.85)	(45,916.59)
Other Non Current and Current Assets	(1,339.09)	(348.67)
Adjustments for increase / (Decrease) in operating liabilities:		
Other Current/Non current Liabilities	(12,373.81)	(2,148.61)
Net Changes in working capital:	(9,436.29)	(10,168.01)
Cash generated from operations	(9,456.29)	(10,168.01)
Net income tax (paid) / refunds	789.37	713.36
Net cash from/ (used in) operating activities (A)	(8,666.92)	(9,194.45)
B. Cash flow from investing activities		
Purchase of PPE (including changes in C/WIP)	(87.57)	(255.10)
Interest income received out of fixed deposit	17,187.58	16,518.73
(Purchase)/ Sale proceeds of Investments	1,22,278.09	(45,433.09)
Dividend Income	51.81	-
Net cash from/ (used in) investing activities (B)	1,39,428.71	(29,149.46)
C. Cash flow from financing activities		
Loans from -		
(i) Banks and Financial Institutions	3,32,261.68	4,75,204.78
(ii) Bonds	2,66,868.00	26,432.80
(iii) Prorated Dividend Scheme	1,507.77	3,520.62
Bonds repaid during the year	(2,15,000.00)	-
Loans repaid during the year	(88,664.93)	(93,967.60)
Statutory contribution from Govt.	2,80,828.91	2,47,876.35
Additional Financial Support for Infrastructure Development	42,250.00	-
CSR and PLA fund	34.64	436.30
Unutilised portion of LAC ADS share repaid	(94.38)	-
Reacquisition by way of Statutory contribution from Govt of Kerala from Corpus	(4,59,155.83)	(4,61,391.31)
Fund for direct project cost (other than NABARD)	-	-
Interest received during the period from Deposits made out of corpus fund	4,486.89	1,163.71
Finance cost paid	(1,64,505.64)	(1,34,962.15)
Fund utilised for NABARD Projects	(5,038.73)	(12,741.68)
Net cash from/ (used in) financing activities (C)	(4,221.83)	49,672.82
Net Increase (decrease) in cash and cash equivalents (A+B+C)	1,26,560.96	11,128.11
Cash and cash equivalents at the beginning of the financial year	5,92,470.47	5,81,342.36
Cash and cash equivalents at end of the year	7,19,031.43	5,92,470.47

1. The above cash flow statement has been prepared under indirect method prescribed in AS 3 "Cash Flow Statements".

2. Components of cash and cash equivalents

Balances with banks

Cash in Hand	0.06	0.02
Balance with Treasury	0.02	0.01
Term Deposits/Sweep	1,82,163.95	2,86,156.72
Other deposit, savings and current accounts	53,224.48	24,241.38
Other Bank balance in Treasury Accounts	3,32,701.92	2,82,049.28
In Mutual Bond Sinking Fund Account with Axis Bank	-	23.86
Fixed Deposit with Bank (Loan against ODU)	1,51,001.00	-
	7,19,031.43	5,92,470.47

Notes forming part of standalone financial statements

I, II & 1-33

The accompanying notes form an integral part of the standalone financial statements

For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

Dr. K.M. ABRAHAM
FUND MANAGER



Thiruvananthapuram
Date: 25.05.2024

AUDITOR'S REPORT

As per our report of even date attached

For Varma & Varma
Chartered Accountants
FRN: 0045325

C. O. Parakkal
(Partner)
M.No: 020512



Kerala Infrastructure Investment Fund Board
2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001
Notes to Standalone Financial Statements for the year ended 31.03.2024

All amounts in Lakhs except for specifically stated

NOTE-I

GENERAL INFORMATION

Kerala Infrastructure Investment Fund Board (referred to as KIIFB) was established on 11.11.1999 under the Kerala Infrastructure Investment Fund Act 1999 (Act 4 of 2000) with the main objective of financing the investment in critical and large infrastructure projects in the State of Kerala. Comprehensive modification of the Act and Scheme has been made through an amendment Ordinance in August 2016. With new strategy and structure, KIIFB aims to dynamically mobilise funds for the infrastructure development of Kerala including major land acquisition needs of the State. KIIFB has recourse to the advanced financial instruments approved by SEBI / RBI and is expected to promote substantial development of sustainable infrastructure in the State.

KIIFB is a body corporate established under an Act of Government of Kerala (KIF ACT 1999) exclusively for undertaking sub-sovereign functions of financing the key infrastructure projects in the State of Kerala and all activities are done in pursuance of the above objective only.

Non convertible Debt Securities of KIIFB (Debentures) are listed on stock exchange of BSE Limited in pursuant to the provisions of SEBI Act 1992, LODR Regulations and Debenture trustee regulations.

The rupee denominated Masala Bond of KIIFB backed by the Guarantee of Govt of Kerala, listed in the London Stock Exchange and Singapore Stock Exchange has been fully repaid and closed during the year.

NOTE-II

SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

- a. The Standalone Financial Statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and Accounting Standard issued by Institute of Chartered Accountants of India. KIIFB, being a body corporate and not a company as defined under Companies Act, 2013 do not adopt the Ind AS prescribed under Companies (Indian Accounting Standard) Rules, 2015.
- b. KIIFB follows Mercantile System of Accounting and recognizes significant items of income and expenditure on accrual basis, except to the extent otherwise stated in the notes.
- c. The Financial Statements are presented in INR, which is the functional currency and all values are rounded to the nearest lakhs (INR 1,00,000), except when otherwise indicated. Due to rounding, numbers presented may not add up precisely to totals provided.

B. USE OF ESTIMATES

The preparation of financial statements in conformity with Indian GAAP requires judgements, estimates and assumptions to be made that affect the reported amount of assets and liabilities, disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period.

C. PROPERTY, PLANT AND EQUIPMENT

(a) **Tangible Assets:** The Gross carrying amount of Property, Plant & Equipment have been accounted on cost model, and cost comprises of purchase price, duties, levies and any direct attributable costs of bringing the assets to its working condition for the intended use.

Depreciation: Depreciation has been provided on Written down Value Method at the rates prescribed in appendix to the Income Tax Rules.

(b) **Intangible Asset**

Intangible Assets are recorded at the cost of acquisition of such assets and are carried at cost less accumulated amortisation and impairment, if any.

Amortisation: Amortisation has been provided for on Written down Value Method on assets (other than masala bond expenses and issue expense for KSFE) at the rates prescribed in appendix to the Income Tax Rules. In respect of expenditure incurred towards issuance of Masala Bond and expenditure towards issue for KSFE Bond, the same is amortised over a period 5 years being the period during which the benefits are expected to materialise. The expenditure has been fully amortised as at the year end being the fifth year.

D. PRIOR PERIOD ADJUSTMENTS

As per AS 5 "Net profit or Loss for the period, Prior Period Items and Changes in Accounting Policies".

- (i) Prior period adjustments represent entries for correction of errors or omissions in the preparation of financial statements of one or more prior periods and as such are shown separately in the Notes annexed to and forming part of Accounts.
- (ii) Extra-ordinary items are those material adjustments that arise from events or transactions that are clearly distinct from the ordinary activity of KIIFB and are not expected to occur frequently or regularly and therefore are shown separately in the Notes annexed to and forming part of Accounts.



E. REVENUE RECOGNITION

In line with the prescriptions in AS 9 "Revenue Recognition", revenue is recognised only when it can be reliably measured and it is reasonable to expect ultimate collection as per the assessment of the management.

Interest income on fixed deposits is recognised time proportionately based on periods for which amounts are outstanding and the interest rate applicable.

Interest generated from the investments made out of the corpus funds received are credited to the corpus fund as such interest is to be mandatorily used for the objectives of the Act and hence forms a part of statutory contribution accounted under Corpus Fund.

Interest income on loans granted for revenue generating projects is recognised on accrual basis as per the terms of the loan agreement, wherever such agreements have been entered into except to the extent otherwise disclosed in the notes to accounts. In case of loans granted for which the loan agreement is pending to be executed, interest is recognised on accrual basis at rates and methodology as per comparable loan agreements entered into with other parties as per the estimate of the management or at the interest rates agreed upon at the time of sanction of loan in certain cases where ever applicable. Late payment charges, prepayment charges are recognised on a point in time basis, and are recorded when realized since the probability of collecting such monies is established when the borrower pays.

F. CORPUS FUND- Revenue Recognition and Accounting of Utilisation

The corpus fund-revolving represents the funds received every year from Government of Kerala as part of statutory contribution provided for in the State budget under financial support for infrastructure development as stated in Section 3(1A) r.w.s Section 7 of KIIF Act, 2016 towards the objectives based on resolution of the general body and also any amounts received additionally from Government of Kerala to meet additional fund requirements as per relative government order. The amounts utilised towards direct cost of projects are recouped from the revolving/ corpus fund for the year and amount so utilised are shown as contra item in the P&L a/c to reflect the activities undertaken to meet the objectives as per the Act. The corpus fund-revolving also includes funds received under LAC/ADS scheme and PTA/CSR Fund as per government order.

G. INVESTMENTS

As per AS 13 "Accounting for Investments", Current Investments are carried at the lower of cost or quoted / fair value, computed category-wise. Long-term investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such decline is other than temporary. Investments that are readily realisable and intended to be held for not more than 12 months from the date of acquisition are classified as current investment. All other investments are classified as non-current investments.

H. BORROWING COST

As per AS 16 "Borrowing Costs", Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that takes necessarily substantial period of time to get ready for intended use. All other borrowing costs are charged to the Statement of Profit and Loss.

I. INCOME RECOGNITION AND ASSET CLASSIFICATION NORMS

KIIFB has introduced revised prudential norms on Income recognition, asset classification and provisioning relevant and applicable for long term infrastructure projects w.e.f 01-04-2023 as per the decision of general body through circular resolution dated on 13.04.2023. As per the said norms, an asset is recognised as Non performing when there is arrears of principal or interest overdue for more than twelve months only. Once an asset is recognised as non performing (Substandard or lower), entire unrealised interest is reversed and income is accounted for on cash basis only. Provisioning of non performing assets is done as per norms as under :

a) The assets are classified as follows :

- (i) Standard Assets - up to 12 months overdue
- (ii) Substandard Assets - Beyond 12 months but less than 24 months overdue
- (iii) Doubtful Assets - Beyond 24 months overdue
- (iv) Loss Assets - fully to be written off subject to security value realisation
- (v) In case of revenue generating projects (RGP) for which repayment agreements are pending to be entered, and disbursement is more than 40% - such RGP will be considered as substandard asset after 24 months from the date 40% payment milestone has been reached or from the date of identification of the project as RGP in books of accounts, whichever is later.



b) Provisioning Norms

	Type of Asset	Provision Required (%) - Expected Credit loss
(i)	Standard Asset	0.40%
(ii)	Substandard Asset	
	Beyond 12 months and up to 18 months overdue for repayment agreements executed and beyond 24 months and up to 30 months overdue for not executed.	10%
	Beyond 18 months and up to 24 months overdue for repayment agreements executed and beyond 30 months and up to 36 months overdue for not executed.	25%
(iii)	Doubtful Assets	
	Up to One year	50%
	One to three years	75%
	More than three years	100%
(iv)	Loss Assets	100%

Further IRACP norms has been amended in the 46th General Body Meeting of KIIFB held on 02.09.2023. KIIFB has classified projects into four categories based on the viability of projects into High(Category I), Medium(Category II), Low (Category III) and no commercial viability projects(Category IV). Projects under category III are not identified as loan in books of accounts and accordingly IRACP norms are not applicable till such time repayment agreement are executed or the projects are identified as loan in books of accounts whichever is earlier. Projects under category IV have no commercial viability and are implemented through grant scheme.

J. ACCOUNTING FOR TAXES ON INCOME.

Income Tax is accounted in accordance with Accounting Standard on Accounting for Taxes on Income (AS-22), which include Current Taxes and Deferred Taxes. Provision for Current Tax is made in accordance with the provisions of The Income Tax Act, 1961. Deferred Tax assets/ liabilities representing timing differences between accounting income and taxable income are recognized to the extent considered capable of being reversed in subsequent years by applying tax rate substantively enacted as at the end of the year. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available, except that Deferred Tax Assets arising due to unabsorbed depreciation and losses are recognised if there is a virtual certainty that sufficient future taxable income will be available to realise the same.

K. CASH FLOW STATEMENT

Cash flows from operating activities are prepared using the indirect method, whereby net profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows.

L. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

As per AS 29 "Provisions, Contingent Liabilities and Contingent Assets", Provisions are recognised when KIIFB has a present obligation as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the correct management estimates. Contingent Liabilities are not recognised but are disclosed in notes. Contingent Assets are neither recognised nor disclosed in the financial statements.

M. EMPLOYEE BENEFITS

Provision of AS 15 "Employee Benefits", has been considered while Preparation of Financial Statements

- Short Term Employee Benefits - All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognized in the period in which the employee renders the related service.
- Defined contribution plan and Defined benefit plan - KIIFB does not have any defined contribution plan and defined benefit plan as detailed in Note No 20.1 to the financial statements.

Note - 1

Initial Corpus Fund

Initial corpus fund for Major Infrastructural Development Projects

Add: Addition to Initial Corpus Fund

As at 31.03.2024	As at 31.03.2023
2,82,049.28	2,82,049.28
50,652.64	-
3,32,701.92	2,82,049.28



- 1.1 The initial Corpus fund of Rs 2,49,842.28 Lakhs represents fund received towards initial corpus fund for Major Infrastructural Development Projects as per GoK Govt. Orders - G.O (Ms) No 16/2016/Plg. dated 30.03.2016 and G.O (Ms) No 18/2017/Plg. dated 30.03.2017 and amount received during the financial year 2021-22 as additional financial support for infrastructure development amounting to Rs 32,207/- Lakhs has been received as per G.O(Rt)No. 389/2022/Fin dated 17.01.2022 which has been credited to Initial Corpus fund. The amounts are kept separately in government treasury account, (interest free). The additional contribution during 2021-22 is to provide funds required over and above the mandatory entitlement of tax devolution for the year to bridge the shortfall for the year in its ALM projection calculated at an annual growth of 10% over its revenues from petrol cess and share of Motor Vehicle tax. Since the amount has been credited to special treasury savings account, the same is to be treated as part of the initial corpus.
- 1.2 During the year, an amount of Rs.42,250 lakhs was received from GoK vide GO No.54/2024/fin and GO no. 9210/2023/fin (read with Order No. FA-2/5034/2024/KIIFB dated 10.01.2024) towards balance of motor vehicle tax which was credited to Revolving Corpus Fund. Further, KSIDC has repaid borrowing to extent of Rs.8402.64 lakhs, which was fully provided for in earlier years and accordingly, the provision to extent of Rs.8402.64 lakhs was written back to P&L and e/f to Revolving Corpus Fund. The above amounts of Rs.50652.64 lakhs (Rs.42,250 lakhs plus Rs.8402.64 lakhs) which was lying in the Revolving Corpus Fund was transferred to Initial Corpus Fund by the management and equivalent fund was directly credited/ transferred to special treasury account earmarked for initial corpus. The transfer as above has been approved by Govt. of Kerala vide GO Rt.No 4098/2024/Fin dated 18.05.2024 (Rs.42250 lakhs) and GO Rt No.4099/2024/Fin dated 18.05.2024 (Rs.8402.64 lakhs).

Note - 2

Corpus Fund - Revolving

	As at 31.03.2024	As at 31.03.2023
A. Fund from Contingency Fund of Government of Kerala	75.00	75.00
Total -(A)	75.00	75.00
B. Corpus fund by way of statutory contribution from GoK		
Opening Balance	12,88,192.11	10,38,715.75
Add: Statutory contribution received during the year	3,23,025.00	2,46,969.00
Less: Transfer to initial corpus fund (refer note 1.2)	(42,250.00)	-
Add/(less): Allotment of funds/(return) of unutilised LAC-ADS share	(94.39)	30.00
Add: Allotment of funds under PTA & CSR Fund	24.64	406.30
Add : Interest received during the period from Deposits made out of corpus fund (Refer Note 2.2)	4,486.69	1,163.71
Add : Corpus fund resumed by the Govt during the preceding year returned during the year	103.15	1,010.50
Less : Corpus fund resumed by the Govt .during the year	(49.24)	(103.15)
Closing Balance of funds available for utilisation	15,73,437.96	12,88,192.11
Utilisation of Corpus Fund		
(i) Funds Utilised for financing of direct project cost as at year end (see Note 2.4 below)	(23,37,692.83)	(18,73,498.29)
(ii) Fund Utilised for financial assistance by way of long term loans to revenue generating projects as at year end (see Note 2.5 below)	(5,14,072.12)	(5,02,823.11)
(iii) Deficit from operations in P & L, a/c recouped (see Note 2.3 below)	(2,89,546.50)	(1,92,775.41)
(iv) Transfer to Initial Corpus fund (refer note 1.2)	(8,402.64)	-
Subtotal	(31,49,714.09)	(25,69,096.81)
Total-(B)	(15,76,276.13)	(12,80,904.70)
C. Reserve for financial assistance to revenue generating projects		
Financial assistance for revenue generating projects adjusted as per contra	5,14,072.12	5,02,823.11
Total-(C)	5,14,072.12	5,02,823.11
Total (A)+(B)+(C)	(10,62,129.01)	(7,78,006.59)
Less: Transferred to statutory contribution receivable from GoK: (see Note 2.6 below)	(10,62,129.01)	(7,78,006.59)



2.1 The corpus fund represents capital investment of State Government in KIIFB to meet its long term/short term capital requirements for financing the infrastructure projects in the State as per the objectives in the KIIF Act, 1999 as amended by amendment Act of 2016. The revolving corpus fund is received on an annual basis towards financial support for Infrastructure Development by way of statutory contribution being share of KIIFB from Cess on petrol and share of KIIFB from Motor Vehicle Tax as per KIIFB Act.

2.2 Interest generated from the investments made directly out of corpus fund amounting to Rs. 4486.69 Lakhs is credited to the corpus fund based on resolution of the board taken in line with the provisions of KIIF Act, which stipulates that such interest is to be mandatorily used for the objectives of KIIFB and hence forms a part of statutory contribution accounted under Corpus Fund. Such interest are directly attributable in deposits made out of such contribution during the year.

2.3	Deficit in operations in P & L a/c recouped	As at 31.03.2024	As at 31.03.2023
	Accumulated deficit as at beginning of the year	(1,92,775.41)	(1,07,442.39)
	Current Year profit/(Loss)	(96,771.09)	(85,333.02)
	Closing Balance	(2,89,546.50)	(1,92,775.41)

The net loss in Profit and Loss account for the year of Rs. 96,771.09 lakhs representing utilisation of Corpus Fund for meeting the expenses in relation to the administration of the fund has been recouped from the Corpus Fund by transferring an amount equal to the net loss for the year from operations from Corpus Fund to P&L a/c.

2.4	Particulars of Fund Utilised out of Corpus Fund / Statutory contribution for direct project cost	As at 31.03.2024	As at 31.03.2023
	Opening Balance	18,73,498.29	14,03,520.94
	Add: Utilised during the year for financing of direct project cost (See Note 19)	4,64,194.54	4,69,977.35
	Closing Balance	23,37,692.83	18,73,498.29

2.4.1 Out of utilisation above an amount of Rs.56,709.16 lakhs has been incurred as project cost towards NABARD Projects till 31.03.2024.

2.5	Particulars showing movement of fund utilised out of Corpus Fund / statutory contribution for financial assistance to revenue generating projects	As at 31.03.2024	As at 31.03.2023
	Opening Balance	5,02,823.11	4,86,941.57
	Add: Financial assistance given during the year including retention amount	43,035.97	62,406.68
	Less: Financial assistance repaid during the year	(23,177.48)	(12,352.46)
	Less: Classified to Category III project (Considered doubtful)	(8,609.48)	(34,172.68)
	Closing Balance	5,14,072.12	5,02,823.11

2.6	Particulars of Fund transferred to statutory contribution receivable from GoK	As at 31.03.2024	As at 31.03.2023
	Current portion of statutory contribution receivable	3,13,000.00	2,80,900.00
	Non Current portion of statutory contribution receivable	7,49,129.01	4,97,106.59
		10,62,129.01	7,78,006.59

2.6.1 The balances under statutory contribution receivable from GoK of Rs.10,62,129.01 lakhs is considered good and recoverable and there is no uncertainty with regard to ultimate recovery, based on financial operational model of KIIFB as per the KIIF Act, 1999 as such amounts are expected to be recouped from the statutory contribution receivable in future years and are incorporated in the Asset Liability Management system and represents net amount spent as per the operational model implemented by KIIFB as envisaged in the KIIF Act.

2.6.2 Current portion of statutory contribution receivable has been ascertained on the basis of Budgetary allotment of statutory contribution as per annual Finance Act 2024 of GoK and balance amount has been shown under Non Current Asset.



Note - 3**Long Term Borrowings****Unsecured Loans**

	As at 31.03.2024	As at 31.03.2023
(a) KNRKWB under Pravasi dividend scheme (Note 3.3)	33,800.56	32,292.79
(b) KSFE Pravasi Bond (Note 3.1)	1,16,817.00	91,113.00
(c) Masala Bond (Note 3.2)	-	2,15,000.00
(d) Issue proceeds from Bonds (Note 3.4)		
Domestic Bond	2,11,162.00	
Green Bond	30,002.00	
(e) Loan From Banks and Financial Institutions (Note 3.5)		
i. Loan From NABARD	1,05,432.15	1,17,330.00
ii. Loan From SBI	62,989.01	75,558.49
iii. Loan From Union Bank	50,000.00	58,750.00
iv. Loan From Indian Bank	80,875.06	89,758.96
v. Loan From Canara Bank	63,750.00	67,113.34
vi. Loan from Bank of Maharashtra	95,721.48	1,00,662.47
vii. Loan from Bank of Baroda	1,85,156.25	2,00,000.00
viii. Loan from Bank of India	68,246.85	70,000.00
ix. Loan from ICICI	15,000.00	20,000.00
x. Loan from Kotak Mahindra Bank	10,000.00	10,000.00
xi. Loan from REC	4,49,836.14	3,79,602.27
xii. Loan from KFC	83,337.53	1,00,000.00
xiii. Loan from PFC	75,571.63	
xiv. Loan from HUDCO	2,69,038.50	1,50,000.00
Total A	20,06,736.16	17,77,181.32

Less: Current Maturity of loan shown under Short Term Borrowings:

i. Loan From NABARD	11,897.85	10,359.38
ii. Loan From REC	64,862.30	25,893.51
iii. Loan from KFC	16,661.32	12,500.00
iv. Loan From Union Bank	8,750.00	8,750.00
v. Loan From Indian Bank	10,080.00	8,820.00
vi. Loan from SBI	12,500.00	12,500.00
vii. Loan from Canara Bank	7,000.00	3,250.00
viii. Loan from Bank of Baroda	25,000.00	14,843.75
ix. Loan from Bank of India	7,000.00	1,750.00
x. Loan from Bank of Maharashtra	10,000.00	5,000.00
xi. KSFE Pravasi Bond	25,830.00	21,256.80
xii. Masala Bond	-	2,15,000.00
xiii. Loan from ICICI	5,000.00	5,000.00
xiv. Loan from HUDCO	11,538.00	
xv. Loan from Kotak Mahindra Bank	1,666.67	
Total B	2,17,786.14	3,44,923.44
Total (A-B)	17,88,950.02	14,32,257.88

Note - 3.1**KSFE Pravasi Bond**

KHFB had issued Security Bonds & Deposit Bonds to KSFE Ltd. Security bonds carry the interest rate of that for FDs (of similar tenure) at Government Treasury prevailed during the time of issue of the bonds and the rate offered by Deposit Bond is 0.10% higher than Security bond. Exclusive Government orders are also been issued in this regard. These bonds are also backed by the Guarantee of the State to the extent of value of Bond Outstanding.

Maturity Profile of the KSFE Pravasi bond

Maturity Profile	Amount in Rs.(Lakhs)
2024 - 25	25,830
2025 - 26	33,957
2026 - 27	47,577
2027 - 28	4,521
2028 - 29	3,916
2029 - 30	846
2031 - 32	80
2033 - 34	90
Total	1,16,817



Note - 3.2**Masala Bond @ 9.723%**

KIIFB had raised an amount of Rs. 215000 lakhs through overseas Rupee denominated Bond offering (Masala Bond) with the due approval of Reserve Bank of India as required under Foreign exchange management Act 1999 in the year 2018-19. KIIFB has also ensured compliance with approvals or permissions, if any required from other regulatory authority or Government under other relevant laws /regulations as stated in the letter of RBI in due consultation with eminent jurist and legal expert. These 5 year tenure bonds were issued at a coupon rate of 9.723% p.a. Tenure of the bond has expired during the year and liability towards principal and interest has been fully repaid as at the reporting date.

Note - 3.3

Revised Tripartite agreement is pending to be executed between KNRKWB, KIIFB and GoK by incorporating matters relating to treatment / adjustment of TDS receivable for KNRKWB.

Loan amount includes interest accrued on loan upon maturity amounting to Rs.1776.23 lakhs (P.Y-1647.31 lakhs) as per the terms of agreement and KNRKWB Scheme. Interest on loan are calculated based on the records relating to loan balances (yearly basis) furnished by KNRKWB.

Note 3.4**a) Domestic Bond-I**

Domestic Bond Series I issued on 22.12.2023 amounting to Rs.149996 lakhs at a coupon rate of 8.95% per annum payable quarterly. Non convertible domestic bond in nature of debenture comprising of seven sub series 'A' through 'G' with maturity ranging from 4-10 years which is listed in Stock exchange BSE Limited.

b) Domestic Bond-II

Domestic Bond Series II issued on 26.03.2024 amounting to Rs.61166 lakhs at a coupon rate of 9.1% per annum payable quarterly. Non convertible domestic bond in nature of debenture comprising of seven sub series 'A' through 'G' with maturity ranging from 4-10 years which is listed in Stock exchange BSE Limited.

c) Green Bond

Green bond issued on 03.07.2023 for an amount of Rs.30002 lakhs at coupon rate of 8.49% per annum payable quarterly. Non convertible green bond in nature of debenture comprising of seven sub series 'A' through 'G' with maturity ranging from 4-10 years which is listed in Stock exchange BSE Limited.

The above bonds are backed by guarantee of Government of Kerala.

Maturity Profile of Bonds

Maturity Profile (in Years)	Green Bond Series	Domestic Bond Series I	Domestic Bond Series II	Amount in Rs.(Lakhs)
				Total
4	4,286	21,428	8,738	34,452
5	4,286	21,428	8,738	34,452
6	4,286	21,428	8,738	34,452
7	4,286	21,428	8,738	34,452
8	4,286	21,428	8,738	34,452
9	4,286	21,428	8,738	34,452
10	4,286	21,428	8,738	34,452
Total	30,002	1,49,996	61,166	2,41,164

Note No 3.5**Loan From Banks and Financial Institution and other lenders**

- KIIFB has availed Loan from various Public Sector Banks, scheduled banks, companies and Financial Institutions duly backed by Guarantee of Government of Kerala as mandated by the KIIF Act, 1999 and subsequent amendment Act of 2016 passed by Kerala Legislature except in the case of loan from Kerala Non Residents Keralites' Welfare Board (KNRKWB) under Pravasi dividend scheme which is guaranteed by GoK to KNRKWB.

- The details of the term loans and the terms of repayment are as follows:



Sl No	Name of lender	Sanction Date	Amount Sanctioned (in INR Lakhs)	Tenure and Interest Rate (%)	Repayment Terms
1	State Bank of India	15.12.2018	100000	10 Years with 2 years moratorium Interest Rate of 7.7% 9.55% (w.e.f 31.01.2024)	In 32 equal quarterly instalments of Term Loan availed within 18 months of first disbursement and commencing after a moratorium of 24 months from the date of first disbursement.
2	Indian Bank	19.12.2018	50000	12 Years with 2 years moratorium Interest Rate of 7.7% 9.2% (w.e.f 31.01.2024)	Repayable in 120 monthly instalments of Rs.4.20 Crore each besides interest charged on monthly rests after an initial moratorium period of 2 years. Interest to be serviced as and when debited including during holiday period. Total door to door tenure is 12 years.
	Indian Bank	30.06.2021	50000	12 Years with 2 years moratorium Interest Rate of 7.5% 8.85% (w.e.f 01.09.2023)	Repayable in 120 monthly instalments of Rs.4.20 Crore each besides interest charged on monthly rests after an initial moratorium period of 2 years. Interest to be serviced as and when debited including during holiday period. Total door to door tenure is 12 years.
3	Union Bank of India	15.02.2020	25000	12 Years with 2 years moratorium Interest Rate of 7.55% 10.20% (w.e.f 26.02.2024)	The Term loan to be repaid in 120 equal monthly instalments after initial moratorium of 2 years. In the initial moratorium interest has to be serviced as and when due whether debited or not.
		29.12.2018	50000	10 Years with 2 years moratorium Interest Rate of 7.55% 10.10% (w.e.f 04.02.2024)	The Term loan to be repaid in 96 equal instalments after initial moratorium of 2 years. In the initial moratorium interest has to be serviced every month.
4	NABARD	24.03.2017	20080	12 Years including 2 Years moratorium Interest Rate of 9%	12 Years including 2 Years moratorium Principal to be repaid in 40 quarters.
			36420	12 Years including 2 Years moratorium Interest Rate of 8.8%	
		27.04.2021	80000	15 Years including 2 Years moratorium Interest Rate of 7.9%	15 Years including 2 Years moratorium Principal to be repaid in 52 quarters.



5	Canara Bank	29.08.2019	20000	12 Years with 2 years moratorium Interest Rate of 7.55% 8.9% (w.e.f 06.09.2023)	The Term loan to be repaid in 40 equal quarterly instalments after initial moratorium of 2 years. In the initial moratorium interest has to be serviced every month.
		30.11.2021	50000	12 Years with 2 years moratorium Interest Rate of 7.45% 8.95% (w.e.f 31.12.2023)	
6	KNRKWB under Pravasi dividend scheme	19.12.2019	18114.525	Interest rate @9%	Repayment in accordance with the terms of the pravasi dividend scheme.
			13276	Interest rate @8.3%	
			1049	Interest rate @8.6%	
7	Bank of India	21.12.2021	70000	12 Years with 2 years moratorium Interest Rate of 7.45% 9% (w.e.f 24.12.2023)	The Term loan to be repaid in 40 equal quarterly instalments after initial moratorium of 2 years. In the initial moratorium interest has to be serviced every month.
8	Bank of Maharashtra	26.07.2021	100000	12 Years with 2 years moratorium Interest Rate of 7.50% 8.8% (w.e.f 23.09.2023)	The Term loan to be repaid in 40 equal quarterly instalments after initial moratorium of 2 years. In the initial moratorium interest has to be serviced every month.
9	Bank of Baroda	26.05.2021	75000	10 Years with 2 years moratorium Interest Rate of 7.55% 8.90% (w.e.f 30-09-2023)	The Term loan to be repaid in 32 equal quarterly instalments after initial moratorium of 2 years. In the initial moratorium interest has to be serviced every month.
		29.09.2021	125000		
10	Rural Electrification Corporation Limited	06.06.2021	400000	7 Years with 2 years moratorium Interest Rate of 8.80%	The Term loan to be repaid in 60 equal monthly instalments after initial moratorium of 2 years. In the moratorium period interest has to be serviced every month.
		22.03.2024	7047	Interest Rate 8.80%	
		01.09.2021	100000	15 Years with 2 years moratorium Interest Rate of 7.45% 9.05% (w.e.f 22.03.2024)	The Term loan to be repaid in 52 equal quarterly instalments after initial moratorium of 2 years. In the moratorium period interest has to be serviced quarterly.



11	Housing and Urban Development Corporation Ltd (HUDCO)	06-10-2022	200000	15 Years with 2 years moratorium Interest Rate of 9.05%/ 8.80% (w.e.f 13.12.2023/14.09.2023)	The Term loan to be repaid in 52 quarterly instalments after initial moratorium of 2 years. In the moratorium period interest has to be serviced quarterly.
		13-03-2024	85000	9.4% per annum (First year). The interest rate shall be reset on annual basis.	The Term loan to be repaid in 56 equal quarterly instalments.
12	ICICI Bank	28-01-2022	30000	5 Years with 1 Year moratorium Interest Rate 7.45% 8.95% (w.e.f 02.04.2023)	The Term loan to be repaid 8 equal semi-annual instalment after a moratorium of 1 year from date of 1st disbursement
13	Kotak Mahindra Bank	28-09-2022	10000	5 year including moratorium of 2 years Interest Rate 8.4% 9.5% (w.e.f 16.09.2023)	Moratorium shall be 2 years from the date of first Loan disbursement. Loan shall be repaid by way of 36 monthly principal payments starting from month following the 2 year moratorium. Interest shall be paid on monthly basis.
14	Kerala Financial Corporation (KFC)	28-06-2022	100000	7 years with 12 months moratorium Interest Rate of 7.95% 9.40% (w.e.f 01.07.2023)	The Term loan to be repaid in 24 equal quarterly instalment commencing after a moratorium of 12 months from the date of first instalment
15	Power Finance Corporation(PFC)	28-03-2024	99133	Interest rate of 8.95% p.a shall remain fixed for all disbursements upto a period of 1 year from the date of 1st disbursement or till 31 st March 2025, whichever ever is earlier. The interest rate shall be reset on annual basis.	The loan shall be repaid in 180 equal monthly instalments on 15 th day of each month, commencing from the first repayment date falling 12 months after scheduled Date of Commencement of Commercial Operations (DCCO).



Note - 4**Other Long term liabilities**

Interest Accrued on Loan From KNRKWB under Pravasi dividend scheme	As at 31.03.2024	As at 31.03.2023
	8,200.93	6,374.54
Less: Transfer of accrued Interest to principal upon maturity	(1,776.23)	(1,647.31)
Total	6,424.70	4,727.23
Retention Money Payable	674.97	674.02
	7,099.67	5,401.25

Note - 5**Short Term Borrowings****Secured, Repayable on Demand**

Overdraft from Indian Bank	As at 31.03.2024	As at 31.03.2023
(Secured by Lien on Deposits)	67,417.69	-
(Interest rate 0.20% higher than FD rate)		

Total-(A)

Current maturity of long term borrowing:

i. Loan From NABARD	11,897.84	10,359.38
ii. Loan From REC	64,862.30	25,893.51
iii. Loan from KFC	16,661.32	12,500.00
iv. Loan From Union Bank	8,750.00	8,750.00
v. Loan From Indian Bank	10,080.00	8,820.00
vi. Loan from SBI	12,500.00	12,500.00
vii. Loan from Canara Bank	7,000.00	3,250.00
viii. Loan from Bank of Baroda	25,000.00	14,843.75
ix. Loan from Bank of India	7,000.00	1,750.00
x. Loan from Bank of Maharashtra	10,000.00	5,000.00
xi. KSFE Pravasi Bond	25,830.00	21,256.80
xii. Masala Bond	-	2,15,000.00
xiii. Loan from ICICI	5,000.00	5,000.00
xiv. Loan from HUDCO	11,538.00	
xv. Loan from Kotak Mahindra Bank	1,666.67	
	2,17,786.13	3,44,923.44
Total (A)+(B)	2,85,203.82	3,44,923.44

Note - 6**Other Current Liabilities**

Sundry Creditors for Expenses (Note 6.1)	As at 31.03.2024	As at 31.03.2023
	1,501.78	706.50
Guarantee Commission Payable	14,805.15	13,085.45
Statutory Liabilities	1,406.59	907.02
Centage Payable	20.52	410.68
Interest on Masala Bond Payable	-	171.82
Interest on Domestic Bond Payable	365.54	-
Interest on Green Bond Payable	585.60	-
Interest on KSFE Bond Payable	1,936.00	1,515.86
Interest on Term Loan Payable	515.95	180.89
Interest on KNRKWB Loans	90.28	16.28
Salary Payable	44.80	53.70
Audit Fee Payable	12.90	10.66
Other payables	659.99	-
Total	21,945.10	17,058.86

6.1 Sundry creditors for expenses does not include bills raised by Rail India Technical and Economic Services (RITES) for work done up to 31.03.2024 amounting to Rs. 174 Lakhs which are pending to be approved by the Board. Details disclosed in Note 29.5 relating to Invoices pending approval. The above amount is outstanding for more than one year.

Note - 7**Written down balance of Property, Plant and Equipment & Intangible Asset**

Tangible assets	As at 31.03.2024	As at 31.03.2023
	470.91	485.21
Intangible assets	586.13	1,473.66
	1,057.04	1,958.87

Refer Note -7 Property, Plant and Equipment and Depreciation statement

Note - 8**Non-current investments**

Investment in Associate Company Kerala Infrastructure Fund Management Limited (unquoted)	As at 31.03.2024	As at 31.03.2023
	167.45	167.45
Investment in wholly owned subsidiary company - KIIFCON Pvt Ltd (unquoted)	258.07	258.07
Total	425.52	425.52

8.1 Kerala Infrastructure Fund Management Limited is a Company formed under Companies Act, 2013 with main objective of Fund Management services.



8.2 KIIFCON Private Limited is a Company formed under Companies Act, 2013 as a wholly owned subsidiary of KIIFB with main objective to provide consultancy services in the fields of infrastructure and related technologies. The value of net asset being the excess of income over expenditure earned during the pre-incorporation period of KIIFCON amounting to Rs.158.07 Lakhs was converted into equity investment as above in the preceding year.

Note - 9

Deferred Tax Asset

Particulars

	As at 31.03.2024	As at 31.03.2023
Opening Balance	(368.79)	(363.44)
Add : Deferred Tax Asset (Liability) for the year	3,436.48	(5.35)
Closing Deferred Tax Asset /(liability)	3,067.69	(368.79)
<i>Net Deferred Tax (Expense)/ Income taken to Profit and Loss account*</i>	368.79	(5.35)
Components of Deferred Tax	As at 31.03.2024	As at 31.03.2023
Deferred Tax Liability : A		
On ICDS adjustment on revenue recognition	212.64	12,865.41
On excess of net book value over Income Tax Written Down Value of Property, Plant & Equipment	16.08	247.93
	228.72	13,113.34
Deferred Tax Asset : B		
On business loss and unabsorbed depreciation	4,196.10	12,744.55
On provision for Standard Asset	(899.69)	-
	3,296.41	12,744.55
Net Deferred tax Asset (A-B)	3,067.69	(368.79)
<i>Previous year figure being deferred tax liability shown on liability side</i>		
Net Deferred Tax Asset taken to Balance Sheet*	Nil	

*The management estimates that the deferred tax asset can be set off against the deferred tax liability expected to arise in future. However, in the absence of virtual/ reasonable certainty that sufficient future taxable income will arise in order to set off the deferred tax asset on depreciation and business loss, as a matter of prudence, no deferred tax asset (on a net basis) is recognised as at the reporting date.

Note - 10

Long Term Loans & Advances

(Considered good)

	As at 31.03.2024	As at 31.03.2023
Financial assistance made to Revenue Generating Projects	4,26,758.68	3,99,373.48
(contra by credit to Financial assistance Reserve for revenue)		
Accrued Interest on Loans for projects*	99,450.74	87,572.53
Total-(A)	5,26,209.42	4,86,946.01

* Represents interest not yet fallen due

(Considered doubtful)

Financial assistance made to Revenue Generating Projects	30,323.88	30,117.04
Accrued Interest on Loans for projects	10,134.24	9,267.80
Less : Provision for conversion of Loan into Non income generating project (Net)	(40,458.12)	(39,384.84)
Total-(B)	-	-
Total(A+B)	5,26,209.42	4,86,946.01
Less : Provision for Standard Asset	(2,104.84)	-
Total	5,24,104.58	4,86,946.01

10.1 The meeting of the General Body of KIIFB held on 27.02.2023 has directed to take steps to frame and develop IRAC norms relevant and applicable for long term infrastructure projects based on study conducted by an external agency. Such norms prepared have been approved by the General Body at its meeting held on 27.02.2023 and amended by way of circular resolution dated 13.04.2023 thereafter. Further based on Prudential norms on Income recognition, asset classification and provisioning (IRACP Norms) for long term infrastructure projects was adopted by KIIFB w.e.f 01-04-2023, vide circular resolution stated above and the same has been revised in the 46th General Body Meeting of KIIFB held on 02.09.2023.

As per the revised IRACP norms, KIIFB has classified projects into four categories based on the viability of projects into High, Medium, Low and no commercial viability projects. As per the provisions of IRACP Norms, project identified and categorised as Category I/ II earlier but later re-categorised as category III project, entire interest accrued in the past periods shall be reversed. Hence for such projects IRACP Norms are not applicable from the effective date of classification till such time repayment agreement are executed or project identified as loan in books of accounts whichever is earlier.



Details showing categorisation of Revenue generating projects and outstanding balance are given below.

Category	Type of Category	No. of Projects	Rs. in Lakhs	Rs. in Lakhs
			Loan	Interest Accrued
I	Projects which have high commercial viability	8	4,96,610.56	1,25,466.03
II	Projects which have medium commercial viability	6	17,461.56	1906.48
III	Projects which have low commercial viability	2	30,323.88	10,134.24
IV	Projects which have no commercial viability	0	-	-
		16	5,44,396.00	1,37,506.75

Table showing movement of Provision

Particulars	Rs. in Lakhs	
	As at 31.03.2024	As at 31.03.2023
Opening balance of provision	39,384.84	-
Add: Provision made during the year	9,475.92	39,384.84
Less: Reversal of provision	(8,402.64)	-
Closing balance of provision	40,458.12	39,384.84

- 10.2 At the meeting of CEO, Principal Secretary of Industries department and KSIDC officials held on 24.06.2023 it was decided to place before the general body of KIIFB, a proposal for conversion of the project Ito 360 life science park phase I which was hitherto treated as revenue generating, into non-revenue generating project. The amount disbursed to the project till the close of the year is Rs. 30,117.04 Lakhs and accrued interest Rs.9,267.80 Lakhs upto 31.03.2021.No interest has been recognised on the project subsequent to 31.03.2021 pending implementation of resolution plan. The total cost of Rs.39,384.84 Lakhs (Incl accrued interest) has been fully provided for as doubtful and charged to P&L A/c of the preceding year as project cost. Further in the 46th general body of KIIFB revised IRACP norms was placed and the above loan was classified as category III project.(Projects with low commercial viability). Accordingly no interest has been recognised on the project. During the year, an amount of Rs.8402.64 lakhs being the unutilised portion of loan has been refunded by KSIDC based on the proceedings of Special tahsildar LA(General),Trivandrum dated 05.02.2024. Accordingly the said remittance has been adjusted against the principal amount of loan and corresponding provision for loss made in prior year has been written back in the books of accounts under other income.

In addition to the above, 46th General body held on 02.09.2023 has classified two projects namely ITD001-02-SPV KSITIL (Amount o/s including accrued interest Rs.10850.82 lakhs) and LSG 007-01-SPV KSEB (Amount o/s including accrued interest Rs.9475.92 lakhs) into lower commercially viable project (Category III). However repayment agreement was executed for the project ITD 001-02 after the balance sheet date on 13-04-2024. As per the terms of agreement interest rate was reduced to fixed rate of 5% from the existing ACDB rate. On execution of repayment agreement, such classification of project was upgraded to category II treating it as adjusting event as per AS-4 and differential excess interest amounting to Rs.263.26 lakhs has been reversed to interest income of the year. Additional provision amounting to Rs.9475.92 lakhs has been made in books of accounts towards outstanding loan amount and accrued interest till 31.03.2023 for LSG 007-01 project being classified to category III during the year. No interest income has been recognised during the current year for said project.

- 10.3 On facts of the case, in respect of many of the revenue generating projects financed, there have been certain inherent delays during implementation which according to the management does not have adverse effect on the recovery of loans granted considering the operational model of KIIFB. Moreover, since the borrowers are government owned or controlled agencies, the loans are considered by the management as good and recoverable based on confirmations from the borrowers including for land acquisition projects aggregating to Rs. 2,87,972.40 Lakhs.(cost incurred till 31.03.2024).
- 10.4 Out of the financial assistance to revenue generating projects, an amount of Rs.44,414.68 Lakhs is secured by way of mortgage by deposit of title deed.
- 10.5 There are no overdue in principal and interest outstanding as at 31.03.2024 as per terms of loan agreement.
- 10.6 Provision for standard assets at 0.40% has been made towards the outstanding amount of principal and interest as prescribed under IRACP Norms, i.e. (Category I and II projects)



Note - 11**Other Non Current Assets****Considered Good**

	As at 31.03.2024	As at 31.03.2023
TDS Credit (F.Y. 2023-24) Refer Note 27	238.46	-
TDS Credit (F.Y. 2022-23)	56.47	1,094.30
TDS Credit (F.Y. 2021-22)	1,139.44	1,139.44
TDS Credit (F.Y. 2019-20)	3,564.81	3,564.81
Income Tax Refund Due (F.Y. 2018-19)	118.79	118.79
GST Deposit -Appcal	163.32	-
Deposits	75.95	64.53
Total	5,357.24	5,981.87

11.1 TDS Credit for FY 2022-23 represents credit adjusted against outstanding demand vide intimation order dated 23.01.2024.

Note - 12**Current Investments at cost**

	As at 31.03.2024	As at 31.03.2023
SBI Mutual Funds (Growth Fund) (refer note 12.1)	-	60,000.00
Investment in Government Securities (refer note 12.2)	-	44,698.05
Accrued Interest on Investment in Government Securities	-	476.97
Total	-	1,05,175.02

12.1 Investments in SBI Mutual Fund units has been sold during the year at a profit of Rs.17103.06 lakhs.

12.2 Investment in Government Securities and Government Strips as per terms stipulated in issue circular of masala bond issue has been fully redeemed during the year end, upon closure of tenure of Masala Bond.

Note - 13**Cash and Cash Equivalents**

	As at 31.03.2024	As at 31.03.2023
Cash on Hand	0.06	0.02
Balance with Treasury	0.02	0.01
Balance with Banks	-	-
in Term Deposits	1,82,103.95	2,86,156.72
in Sweep Accounts	-	-
in Savings account and current account	53,224.48	24,241.38
	2,35,328.51	3,10,398.13
Other bank balance		
Balance with Treasury (Refer Note 13.1)	3,32,701.92	2,82,049.28
In Masala Bond Sinking Fund Account with Axis Bank	-	23.06
Fixed Deposit with Bank(Lien against OD)	1,51,001.00	-
Total	7,19,031.43	5,92,470.47

13.1 Balance with treasury under other bank balances represents initial Corpus fund and additional financial support to infrastructure development of Rs 3,32,701.92 lakhs kept separately in government treasury account.

Note - 14**Short Term Loans and Advances**

	As at 31.03.2024	As at 31.03.2023
Advances and other Receivables (refer note 14.1 ,14.2)	2,508.04	2,342.08
Current maturity of Financial assistance made to Revenue Generating Projects (contra by credit to Financial assistance Reserve for revenue)	87,313.44	1,03,449.63
	-	-
Current maturity of interest accrued w.r.t Financial assistance made to Revenue Generating Projects	27,921.77	-
Less : Provision for Standard Asset	(460.94)	-
Total	1,17,282.31	1,05,791.71

14.1 Advance and receivable includes an amount of Rs.67.22 Lakhs receivable from KEFML and Rs.136.96 Lakhs receivable from KIFCON as disclosed in Note No. 30 for which balance confirmation have been received as at 31.03.2024

14.2 Advance and receivable also includes an amount of Rs 916.73 Lakhs incurred towards expenses to be recovered from Information & Public Relations Department for which claims are raised and pending for more than one year which is subject to confirmation as at 31.03.2024. However, the balance has been confirmed as at 31.03.2023. In the opinion of management such amount is considered good and recoverable.

Note - 15**Other Current Assets**

	As at 31.03.2024	As at 31.03.2023
Prepaid Expenses	143.19	92.04
Accrued Interest on Deposits	6,370.21	5,211.40
Total	6,513.40	5,303.44



	For the year ended 31.03.2024	For the year ended 31.03.2023
Note - 16		
Interest income from deposits and investments		
Interest earned during the year	21,674.27	17,682.44
Less : Interest received during the period from Deposits made out of corpus fund (Refer note 2.2)	(4,486.69)	(1,163.71)
	17,187.58	16,518.73

	For the year ended 31.03.2024	For the year ended 31.03.2023
Note - 17		
Interest Income from Financial Assistance for revenue generating project		
	55,810.59	46,541.05
	55,810.59	46,541.05

17.1 Interest income on loans granted for revenue generating projects is recognised on accrual basis as per the terms of the loan agreement, wherever such agreements have been entered into. Such loan agreement are entered into upon reaching 40% stage of disbursement as per the terms of the tripartite agreement between KIIIFB, the SPV and the concerned Govt department.

As per revised IRACP norms projects are classified into four categories namely I, II, III and IV based on commercial viability high, medium, low and no commercial viability respectively. Interest income for Category I projects are recognised at Average Cost of Domestic Borrowing (ACDB) of KIIIFB reset every six months in a calendar year with monthly compounding (in some cases rate agreed at the time of sanction). Category II projects at discounted rate of interest as compared to category I and with respect to other two categories interest income is not recognised in books of account.

17.2 On facts of the case, many of the projects financed with long gestation period are yet to be completed as at the year end. As per the terms of the loan sanctioned the repayment of principal and interest commences on completion of moratorium period. There have been certain significant time overrun on some of the projects due to various factors, but interest is payable on completion of moratorium period regardless of project completion as per terms of agreement.

17.3 Loan agreements are pending to be executed with one SPV as at 31.03.2024 for loan outstanding aggregating to Rs 667.47 lakhs although more than 40% stage of disbursement as per the terms of the tripartite agreement between KIIIFB, the SPV and the concerned Govt department has been exceeded (which is less than one month) as at the year end. Steps are under process for execution of loan agreement which is pending the requisite clearance from the concerned departments of the Govt of Kerala.

17.4 The interest income recognised includes an amount of Rs 330.27 lakhs which is classified under category I and II projects (majority cases with discounted interest rate). This represents the case dealt with in Para 17.3 above and loan with progress/ disbursements below 40% for which original loan agreement is pending to be executed as at 31.03.2024.

	For the year ended 31.03.2024	For the year ended 31.03.2023
Note - 18		
Other Income		
Income from Consultancy Division-KIIFCON	128.20	206.91
Dividend Income- KIIFCON	51.61	-
Miscellaneous Income	7.00	1.52
Interest on Income Tax refund	45.01	119.87
Provision for Revenue generating project written back	8,402.64	-
Total	8,634.46	328.30

Note - 19

	For the year ended 31.03.2024	For the year ended 31.03.2023
Financing of direct cost of projects -Out of Corpus Fund		
General Education	17,720.60	23,172.82
Public Works	2,26,871.10	1,86,043.19
Water Resources	48,361.15	74,987.55
Medical	52,113.28	45,624.37
Higher Education	30,292.35	12,258.91
Other Projects	48,813.00	52,261.01
NABARD Project	5,038.73	12,741.68
Loan to KINFRA written off Direct project cost	-	4,055.64
Provision for Category III Loan (refer Note 10.2)	9,475.92	39,384.84
Centage/ Additional Centage	11,500.80	7,535.74
Allocation of Expenses towards Projects	14,007.61	11,911.60
	4,64,194.54	4,69,977.35

19.1 Centage/ additional centage charges to SPVs are accounted based on claims received. The centage charges are paid as a percentage of project cost to SPVs as per Government order. The liability for centage is recognized based on claims submitted through invoices after proper verification and authentications/ approval of claim by the management. Centage are allocated to project cost based on Government Order and General body approval.



19.2 Expenses towards Projects include expenses directly attributable to projects such as Technical Resource Centre expenditure, Detailed Project Report support services, Independent quality audit & design review charges, Land Acquisition unit expenses, Testing equipment's and Centage /additional centage charges which are allocated to cost of projects. However, the same are pending to be allocated to individual projects as at 31.03.2024 from the inception.

19.3 Allocation of Expenses towards Projects includes cost incurred towards 'Ente Keralam' program during the year amounting to Rs.6744.96 lakhs. Government of Kerala vide G.O 2/2023/I&PRD dated 09.03.2023 has entrusted KIIFB to incur infrastructure and media publicity cost of 'Ente Keralam' activities. The "Ente Keralam" program expenses amounting to Rs.6,744.96 lakhs was incurred during the year through external agencies mainly (Kerala State Industrial Enterprises Limited (Rs. 1,545.36 Lakhs), Global Kerala Initiative - GKI (Rs. 1,861.53 Lakhs), Indian Institute of Infrastructure & Construction referred to as IIC (Rs. 3,047.23 Lakhs), which are government owned or controlled entities/NGO to whom the activities/functions were outsourced by KIIFB. Such outsourced agencies have been engaged by the CEO on nomination basis (single quote) which has been ratified by the meeting of the general body held on 04.03.2024. As directed by 24th executive committee the invoices of first level service providers (intermediary agencies in some cases) to whom such services have been outsourced were obtained w.r.t IIC, GKI and KSIE Ltd. M/s IIC has provided with an administrative and facilitation charges at 20% as provided in the MOU and KSIE Ltd has raised invoice at 4% higher on the cost incurred by them and with respect to GKI such service charges is at 5% higher on cost incurred by them. The above expenses were incurred during the first quarter ended 30.06.2023, in the period on which such programme was undertaken and these have been treated as a part of project costs shown as contra in the statement of P&L account. No specific budget provision was made for such expenses since these are direct expenses incurred for various projects. Board has ratified the decision taken by CEO for award of contract on single tender basis with respect to Ente keralam expenses at their meeting held on 04.03.2024 (47th general body).

Note - 20

Employer Benefit Expenses

	For the year ended 31.03.2024	For the year ended 31.03.2023
Salary, Wages & Allowances	689.63	647.76
Employers Contribution to various Fund	5.07	4.11
Other Employee Expenses	89.40	103.92
Total	784.10	755.79

20.1 The employees in KIIFB working on contract basis do not come under the purview of the Central Provident Fund and Gratuity rules for compulsory remittance of PF and Gratuity contributions. Other than through cadre posts, deputation or direct contract, KIIFB has an arrangement for obtaining necessary outsourced services through CMD. Hence, the provisions of the CPF and Gratuity Act/Rules are currently not applicable to KIIFB.

Note - 21

Finance Cost

	For the year ended 31.03.2024	For the year ended 31.03.2023
Guarantee Commission (GOK)	14,805.15	13,085.44
Interest on Loan from Banks and Financial Institution	1,27,968.05	98,442.76
Interest on Masala Bond	20,732.97	20,904.78
Interest on Domestic Bond	3,415.83	
Interest on Green Bond	1,892.98	
Interest on KSFE Bond	8,170.30	6,202.47
Interest on Loan from KNRKWB	1,787.18	2,907.73
Interest on OD	217.69	
Other Interest and Finance Charge	4,474.00	153.30
Total	1,83,464.15	1,41,696.48

Note - 22

Other Expenses

	For the year ended 31.03.2024	For the year ended 31.03.2023
Technical & Consultancy Charges	2,652.41	1,403.11
Professional Fee	537.52	252.70
Promotional and advertisement Expenses (Refer Note 22.3 below)	2,888.25	661.03
Meeting and Conference expense	20.76	24.58
Repairs and Maintenance	30.18	41.28
Electricity & Water Charges	19.16	19.99
Rent and Utility Charges	250.07	261.67
Telephone & Internet Charges	4.27	4.46
Provision for standard assets	2,565.78	
Vehicle Hire Charges	171.43	145.06
Printing and Stationery	12.57	16.66
Miscellaneous Expense	24.42	22.86
Receivable Written Off	-	540.33
Payments to the auditor (Refer Note 22.1 below)	20.10	18.17
GST on Reverse charge mechanism	352.27	311.35
Software Charges	152.05	124.62
KSFE Software Operating and Hosting Charges (Refer Note 24)	936.66	1,289.24
Total	10,637.90	5,137.11



22.1 Details of Payments to the Auditor

Amount in Lakh Rs.

Particulars	For the year ended 31.03.2024	For the year ended 31.03.2023
Statutory Audit fees	13.94	11.87
Special purpose audit fee	-	1.50
Limited Review Audit Fee	2.25	
Tax Audit fees	1.50	0.50
Other taxation services	1.50	4.00
Other certification services	0.91	0.30
Total	20.10	18.17

- 22.2 Expenditure incurred under various expenses heads includes an amount aggregating to Rs.1639.47 Lakhs being the actual expenditure incurred in excess of the operational budget approved in the general body for the FY 2023-24 which is to be approved/ratified in the General Body of KIIIFB to be held for approval of accounts for the year. The details are given below. While approving the budget for Misc. administrative expenses, the LA unit expense was taken as included due to an inadvertent error and if such expenditure is excluded, actual expenditure is within the budget limit only. This has been rectified/regularised in the previous year figure of expenditure by excluding LA unit expense while approving the budget for the FY 2024-25 in the general body. This stands support to the fact that the inclusion of word 'LA Expense' in the budget for the year 2023-24 was only an error.

Amount in Lakhs Rs

Head of Account	Actual (I)	Budget- (II)	Excess-(III)
Repairs & maintenance	30.18	28.58	1.60
Misc. administrative expenses including LA Unit expenses	1,917.66	279.79	1,637.87
Total	1,947.84	308.37	1,639.47

- 22.3 Promotional and advertisement expenses includes an amount of Rs.1295.46 lakhs incurred towards providing infrastructure facilities to "Keralayam" event as per GO 153/2023 dt.13.10.2023. The work was undertaken by Chief engineer Building PWD as recommended by programme committee of Keralayam. Tendering process, identification and evaluation of bidder, supervision and execution is done by Chief engineer Building PWD. The details of successful bidder/s shall be intimated to KIIIFB by CE, PWD.

Promotional and advertisement expenses also includes expense incurred towards media, promotional and advertisement expenses of Rs.1592.79 lakhs incurred through various parties to whom such works were outsourced. The selection of the party was made on a negotiated basis on rates considered competitive considering the nature and exigency of the work involved and also taking into account the prior experience with the party. The above expenses are within the budgetary limit approved by general body.

Out of the above an amount of Rs.538.80 lakhs incurred towards nation wide media and publicity campaign of the Government of Kerala against restriction on borrowing powers of the State imposed by the Central Government since it would gravely impact the operation of KIIIFB which is built up as a premier agency providing quality infrastructure for the People of Kerala. The expenses were fully budgeted and authorised by the Media Management Group(MMG) of KIIIFB.

Note - 23

Prior Period Item

Prior Period Expenditure -

	For the year ended 31.03.2024	For the year ended 31.03.2023
Software Subscription and Manpower Cost	-	25.78
Rental Charges	-	0.55
Total	-	26.33

Note - 24

KIIIFB has incurred an expenditure of Rs.936.66 Lakhs during the year towards KSFE Software expenses which includes an amount of Rs.861.22 incurred through external agency (a Government PSU - KSFE Limited) to which the activities for server hosting and licence renewal charges of KSFE Pravas software have been outsourced by KIIIFB on nomination basis (single quote) which are supported by invoices of first level intermediary agencies and invoice of end service provider is not available. KSFE Limited has raised invoice on KIIIFB at 3% & 10% over cost incurred depending upon the nature of service provided through the intermediary agency to whom the services have been sub-contracted. The aggregate operating cost (Server hosting and License renewal charges) paid to KSFE Ltd during the years from 2020-21 to 2023-24 amounts to Rs.3,964.81 lakhs against the capital cost of acquisition/ development of software of Rs.3,037.94 Lakhs (Gross carrying value). In terms of the MoA between KIIIFB and KSFE dt.01.06.2019, a separate agreement is to be entered into between the parties for recovery of the total cost (operating and capital) of the software from KSFE which is pending to be executed. The Board had at its meeting held on 04.03.2024 directed to expedite the steps to enter into such an agreement and due to certain reasons, the same is yet to be complied with.



Note - 25

KIIFB has put in place a system/ process of computation of Asset Liability Management. A detailed external review of the ALM system was conducted by independent IT consultants to assess the functionality and management of financial risk of KIIFB and to conduct a comprehensive scenario-based testing of the ALM System to ensure its robustness on 15.02.2022. The observations of the reviewers was duly considered by the management of KIIFB at the meeting held on 15th February 2022 and the status of ALM was taken note of by the General Body. Further follow up presentation of ALM was made in the 47th general body held on 04.03.2024. The board has taken note of the same and as per the presentation, ALM has been placed on record to be sound/stable. The ALM model is placed for overseeing and monitoring at the periodical meetings of the Fund Trustee and Advisory Committee (FTAC) of KIIFB which comprises of eminent financial experts of the country having rich and wide experience in the field of financial management. The committee reviews the sound functioning of the ALM Model and it was found to be properly in place to safeguard the best interest of KIIFB.

Note - 26**Capital Commitments**

In accordance with the decision of 46th General Body, KIIFB has entered into a finance capital commitment as sponsor for the Alternate Investment Fund – Kerala Infrastructure Fund (KIF) to extent of Rs 18000 lakhs at 30% of revised fund size of 60000 lakhs. Accordingly, a commitment agreement was entered during the year by KIIFB with trustee and investment manager of KIF.

Note - 27

Reconciliation of Form 26 AS (as per Income Tax Act, 1961) and Book of accounts - Reconciliation of Income for the current reporting period and credit as per Form 26AS with books of accounts could not be done since Form 26AS in income tax web portal is yet to be updated with the entries for the year 2023-24 and effect of such non reconciliation could not be ascertained. Any adjustment found required shall be made in succeeding period/year upon such reconciliation.

Note - 28

Finance for Revenue Generating Projects treated as Loan receivable from SPV in the books are appraised by the Project Appraisal Division and implementation is closely monitored. The division comprise of high level technical expert team under the Executive Director, who is a senior chartered engineer having vast experience in the field of construction and infrastructure. Each Project is reviewed by Project Manager as a Nodal Officer and supervised by Senior General Manager of the Division. The detailed project report is appraised by the division which places its detailed appraisal report before the EC/ General body of KIIFB. The detailed project report contains comments on review from technical, economic, financial, environment, social and institutional angle. The functions as above is governed by the norms stipulated in Standard Operating Procedures for project acceptance and SPV on boarding. In the opinion of management, the appraisal function done is sound and operating effectively.

Note - 29**Contingent Liability**

29.1 During the previous year Income tax demand of Rs 112.57 Lakhs was raised for AY 2018-19 under limited scrutiny assessment disallowing the carried forward business loss of Rs.203.46 Lakhs for the A.Y.2014-15 against which appeal has been filed with higher authorities and is pending disposal. The demand amount of Rs 32.25 Lakhs is on account of erroneous computation in the assessment order for which rectification has been filed and has not been paid or provided for in positive anticipation of a favourable order. The balance demand of Rs 80.33 Lakhs has been paid and written off to Profit & Loss account in the previous year though the matter has been contested on appeals before higher authorities as stated above on a due consideration of the grounds of appeal.

Income Tax Department has adjusted the said demand amount (Rs.112.57 Lakhs) against the Refund due for AY 2019-20 which has resulted in double payment to the extent of Rs 80.33 Lakhs already remitted as stated as above. KIIFB is in the process of taking steps for recovery of said refund amount by filing a refund reissue application with the department. The entire amount has been carried forward under Refund due from the department in Note 11.

29.2 Demands raised for the AY 2020-21 vide order u/s.143(3) dt.27.9.22 and AY 2021-22 vide order u/s.143(3) dt.20.12.22 on completion of scrutiny assessment aggregating to Rs.1,292.01 Lakhs (Rs.79.59 Lakhs for AY 20-21 (considering the rectification order u/s.154 of the Act dt. 15.03.23) and Rs.1,212.42 Lakhs 21-22) has been contested on appeals filed with appellate authorities. Since the demands have arisen on account of wrong interpretation/ invocation of the provisions of Section 69C of the Income Tax Act, 1961 the amount is not considered payable by the management and not provided for as the management is quite hopeful of favourable outcome of the appeal filed.

The Income Tax Department has adjusted refund of succeeding years to the extent of Rs.1297.39 lakhs against the above demands.

29.3 Income tax proceedings for AY 2022-23 was completed during the year vide order u/s 143(3) dated 23.05.2024 and disallowances were made by assessing authority to extent of Rs 592.16 lakhs. No demand has been raised since the addition made has been adjusted against the loss for the year. KIIFB has filed appeal against the addition made as above and is pending for disposal.

29.4 Income tax demand of Rs.190.30 Lakhs (including interest for delayed payment) has been raised by the DCIT -TDS u/s.201 of the Act on KIIFB

29.5 Invoices raised by the Vendor pending approval by the management: M/s RITES has been engaged for independent quality review, design review, consultancy and assisting in the empanelment of supervision consultants. Invoices issued by M/s RITES and reflected in GSTR-2B that have not been received by KIIFB as on the date of reporting amount to Rs.833.19 lakhs. Additionally, in respect of invoices received, claim to extent of Rs 174 lakhs (outstanding for more than one year) is not provided for pending verification /approval and are considered as contingent liability due to difficulties in estimating the amount that may be approved.

In addition to the above, invoice amounting to Rs.413 lakhs of Ospyn technologies Pvt Ltd has not been treated as expense in P&L account since the same is pending for verification/approval by management.

29.6 GST department has issued a demand amounting to Rs.1633.19 lakhs towards tax liability and Rs.163.32 lakhs towards applicable penalty under the act vide order No.10/2023-24 GST ADC Section 73(9) of CGST Act 2017 pertaining to the period from 2017-18 to 2022-23 relating to certain transactions under the invoice merge mechanism payments. The matter is disputed by KIIFB based on the facts of the case and filed an appeal to GST appellate tribunal against the order. The same is pending for disposal as at the reporting date.



Note - 30**Related Party Disclosures in accordance with AS-18**

Name of the Related Party	Nature of relationship	Nature of Transaction	For the year ended 31.03.2024	For the year ended 31.03.2023
Dr. K.M. Abraham, CFA, IAS	CEO and Member Secretary	Salary	46.09	42.49
Shri. Vikramjit Singh, IPS (upto May 2022)	Deputy Managing Director	Salary	-	2.88
Shri. K.P.Purushothaman	Executive Director	Salary	33.52	31.16
Shri. Satyajit Rajan, IAS	Additional CEO	Salary	37.44	34.97
KIIFCON	Wholly owned Subsidiary Company	Income from Consultancy Division	128.20	206.91
		Dividend Income	51.61	-
		Carrying value of Investment	258.07	258.07
		Balance outstanding (Receivable)	136.96	72.48
Kerala Infrastructure Fund Management Limited (KIFML)	Associate company	Balance outstanding (Receivable)	67.22	67.22
		Carrying Value of Investment	167.45	167.45

Note - 31**Segment Reporting**

KIIFB is operating only in one segment in providing funds for investment for critical and large infrastructure projects in the State of Kerala and hence there are no other separate reportable business and geographical segment.

Note - 32

Internal Audit System - During the current reporting year, concurrent audit has been completed up to the quarter ended 31.03.2024, of which report of Q3 and Q4 are to be placed in the ensuing Internal audit management committee. Further all 15 areas in multiple frequency of Risk Based Internal Audit (RBIA) have been completed as per the Audit Plan. Final Internal Audit Report of Concurrent Audit Q1, Q2 and 8 Reports of RBIA has also been issued as approved by the Internal Audit Management Committee. The matters stated in the audit report has been duly considered for making required/necessary adjustments in the books of accounts and also for preparation of financial statements.

Note - 33

Previous year's figures have been regrouped / reclassified wherever necessary to correspond with the current year's classification / disclosure.

For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

Dr.K.M.ABRAHAM(CFA)
FUND MANAGER

**AUDITOR'S REPORT**

As per our report of even date attached

for Varma & Varma
Chartered Accountants
FRN 004532S

Pankajakshan

C.G Pankajakshan
(Partner)
M.No. 020512

Thiruvananthapuram
Date : 25.05.2024



Note 7

Property, Plant and Equipment and Depreciation Statement For the period 01-04-2023 to 31-03-2024

PARTICULARS		GROSS BLOCK					DEPRECIATION/AMORTISATION				Amount in Rs. Lakhs	
Sl. No.	ITEM	As on 01.04.2023	Additions		Sale/ Adjustment during the period	Total As on 31.03.2024	Rate %	As on 01.04.2023	For the Period	Up to 31.03.24	NET BLOCK	
			On / Before 04.10.2023	After 04.10.2023							WDV As On 31.03.2024	WDV As On 31.03.2023
A	Tangible Asset											
1	Air Cooler (Previous Year)	0.05 (00.05)	-	-	-	0.05 (00.05)	10	0.05 (00.05)	-	0.05 (00.05)	-	-
2	Computer (Previous Year)	250.68 (212.84)	0.64 (25.10)	12.95 (12.74)	-	264.27 (250.68)	40	191.49 (156.27)	26.53 (35.22)	218.02 (191.49)	46.29 (59.19)	59.19 (56.57)
3	Communication Equipment (Previous Year)	4.06 (03.78)	0.06	0.05 (00.28)	-	4.17 (04.06)	40	3.68 (03.52)	0.18 (00.16)	3.86 (03.68)	0.30 (00.38)	0.38 (00.26)
4	Furniture & Fittings (Previous Year)	77.23 (64.74)	11.78 (09.28)	0.95 (03.21)	-	89.96 (77.23)	10	24.59 (18.92)	6.49 (05.67)	31.08 (24.59)	58.88 (52.64)	52.64 (45.82)
5	Photostat Machine (Previous Year)	1.72 (01.72)	-	-	-	1.72 (01.72)	40	1.66 (01.61)	0.03 (00.03)	1.69 (01.66)	0.04 (00.06)	0.06 (00.11)
6	Printer (Previous Year)	6.76 (04.81)	0.15 (00.64)	0.12 (01.31)	-	7.03 (06.76)	40	4.33 (03.15)	1.05 (01.18)	5.38 (04.33)	1.64 (02.43)	2.43 (01.66)
7	Plant & Machinery (Previous Year)	279.72 (258.76)	0.85 (20.28)	0.08 (00.68)	-	280.65 (279.72)	15	120.05 (91.93)	24.08 (28.12)	144.13 (120.05)	136.52 (159.67)	159.67 (166.83)
8	Electrical Equipment (Previous Year)	20.03 (18.51)	0.78	0.17 (01.52)	-	20.98 (20.03)	10	7.78 (06.50)	1.32 (01.28)	9.10 (07.78)	11.88 (12.25)	12.25 (12.01)
9	Vehicle (Previous Year)	69.61 (69.61)	-	59.00	-	128.61 (69.61)	15	35.27 (29.21)	9.58 (06.06)	44.85 (35.27)	83.77 (34.34)	34.34 (40.40)
10	Computer & Accessories TRC (Previous Year)	171.93 (153.63)	-	- (15.75)	-	171.93 (171.93)	40	117.92 (87.18)	21.60 (30.74)	139.52 (117.92)	32.38 (54.01)	54.01 (66.45)
11	Interior Decoration (Previous Year)	146.93 (90.66)	-	- (29.29)	-	146.93 (146.93)	10	36.69 (26.07)	11.02 (10.62)	47.71 (36.69)	99.21 (110.24)	110.24 (64.59)
	TOTAL	1,028.72 (879.11)	14.26 (8.83)	73.32 (64.79)	-	1,116.30 (1,028.72)		543.51 (424.41)	101.88 (119.10)	645.39 (543.51)	470.91 (485.21)	485.21 (454.70)



PARTICULARS		GROSS BLOCK					DEPRECIATION/AMORTISATION			NET BLOCK		
Sl. No.	ITEM	As on 01.04.2023	Additions		Sale/ Adjustment during the period	Total As on 31.03.2024	Rate %	As on 01.04.2023	For the Period	Up to 31.03.24	WDV As On 31.03.2024	WDV As On 31.03.2023
			On / Before 04.10.2023	After 04.10.2023								
B	Intangible Asset											
1	Software for KSFE Pravasi Chit (Previous Year)	1,847.51 (1847.51)	-	-	-	1,847.51 (1847.51)	25	1,245.77 (1045.19)	150.44 (200.58)	1,396.21 (1245.77)	451.31 (601.74)	601.74 (802.32)
2	Software TRC (Previous Year)	259.02 (185.31)	-	-	-	259.02 (259.02)	25	114.22 (78.24)	36.20 (35.98)	150.42 (114.22)	108.60 (144.80)	144.80 (107.07)
3	Other Software (Previous Year)	104.54 (92.76)	-	-	-	104.54 (104.54)	25	69.58 (57.92)	8.74 (11.66)	78.32 (69.58)	26.22 (34.96)	34.96 (34.84)
4	Expenses on Issuance of Masala Bond (Previous Year)	2,473.14 (2473.14)	-	-	-	2,473.14 (2473.14)		1,982.58 (1487.95)	490.56 (494.63)	2,473.14 (1982.58)	- (490.56)	490.56 (985.19)
5	Expenses on issue of KSFE Bond (Previous Year)	1,190.43 (1190.43)	-	-	-	1,190.43 (1190.43)		988.83 (750.74)	201.60 (238.09)	1,190.43 (988.83)	- (201.60)	201.60 (439.69)
	TOTAL	5,874.64 (5789.15)	- (11.78)	- (73.71)	- -	5,874.64 (5874.64)		4,400.98 (3420.04)	887.54 (980.94)	5,288.52 (4400.98)	586.13 (1473.66)	1,473.66 (2369.11)
	TOTAL	6,903.36 (6668.26)	14.26 (96.61)	73.32 (138.49)	- -	6,990.94 (6993.36)		4,944.49 (3844.45)	989.42 (1100.04)	5,933.91 (4944.49)	1,057.04 (1958.87)	1,958.87 (2823.81)

Note

7.1 The property, plant and equipment and the intangible assets are purchased using the corpus fund received. However, the amount is not deducted from the gross value of assets or no separate deferred income is recognised for an amount equivalent to the cost of asset in accordance with AS-12 Accounting for Government Grants, since the break up details of assets acquired out of corpus fund/loans have not been maintained.

7.2 The system of maintenance of a formal Fixed Asset register showing full particulars of assets in various locations and physical verification of fixed assets is in the process of implementation. Physical verification of fixed assets and reconciliation of values with asset register is pending to be done and adjustments if any required on such verification would be made in the succeeding year on completion of this process. Based on the management assessment of the internal controls in place over physical possession and available records regarding details of fixed assets, no material discrepancies are expected to arise on physical verification of fixed assets.

7.3 The Gross carrying value and net carrying value of intangible asset towards software for KSFE Pravas Chitty and issue expenses amounts to Rs. 3037.94 lakhs and Rs. 451.30 lakhs respectively. Revenue expenses incurred towards software maintenance charges during the year amounts to Rs. 936.66 lakhs (cumulatively over the period amounts to Rs.3964.81 lakhs). The actual borrowing infused is Rs. 1,16,817 lakhs only and is perpetually growing. The management estimates no impairment in the value of the asset considering the benefits out of the borrowing by issue of bonds to KSFE at reasonable rate of interest and further towards recovery of cost as per terms of MoA between KIFB and KSFE. Accordingly the value in use as per management is sufficient to cover the net carrying value of asset. The higher expenditure on maintenance is explained by the management on account of substantially higher utilisation capacity of the software, as compared to its actual use/exploitation.





No.INFRA-3/1/2018-FIN

Dated: 03-09-2024

COMMENTS OF THE ADDITIONAL CHIEF SECRETARY (FINANCE) ON THE
AUDITED ANNUAL ACCOUNTS OF KERALA INFRASTRUCTURE
INVESTMENT FUND BOARD (KIIFB) FOR THE FINANCIAL YEAR 2023-24

1. The financial statements referred to in the Auditors' Report are self-explanatory and do not call for any further comment.
2. Auditors' Report does not contain any qualification, reservation or adverse remark.
3. As per the Audited Annual Accounts of KIIFB there are no major weaknesses or continuous failures to correct in the operations of the Board.
4. Income during the period under review includes interest income from bank-deposits.
5. Proper books of accounts as required by the law have been kept by the Board.

A handwritten signature in blue ink, appearing to be 'Dr. A. Jayathilak I. A. S.', written over a horizontal line.

DR. A. JAYATHILAK I. A. S.
ADDITIONAL CHIEF SECRETARY

ANNEXURE B
SECRETARIAL AUDIT REPORT

Mehta & Mehta

COMPANY SECRETARIES

DOOR NO. 1509(1), GEORGE & XAVIERS' SQUARE, ST. BENEDICT CROSS ROAD, ERNAKULAM NORTH, KOCHI - 682016
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FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March, 2024

[Pursuant to Regulation 24A of Securities and Exchange Board of India
(Listing obligation and Disclosure Requirements) Regulations, 2015]

To,

The Members

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

2nd Floor, Felicity Square, MG Road,

Statue, Trivandrum, Kerala- 695 001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by KERALA INFRASTRUCTURE INVESTMENT FUND BOARD (hereinafter referred to as "the KIIFB"). Secretarial audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conduct, statutory compliance and expressing our opinion thereon.

Based on our verification of the KIIFB books, papers, minutes books, forms and returns filed and other records maintained by the KIIFB and also the information provided by the KIIFB, its officers, agents and authorized representatives during the conduct of the secretarial audit, we hereby report that in our opinion, the KIIFB has, during the audit period covering the financial year ended on March 31, 2024, complied with the statutory provisions listed hereunder and also that the KIIFB has appropriate Board processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter;



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We have examined the books, papers, minute books, forms and returns filed, and other records maintained by the KIIFB for the financial year that ended on March 31, 2024, according to the provisions of

- (i) The Depositories Act, 1996 and the Regulations and the byelaws framed there under;
- (ii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (iii) Foreign Exchange Management (Debt Instruments) Regulations, 2019 (to the extent applicable)
- (iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): –
 - (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
 - (b) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
 - (c) The Securities Contracts (Regulation) Act, 1956 and rules made thereunder
 - (d) Securities and Exchange Board of India (Credit Rating Agencies) Regulations, 1999
(to the extent applicable)
- (v) Other laws specifically applicable to KIIFB:
 - (a) The Kerala Infrastructure Investment Fund Board Act, 1999 ("the Act") amendments, ordinance, scheme and rules made there under;
 - (b) Other Regulations as applicable and circulars/ guidelines issued thereunder.



The management has also represented and confirmed that all the laws, rules, regulations, orders, standards and guidelines as are specifically applicable to the KIIFB have been complied with.

Based on the information provided and upon review, there are adequate systems and processes in the KIIFB commensurate with the size and operations of the KIIFB to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

During the period under review the KIIFB has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards mentioned above subject to the following observations:

We further report that:

- Kerala Infrastructure Investment Fund Board (KIIFB) is a statutory body constituted by Kerala Infrastructure Investment Fund Act, 1999 (as amended by Kerala Infrastructure Investment Fund (Amendment) Act, 2016) under the Department of Finance, Government of Kerala. Kerala Infrastructure Investment Fund Board (KIIFB), not being a company, the provisions of the Companies Act, 2013 and Secretarial Standards/Guidelines issued by ICSI, are not applicable to the entity.
- KIIFB is a "High-Value Debt Listed Entity (HVDLE) with effect from 22.12.2023. Accordingly, The Board of KIIFB has taken note of the various compliance requirements to be adhered by KIIFB as per SEBI LODR in the 47th meeting held on 04.03.2024.

As per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2024, 'high-value debt listed entities' have to observe compliance with regulations 15 to 27 on a 'comply or explain' basis until March 31, 2025, ('Comply



or explain') for the purpose means that the entity shall endeavour to comply with the provisions and achieve full compliance by March 31, 2025 (pursuant to SEBI LODR) (Amendment) Regulations, 2024 dated 17.05.2024).

- As per the Kerala Infrastructure Investment Fund Act, 1999 and its amendments, the KIIFB board shall consist of fourteen members, of which seven of them should be independent members, at present there is one vacancy for an independent member on the board. However, the KIIFB act does not specify any timeline for filling up the vacancies on the board.
- It has been observed that, Bombay Stock Exchange (BSE) has imposed penalty for non-compliance with SEBI (LODR) Regulations 50(l) and 52(7)/(7A), pertaining to the late submission of a board meeting notification and a statement on the utilization of issue proceeds respectively. KIIFB has formally contested through a representation for the waiver of the imposed penalty from the Bombay Stock Exchange (BSE), and the matter is currently pending for decision from the Bombay Stock Exchange (BSE).

We further report that during the audit period, there were no specific events/actions having a major bearing on the "KIIFB"'s affairs in pursuance of the above-referred laws, rules, regulations, guidelines, standards, etc

We further report that during the financial year 2023-24, KIIFB has issued and allotted Non-Convertible Bonds in the nature of debentures amounting to INR 2,41,164 lakhs in multiple tranches backed by the guarantee of Government of Kerala. The particulars are listed below:



Issue Date	03.07.2023	22.12.2023 18.01.2024 (Reissue under same ISIN)	26.03.2024
Listing Date	05.07.2023	27.12.2023 19.01.2024 (Reissue under same ISIN)	28.03.2024
Purpose	To augment the long-term resources of the Issuer. The Issue proceeds shall be used for providing long term financing to infrastructure projects in the State of Kerala duly in conformity with use of proceeds for green debt securities as per SEBI NCS Regulations and amendments from time to time. The proceeds shall be utilized primarily for the category of energy	To augment the long-term resources of the Issuer. The issue proceeds shall be used for providing financing to infrastructure projects in the State of Kerala as approved by the Board Members of the Issuer.	To augment the long-term resources of the Issuer. (a) Providing financing to infrastructure projects in the State of Kerala as approved by the Issuer's board of members including but not limited to for acquisition of immovable assets for setting up such infrastructure project; (b) Repayment of any financial indebtedness availed by Issuer;



	efficiency which shall include efficient and green buildings.		and (c) Any other objectives of Issuer pursuant to the Kerala Infrastructure Investment Fund Act.
Coupon Rate	8.49%	8.95%	9.10%
Tenure	4-10 years	4-10 years	4-10 years
Exchange	BSE	BSE	BSE
Amount	INR 30,002 Lakhs	INR 1,49,996 Lakhs	INR 61,166 Lakhs

For Mehta & Mehta,

Company Secretaries

(ICSI Unique Code P1996MH007500)



Arun Kannamangalam Kamalolbhan
Partner

FCS No.: 9609

Place: Trivandrum

UDIN:F009609F000950527

CP No. : 11657

Date: 12.08.2024

PR No.: 3686/2023

Note: This report is to be read with our letter of even date which is annexed as 'ANNEXURE A' and forms an integral part of this report.

Annexure A

To,
The Members,
KERALA INFRASTRUCTURE INVESTMENT FUND BOARD,
2nd Floor, Felicity Square, MG Road,
Statue, Trivandrum, Kerala- 695 001

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

- 1) Maintenance of secretarial records is the responsibility of the management of the KERALA INFRASTRUCTURE INVESTMENT FUND BOARD [KIIFB]. Our responsibility is to express an opinion on these secretarial records based on our audit.
- 2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification of available Document test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.
- 3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the "KIIFB".
- 4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.



- 5) The compliance of the provisions of relevant and applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
- 6) As regard the books, papers, forms, reports and returns filed by the "KIIFB" under the provisions referred in Secretarial Audit Report in Form MR-3, the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the "KIIFB" with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.
- 7) The secretarial audit report is neither an assurance as to the future viability of the "KIIFB" nor of the efficacy or effectiveness with which the management has conducted the affairs of the "KIIFB".

For Mehta & Mehta,
Company Secretaries
(ICSI Unique Code P1996MH007500)



Arun Kannamangalam Kamalolbhan
Partner

FCS No.: 9609

Place: Trivandrum

UDIN:F009609F000950527

CP No. : 11657

Date: 12.08.2024

PR No.: 3686/2023

Mehita & Mehita

COMPANY SECRETARIES

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CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD,

2nd Floor, Felicity Square, MG Road,
Statue, Trivandrum, Kerala- 695 001

We have examined the relevant records and disclosures received from the Board Members of **KERALA INFRASTRUCTURE INVESTMENT FUND BOARD** and having registered office at 2nd Floor, Felicity Square, MG Road, Statue, Trivandrum, Kerala- 695 001 (hereinafter referred to as 'KIIFB'), produced before us by KIIFB for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications as considered necessary and explanations furnished to us by KIIFB & its officers, We hereby certify that none of the Members on the Board of KIIFB as stated below for the Financial Year ending on 31st March, 2024 have been debarred or disqualified from being appointed or continuing as Board Members of KIIFB by the Securities and Exchange Board of India, Kerala Infrastructure Investment Fund Act or any such other Statutory Authority.

Sr. No.	Name of Board Members	Designation	Date of appointment in Company
1.	Shri. Pinarayi Vijayan	Chairman	01-07-2023
2.	Shri. K. N. Balagopal	Vice Chairman	03-08-2023
3.	Dr. V Venu IAS	Member	01-08-2023
4.	Shri. KG Sanal Kumar	Member	19-08-2016
5.	Shri. Rabindra Kumar Agarwal	Member	19-09-2016
6.	Dr. R. Ramachandran	Member	19-09-2016
7.	Prof. Sushil Khanna	Independent Member	19-09-2016
8.	Shri. Salim Gangadharan	Independent Member	31-10-2016
9.	Shri. J.N. Gupta	Independent Member	08-06-2023



10.	Shri. Radhakrishanan N air	Independent Member	18-03-2020
11.	Dr. Ajay Kumar	<i>Independent Member</i>	19-08-2016
12.	Shri.T.S Vijayan	Independent Member	01-07-2023
13.	Dr. K. M. Abraham CFA	Member Secretary	03-08-2023

Ensuring the eligibility for the appointment / continuity of every Member on the Board is the responsibility of the management of KIIFB. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of KIIFB nor of the efficiency or effectiveness with which the management has conducted the affairs of KIIFB.

For **Mehta & Mehta,**
Company Secretaries
(ICSI Unique Code P1996MH007500)




Arun Kannamangalam Kamalolbhavan
Partner

FCS No.: 9609

Place: Trivandrum

UDIN: F009609F000950472

CP No. : 11657

Date: 12.08.2024

PR No.: 3686/2023

ANNEXURE C
REPORT ON CORPORATE GOVERNANCE

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD
2nd Floor, Felicity Square, Statue, MG Road, Thiruvananthapuram- 695 001

REPORT ON CORPORATE GOVERNANCE FY 2023-24

1.0. Brief statement on KIIFB's philosophy on the code of governance

Corporate governance is a system of rules, practices and processes by means of which effective strategic decisions are taken to steer an organization in the desired direction. As a good corporate citizen, KIIFB considers good Corporate Governance a pre-requisite for meeting the needs and aspirations of its stakeholders. Towards this end, KIIFB maintains transparency in its dealings through robust policies, practices, effective processes and systems with clear accountability, integrity and the highest standards of governance.

2.0. Board Members

2.1. Composition and category of Board Members of KIIFB as on 31.03.2024

SL No	Name	Category
1	Shri Pinarayi Vijayan- <i>Hon'ble Chief Minister of Kerala</i>	Chairperson (Non- Executive)
2	Shri K N Balagopal <i>Hon'ble Minister for Finance</i>	Non-Executive
3	Shri V Venu IAS <i>Chief Secretary, Government of Kerala</i>	Non-Executive
4	Shri KG Sanal Kumar <i>Law Secretary, Government of Kerala</i>	Non-Executive
5	Shri Rabindra Kumar Agarwal IAS <i>Principal Secretary- Finance</i>	Non-Executive
6	Shri V.K.Ramachandran	Non-Executive
7	Shri Sushil Khanna	Independent
8	Shri Salim Gangadharan	Independent
9	Shri J.N. Gupta	Independent
10	Shri Radhakrishnan Nair	Independent
11	Shri Ajay Kumar	Independent
12	Shri TS Vijayan	Independent
13	Shri KM Abraham	Executive

2.2. Composition and category of Board Members of KIIFB during the financial year 2023-24 and up to the date of this report

SL No	Name	Category	Date of appointment	Date of cessation
1	Shri Pinarayi Vijayan-	Chairperson (Non- Executive)	25-05-2016	-
2	Shri K N Balagopal	Non-Executive	20-05-2021	-
3	Shri V Venu IAS	Non-Executive	01-07-2023	-
4	Shri KG Sanal Kumar	Non-Executive	03-08-2023	-
5	Shri Rabindra Kumar Agarwal IAS	Non-Executive	01-08-2023	-
6	Shri V.K.Ramachandran	Non-Executive	19-08-2016	-
7	Shri Sushil Khanna	Independent	19-09-2016	-
8	Shri Salim Gangadharan	Independent	19-09-2016	-
9	Shri J.N. Gupta	Independent	19-09-2016	-
10	Shri Radhakrishnan Nair	Independent	31-10-2016	-
11	Shri Ajay Kumar	Independent	08-06-2023	-
12	Shri TS Vijayan	Independent	18-03-2020	-

13	Shri Sudipto Mundle	Independent	31-10-2016	06-12-2023
14	Shri KM Abraham	Executive	19-08-2016	-

2.3. No. of Board Meetings held with the dates of meeting:

During the financial year 2023-24, two Board meetings were held on 02.09.2023 and 04.03.2024.

Note- KIIFB is a statutory body constituted by Kerala Infrastructure Investment Fund Act, 1999 (as amended by Kerala Infrastructure Investment Fund (Amendment) Act, 2016) coming under the Department of Finance, Government of Kerala. KIIFB has become a listed entity in the month of July, 2023. KIIFB, not being a company, the provisions of Companies Act, 2013 are not applicable to the entity. During the FY 2023-24, KIIFB has issued listed NCDs to the tune of INR 2,411 Cr where the threshold limit of INR 500 Cr in terms of outstanding debentures was breached on December, 2023, thereby categorizing KIIFB as a “high-value-debt-listed entity” (HVDLE) as defined under Regulation 15(1A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI LODR). Regulation 17(2) of SEBI LODR mandates holding of at least four Board meetings a year with a maximum time gap of one hundred and twenty days between two meetings. Pursuant to Regulation 15(1A) of SEBI LODR read with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2024 notified on 17.05.2024, HVDLEs have been given the relaxation to comply with the provisions (Reg 16 to 27) on a “comply or explain” basis until March, 2025 and on a mandatory basis, thereafter. The compliances to be adhered to by HVDLEs have been taken note by the Board of KIIFB at its 48th meeting held on 04-03-2024 and the Chief Executive Officer has been authorized to take necessary steps in this regard. Best efforts are being taken to adhere to the compliances within the stipulated timelines as per the statute.

2.4. Meetings and attendance during the year:

Attendance of each Board Member along with the Chairmanship/ Membership of the Audit Committee and Stakeholder Relationship Committee in listed entities including KIIFB are provided below:

Name of the Board Member	Designation	No of Board Meetings held during the tenure of respective Board Member in FY 2023-24	No of Board Meetings attended	No of memberships in Audit/ Stakeholder Committees including this listed entity	No of post of Chairperson in Audit/ Stakeholder Committees including this listed entity
Shri Pinarayi Vijayan	Chairperson	2	2	AC- 0 SRC- 0	AC- 0 SRC- 0
Shri K N Balagopal	Vice-Chairperson	2	2	AC- 0 SRC- 0	AC- 0 SRC- 0
Shri V Venu IAS	Member	2	2	AC- 0 SRC- 0	AC- 0 SRC- 0
Shri KG Sanal Kumar	Member	2	2	AC- 0 SRC- 0	AC- 0 SRC- 0
Shri Rabindra Kumar Agarwal IAS	Member	2	2	AC- 0 SRC- 0	AC- 0 SRC- 0
Shri	Member	2	2	AC- 0	AC- 0

V.K.Ramachandran				SRC- 0	SRC- 0
Shri Sushil Khanna	Independent Member	2	2	AC- 0 SRC- 0	AC- 0 SRC- 0
Shri Salim Gangadharan	Independent Member	2	2	AC- 0 SRC- 0	AC- 0 SRC- 0
Shri J.N. Gupta	Independent Member	2	2	AC- 0 SRC- 0	AC- 0 SRC- 0
Shri Radhakrishnan Nair	Independent Member	2	2	AC- 4 SRC- 1	AC- 1 SRC- 0
Shri Ajay Kumar	Independent Member	2	2	AC- 1 SRC- 0	AC- 0 SRC- 0
Shri TS Vijayan	Independent Member	2	2	AC- 1 SRC- 0	AC- 1 SRC- 0
Shri KM Abraham	CEO & Member Secretary	2	2	AC- 1 SRC- 0	AC- 0 SRC- 0



2.5. Disclosure of relationships between Board Members of KIIFB inter-se

The Non-Executive Members of the Board of KIIFB have no pecuniary relationship or transactions with KIIFB in their personal capacity during the year under review.

2.6. Number of securities/ instruments held by Non-Executive Members issued by KIIFB

Nil

3.0. Executive Committee/ Audit Committee

The Executive Committee (EC) is constituted under Section 6B of Kerala Infrastructure Investment Fund Act, 1999 read with Kerala Infrastructure Investment Fund (Amendment) Act, 2016). The EC functions as the Audit Committee of KIIFB for the purpose of regulation. The Members of the Executive Committee maintain a strong oversight of the financial reporting process, the audit process, KIIFB's system of internal controls and compliance with laws and regulations.

As on 31.03.2024, the Executive Committee comprised of the following members:

SL No	Name	Designation
1	Shri K N Balagopal	Chairperson

2	Shri V Venu IAS	Member
3	Shri Rabindra Kumar Agarwal IAS	Member
4	Shri KG Sanal Kumar	Member
5	Shri Salim Gangadharan	Member
6	Shri Sushil Khanna	Member
7	Shri J.N. Gupta	Member
8	Shri KM Abraham	Member Secretary

3.1. Meetings and attendance during the year

During the financial year 2023-24, three Executive Committee meeting were held on 12.04.2023, 01.09.2023 & 03.03.2024 and the attendance of the Members is as detailed below:

Members	No of meetings held during the year (during the tenure)	Attendance by members	
		No of meetings	%
Shri K N Balagopal	3	3	100
Shri VP Joy IAS	1	0	0
Shri V Hari Nair	1	2	100
Shri Bishwanath Sinha IAS	1	0	0
Shri V Venu IAS	2	0	0
Shri Rabindra Kumar Agarwal IAS	2	2	100
Shri KG Sanal Kumar	2	2	100
Shri Salim Gangadharan	3	3	100
Shri Sushil Khanna	3	2	66.67
Shri J.N. Gupta	3	3	100
Shri KM Abraham	3	3	100

3.2. Audit Committee Constitution

The Board of Members of KIIFB at their 48th meeting held on 25.05.2024 approved constitution of Audit Committee as required under Regulation 18 of SEBI LODR with the following members:

SL No	Name of the Member	Designation
1	Shri Salim Gangadharan (Independent Member)	Chairman
2	Shri TS Vijayan (Independent Member)	Member
3	Shri Sushil Khanna (Independent Member)	Member
4	Shri Rabindra Kumar Agarwal, IAS	Member

3.3. Terms of Reference (ToR) of Audit Committee

- 3.3.1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- 3.3.2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity.
- 3.3.3. Approval of payment to statutory auditors for any other services rendered by the statutory

auditors.

- 3.3.4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
 - 3.3.4.1. Matters required to be included in the director's responsibility statement to be included in the board's report.
 - 3.3.4.2. Changes, if any, in accounting policies and practices and reasons for the same.
 - 3.3.4.3. Major accounting entries involving estimates based on the exercise of judgment by management.
 - 3.3.4.4. Significant adjustments made in the financial statements arising out of audit findings.
 - 3.3.4.5. Compliance with listing and other legal requirements relating to financial statements.
 - 3.3.4.6. Disclosure of any related party transactions.
 - 3.3.4.7. Modified opinion(s) in the draft audit report.
- 3.3.5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval.
- 3.3.6. Reviewing with the management, the quarterly financial statements before submission to the board for approval.
- 3.3.7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.
- 3.3.8. Approval or any subsequent modification of transactions of the listed entity with related parties.
- 3.3.9. Scrutiny of inter-corporate loans and investments.
- 3.3.10. Valuation of undertakings or assets of the listed entity, wherever it is necessary.
- 3.3.11. Evaluation of internal financial controls and risk management systems.
- 3.3.12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
- 3.3.13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- 3.3.14. Discussion with internal auditors of any significant findings and follow up there on.
- 3.3.15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- 3.3.16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- 3.3.17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders and creditors.
- 3.3.18. To review the functioning of the whistle blower mechanism.
- 3.3.19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.
- 3.3.20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
- 3.3.21. Reviewing the utilization of loans and/ or advances from/investment in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.
- 3.3.22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity.

4.0. Nomination & Remuneration Committee

4.1. Constitution of Nomination & Remuneration Committee

As on 31.03.2024, KIIFB was yet to constitute a Nomination and Remuneration Committee. Being an HVDLE and basis the relaxation offered under Regulation 15(1A) of SEBI LODR read with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2024 to comply with the provisions (Reg 16 to 27) on a “comply or explain” basis until March, 2025, the Board of KIIFB at their 48th meeting held on 25.05.2024 approved constitution of Nomination and Remuneration Committee as required under Regulation 19 of SEBI LODR with the following members:

SL No	Name of the Member	Designation
1	Shri Sushil Khanna (Independent Member)	Chairman
2	Shri Salim Gangadharan (Independent Member)	Member
3	Shri Ajay Kumar	Member

4.2. Meetings and attendance during the year- NA

4.3. Terms of Reference (ToR) of Nomination & Remuneration Committee

Board

- 4.3.1. To formulate a criteria for determining qualifications, positive attributes and independence of members of KIIFB Board.
- 4.3.2. Formulate criteria for evaluation of independent members and the Board.
- 4.3.3. Evaluate and recommend appointment, change of designation, cessation and removal of Board Members as per the direction of the Government.
- 4.3.4. To carry out evaluation of every Board Member’s performance.
- 4.3.5. To recommend to the Board, policy, if any, relating fees to Board Members.
- 4.3.6. To devise a policy on board diversity.
- 4.3.7. Recommend to the Board, the sitting fees payable for attending meetings of Board/ Committees thereof, and any other benefits, if any, payable to non-executive members.

Senior Management

- 4.3.8. Identify/ recommend persons who are qualified for senior management role in accordance with the criteria laid down in this policy.
- 4.3.9. To recommend redesignation, cessation and removal of senior management personnel.
- 4.3.10. To recommend to the Board, policy, if any, relating fees to the remuneration to senior management personnel.
- 4.3.11. Ensure that the level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.

General

- 4.3.12. To carry out such other functions as mandated by the Board from time to time and/ or enforced by the Government, statutory notification, amendment or modification, as may be applicable.
- 4.3.13. To perform such other functions as may be necessary or appropriate for the performance of its functions.

- 4.3.14. The Committee shall identify and ascertain the integrity, qualifications, expertise and experience of the person prior to its recommendation.
- 4.3.15. The Committee shall have the discretion to consider and fix any other criteria or norms for the selection of the most suitable candidates.

5.0. Stakeholders Relationship Committee

5.1. Constitution of Stakeholders Relationship Committee

As on 31.03.2024, KIIFB was yet to constitute a Stakeholders Relationship Committee. Being an HVDLE and basis the relaxation offered under Regulation 15(1A) of SEBI LODR read with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2024 to comply with the provisions (Reg 16 to 27) on a “comply or explain” basis until March, 2025, the Board of KIIFB at their 48th meeting held on 25.05.2024 approved constitution of Stakeholders Relationship Committee as required under Regulation 20 of SEBI LODR with the following members:

SL No	Name of the Member	Designation
1	Shri Radhakrishnan Nair (Independent Member)	Chairman
2	Shri Sushil Khanna (Independent Member)	Member
3	Shri TS Vijayan (Independent Member)	Member

5.2. Meetings and attendance during the year- NA

5.3. Terms of Reference (ToR) of Stakeholders Relationship Committee

- 5.3.1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of debentures, non-receipt of annual report, non-receipt of declared interest, issue of new/duplicate certificates, etc.
- 5.3.2. Review of measures taken for effective exercise of voting rights by debenture holders.
- 5.3.3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
- 5.3.4. Review of the various measures and initiatives taken by the listed entity for ensuring timely payment of interest /annual reports/statutory notices to the debenture holders of the Company.
- 5.3.5. Review of the various measures taken by the listed entity to ensure timely redemption of Bonds/debentures of the Company.
- 5.3.6. To Carry out any other function, as required by the provisions of SEBI (LODR)

6.0. Risk Management Committee

6.1. Constitution of Risk Management Committee

As on 31.03.2024, KIIFB was yet to constitute a Risk Management Committee. Being an HVDLE and basis the relaxation offered under Regulation 15(1A) of SEBI LODR read with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2024 to comply with the provisions (Reg 16 to 27) on a “comply or explain” basis until March, 2025, the Board of KIIFB at their 48th meeting held on 25.05.2024 approved constitution of Risk Management Committee as required under Regulation 21 of SEBI LODR with the following members:

SL No	Name of the Member	Designation
1	Dr KM Abraham	Chairman
2	Shri KG Sanal Kumar	Member
3	Shri TS Vijayan (Independent Member)	Member

6.2. Meetings and attendance during the year- NA

6.3. Terms of Reference (ToR) of Risk Management Committee

- 6.3.1. To formulate a detailed risk management policy which shall include:
 - 6.3.1.1. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
 - 6.3.1.2. Measures for risk mitigation including systems and processes for internal control of identified risks.
 - 6.3.1.3. Business continuity plan.
- 6.3.2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the organization;
- 6.3.3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;
- 6.3.4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- 6.3.5. To keep the Board Members informed about the nature and content of its discussions, recommendations and actions to be taken;
- 6.3.6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.
- 6.3.7. To review risk disclosure statements in any public documents or disclosures.
- 6.3.8. To Carry out any other function, as required by the provisions of SEBI (LODR) and directives of Government.

7.0. Fund Trustee & Advisory Commission (FTAC)

The Fund Trustee and Advisory Commission (FTAC) plays a vital role in the governance structure established by the KIIFFB (Amendment) Act, 2016. As both a regulatory oversight body and trustee for all KIIFFB investors, the FTAC also serves as a respected advisory council to the KIIF Board. The Act mandates the FTAC's establishment for a fixed two-year tenure, during which it exercises essential powers granted by the Act. Importantly, the FTAC operates independently and is protected from dissolution during its tenure. Commission members are required to have expertise and proven experience in fields such as banking, financial regulation, financial markets, administration, and economics, at the national or international level.

During FY24, there were significant changes in the composition of the Commission. Smt. Usha Thorat, the former Deputy Governor of the Reserve Bank of India, stepped down as member, marking the end of her valuable tenure. In her place, Smt. Uma Shankar, the former Executive Director of the Reserve Bank of India, joined the Commission, bringing with her a wealth of experience and expertise. The Commission convened twice during the year, with meetings held on April 14, 2023, and September 8, 2023 through video conferencing. These meetings of the Commission, in its trustee and advisory capacities, provided crucial opportunities for effective discussions and decision-making to guide KIIFFB. The Commission's advice and suggestions have always been an invaluable source of support for KIIFFB, consistently empowering the organization to excel and uphold its high standards.



8.0. Investment Management Committee

Investment Management Committee (IMC) of KIIFB is responsible for laying down and review of Investment Policy and operational framework for the investment operations of the Board. The Investment policy and operational framework should, inter alia, encompass aspects concerning liquidity for smooth operations, compliance with statutory norms on investments, risk management/mitigation strategies to ensure commensurate yield on investments and above all protection of funds. The 7th IMC was held on 30/11/2023.

9.0. Remuneration of Board Members

9.1. All pecuniary relationship or transactions of the Non-Executive Members

The Non-Executive Members had no pecuniary relationship or transactions with the Company in their personal capacity during the year under review.

9.2. Criteria of making payments to Non-Executive Members

Kerala Infrastructure Investment Fund Board (“KIIFB”) is a statutory body (body corporate) established by Government of Kerala (“GoK”) under Kerala Infrastructure Investment Fund Act, 1999 (as amended) (“KIIF Act”). KIIFB comes under the administrative control of Department of Finance, GoK. Thus, the appointment, tenure and remuneration of Members of Board of KIIFB is decided by the Government.

The Non-Executive-Independent Members of the Board are paid sitting fees at Rs 30,000/- per sitting for meetings of the Board/ Executive Committee & FTAC and Rs 25,000/- for other meetings pursuant to Order No FA-3/3746/2021/KIIFB Dated 01.10.2021.

The Non-Executive Members representing Government are not paid any remuneration or sitting fees

10.0. General Meeting

KIIFB is not a company constituted under Companies Act, 2013. KIIFB is a statutory body constituted by Kerala Infrastructure Investment Fund Act, 1999 (as amended by Kerala Infrastructure Investment Fund (Amendment) Act, 2016) under the Department of Finance, Government of Kerala. KIIFB does not have any shareholders. Hence, the concept of general meeting is not applicable to KIIFB.

11.0. Disclosures

- i. Related Party Transactions are set out in Note No 30 to the notes forming part of the financial statements for the year ended 31.03.2024 in the Annual Report.
- ii. No item of expenditure was debited in books of accounts which was not for the purpose of the business. Further, no expense was incurred for the Board of Members and Top Management which was personal in nature.
- iii. None of the Board Members of KIIFB have pecuniary relationship or transaction with KIIFB.

12.0. Code of conduct

KIIFB is yet to finalize the code of conduct for Directors and Senior Management as stipulated under Regulation 17(5) of SEBI LODR. Being an HVDLE and basis the relaxation offered under Regulation 15(1A) of SEBI LODR read with SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2024 to comply with the provisions (Reg 16 to 27) on a “comply or explain” basis until March, 2025, full compliance in this regard would be achieved within the statutory timeframe.

13.0. Means of communication

The quarterly, half-yearly, annual financial results are furnished immediately to Bombay Stock Exchange where the entity's bonds are listed and published in newspaper in compliance with Regulation 52(8) of SEBI LODR. The results are displayed on the website of the Company www.kiifb.org and also sent to Debenture Trustees.

Annual Report containing inter-alia, Audited Accounts, Directors' Report, Auditors' Report, Cash Flow Statement and other important information are available on KIIFB's website. All the events/information as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 are being displayed on the website of KIIFB.

14.0. Website

The Company's website www.kiifb.org contains separate dedicated section 'Compliance' wherein information for bondholders is available.

15.0. Address for correspondence

Stakeholders may send their correspondence to the Compliance Officer at the Registered Office at 2nd Floor, Felicity Square, MG Road, Thiruvananthapuram, Kerala- 695 001 and electronically to co.fa@kiifb.org for addressing the queries of bondholders. Investors may also communicate to Cameo Corporate Services Limited, Registrar and Transfer Agent for redressal of their grievance, if any.

The details of their address, contact numbers are as under: Address : Subramanian Building, No. 1 Club House Road, Chennai, Tamil Nadu, 600002 Tel No.: 91- 044 - 2846 0390.

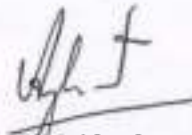
16.0. Certification on Corporate Governance

The certificate as stipulated in Schedule V(E) of SEBI LODR Regulations 2015 issued by M/s Mehta & Mehta, Company Secretaries- Secretarial Auditors of KIIFB regarding compliance of conditions of Corporate Governance as enclosed as **Annexure C.1.**

17.0. Certification under Regulation 17(8) of SEBI LODR

As required under Regulation 17(8) of SEBI LODR Regulations 2015, the certificate on financial statements for the year ended 31st March, 2024 is enclosed as **Annexure C.2.**

**For and on behalf of the Board of Members of
Kerala Infrastructure Investment Fund Board**



Dr KM Abraham

**Chief Executive Officer| Member Secretary
DIN: 05178826**

Date 12/08/2024

Place Trivandrum

Mehta & Mehta

COMPANY SECRETARIES

DOOR NO: 1509(1), GEORGE & XAVIERS' SQUARE, ST. BENEDICT CROSS ROAD, ERNAKULAM NORTH, KOCHI - 682018
Phone: +91 484 4055301 / 2395878 • E-mail: cochin@mehta-mehta.com • Visit us: www.mehta-mehta.com

CERTIFICATE ON CORPORATE GOVERNANCE

[As part E of schedule V of Securities and Exchange Board of India
(Listing obligation and Disclosure Requirements) Regulations, 2015]

To,

The Members,

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD,

2nd Floor, Felicity Square, MG Road,

Statue, Trivandrum, Kerala- 695 001

We have examined the compliance of conditions of Corporate Governance by **KERALA INFRASTRUCTURE INVESTMENT FUND BOARD** (hereinafter referred as "KIIFB") for the Financial Year ended March 31, 2024, as stipulated in Regulations 17 to 27, Regulation 62 and para-C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, to the extent as applicable to the KIIFB as a high-value debt listed entity.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the KIIFB for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the KIIFB.

Based on the information received from the concerned officials, the KIIFB is governed by the Kerala Infrastructure Investment Fund Act 1999 and the General Regulations made there under. Thus, provisions of the said Act and Regulation are preferred over the applicability of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In accordance with Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the KIIFB is a High value Debt listed entity therefore the provisions of Chapter IV shall be applicable on a 'comply or explain' basis till March 31, 2025.

We further state that such compliance is neither an assurance as to the future viability of the KIIFB nor the efficiency or effectiveness with which the management has conducted the affairs of the KIIFB.

This certificate is issued solely for the purposes of complying with Listing Regulations and may not be suitable for any other purpose.

For Mehta & Mehta,

Company Secretaries

(ICSI Unique Code P1996MH007500)

Arun Kannamangalam Kamalolbhavan
Partner



FCS No.: 9609

Place: Trivandrum

UDIN: F009609F000950395

CP No.: 11657

Date: 12.08.2024

PR No.: 3686/2023

Annexure C.2

Certificate

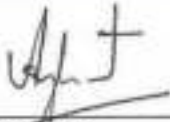
Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To
The Board of Members
Kerala Infrastructure Investment Fund Board

We certify that -

- I. We have reviewed the financial statements and cash flow statement for the **FY 2023-24** and to the best of our knowledge and belief:
 - a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b) These statements together present a true and fair view of the **KIIFB's** affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- II. To the best of our knowledge and belief, no transactions entered into by **KIIFB** during the year **2023-24** are fraudulent or illegal in nature.
- III. We accept responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of the internal control systems of the **KIIFB** and have disclosed to the Auditors and the Executive Committee (presently functioning as the Audit Committee), deficiencies, if any, in the design or operation of the internal control, of which we are aware of and steps have taken or propose to take to rectify these deficiencies.
- IV. We have indicated to the Auditors and the Executive Committee-
 - i. There has not been any significant changes in internal control over the financial reporting during the year;
 - ii. There has not been any significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the organization's internal control system over the financial reporting (no such instances during the year under review).

Date 12/08/2024
Place Trivandrum


Dr. KM Abraham
Member Secretary/
Chief Executive Officer


Reji John
Joint Fund Manager

ANNEXURE D
GREEN BOND DISCLOSURES

Kerala Infrastructure Investment Fund Board

Details for disclosure of major elements of BRSR related to green debt securities

Part -I

Continuous disclosure requirements (in annual reports and financial results) for listed green debt securities as per section (2) of SEBI circular no. SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/023 dated 6th February 2023 on listed Green debt securities.

(i) Utilisation of the proceeds of the issue, as per the tracking done by the listed entity using the internal process as disclosed in the offer document. Utilization of the proceeds shall be verified by the report of an external auditor, to verify the internal tracking method and the allocation of funds towards the project(s) and/or asset(s), from the proceeds of green debt securities.

The certificate relating to the utilisation of the proceeds of GDB (Rs 58.75crores) out of Rs.300.02 crores) during FY 2023-2024 issued by the Statutory Auditors is attached as **Annexure D.1**

(ii) Details of unutilized proceeds including the temporary placement/utilization of unallocated and unutilized proceeds from each ISIN of green debt security issued by the listed entity.

The details of the unutilized proceeds as of 31st March 2024 (Rs.241.27 crores) is provided in the Table -I:

**Table -I- Unutilized Proceeds of Green Debt Securities
(8.49%)**

SL NO	ISIN	Amount (Rs in Cr)
1	INE658F08037	34.47
2	INE658F08011	34.47
3	INE658F08045	34.47
4	INE658F08029	34.47
5	INE658F08052	34.47
6	INE658F08078	34.47
7	INE658F08060	34.47

(iii) List of projects(s) and/or asset(s) to which proceeds of the green debt securities have been allocated/invested including a brief description of such project(s) and/or asset(s) and the amounts disbursed.

The list of projects for which green debt securities have been utilized as of 31st March 2024 is given in Table- II. These projects follow the guidance document of green building reporting standards as per GRIHA & EDGE rating systems.

Table -II
Green Debt Securities – Disbursement Status - FY 2023-2024

Sl. No.	Project Name& Code	FS Amount (in Rs. Crores)	Total GDB amount Disbursed (in Rs. Crores)	Green Building – Reporting Standards & Performance Measures				
				GRIHA 3 star (Base -56 points)	Savings as per EDGE- L1			
					Energy(%) (Base - 20)	Water (%) (Base - 20)	Embodied Energy(%) (Base - 20)	Operational CO ₂ (tCO ₂ /Year)
1	District Hospital, Kozhencherry (HF W002-55)	₹ 31.45	₹ 3.25	56	35.44	21.57	46.63	123.93
2	Kannur Corporation Office (LSG001-04)	₹ 25.74	₹ 9.47	60	39.25	40.18	32.38	382.71
3	Registration Complex, Nemom (RGD007 -06)	₹ 20.88	₹ 2.26	62	32.92	42.49	42.54	240.42
4	Development of Taluk Hospital, Feroke (HFW002-24)	₹ 17.09	₹ 1.99	63	40.89	54.85	51.79	293.17
5	Establishment of International Research Institute for Ayurveda – Phase I (AYS001-01)	₹ 69.05	₹ 8.12	57	40.02	28.06	35.00	15.10
6	MCC Thalassery, Phase -II (HFW002-31)	₹ 398.31	₹ 15.77	68	47.72	30.88	28.07	897.90
7	District Hospital Palakkad (HFW002-35)	₹ 98.89	₹ 3.98	66	42.52	55.40	54.67	1,321.03
8	GMC Kottayam SSB Block (HFW005-06)	₹ 268.60	₹ 11.48	60	28.10	56.34	23.00	451.14
9	TH Kayamkulam(HFW002-22)	₹ 45.67	₹ 2.43	61	24.58	40.66	41.93	381.45
	Total		₹ 58.75		36.82	41.15	39.55	4106.85

Note: (i) GRIHA – Green Rating for Integrated Habitat Assessment – Developed by TERI and the Ministry of Renewable Energy, GOI
(ii) Excellence in Design for Greater Efficiencies – Developed by International Finance Corporation (IFC)

(iv) Qualitative performance indicators and, where feasible, quantitative performance measures of the environmental impact of the project(s) and/or asset(s). If the quantitative benefits/impact cannot be ascertained, then the said fact may be appropriately disclosed along with the reasons for non-ascertainment of the benefits/impact on the environment.

All projects follow the guidance document of green building reporting standards as per GRIHA & EDGE rating systems. The reporting standards followed (GRIHA 3 star & EDGE

L1) and performance measures for the 9 projects are detailed in Table -II.

(v) Methods and the key underlying assumptions used in the preparation of the performance indicators and metrics;

All projects follow the guidance document of green building reporting standards as per GRIHA & EDGE rating systems.

(vi) Details of the deployment of the mitigation plan (as disclosed in the offer documents) for the perceived social and environmental risks;

GRIHA green building reporting framework followed for all the projects incorporates strategies for site planning, construction management and socioeconomic aspects for mitigating perceived social environmental risks.

(vii) Impact Reporting : Information, on a project-by-project basis, pertaining to reporting of the environmental impact of the projects financed by the green debt securities. Reporting standards or taxonomies followed by the listed entity with regard to reporting of environmental impact, if any, shall also be disclosed;

The reporting standards followed (GRIHA 3 star & EDGE L1) and performance measures for the 9 projects are detailed in Table -II.

(viii) Disclosures of major elements of Business Responsibility and Sustainability Reporting (BRSR) as mentioned in Annex-IXA of Master Circular NCS.

Refer to **Annexure D.2** for details

Part -II

Statement of compliance to eligibility criteria as per Part 9 Clause 3 of Information Memorandum read with Regulation 2(q) of SEBI NCS Regulations.

The 12 projects listed in Part 9 Clause 1 of the Information Memorandum (IM) for which the green debt securities are to be utilised comply with the eligibility criteria of projects as per clause 2(q) of SEBI NCS Regulations [item no. (v) “Energy efficiency including efficient and green buildings”)].

ANNEXURE D.1

**Independent Auditor's Certificate on the Utilisation of proceeds of issue of
Green Debt Securities**

The Board of Directors,
KIIFB

Thiruvananthapuram - 695001
Kerala, India

1. This certificate is issued in accordance with the terms of our engagement letter entered in this regard.
2. The accompanying Statement of Utilisation of proceeds of issue of Green Debt Securities as at March 31, 2024 (hereinafter referred together as ("the statement") contains information with reference to the audited standalone financial statements of KERALA INFRASTRUCTURE INVESTMENT FUND BOARD ("The Board") for the year ended March 31, 2024. The statement is initialed for identification purposes only and submitted for the purpose of SEBI Circular SEBI/HO/DDHS/DDHS- RACPOD1/P/CIR/2023/023 dated February 6, 2023.

Management's Responsibility

3. The management is responsible for ensuring that the board complied with the SEBI (Issue and Listing of Non-Convertible Securities), Regulations, 2021 read with SEBI Circular SEBI/HO/DDHS/DDHS- RACPOD1/P/CIR/2023/023 dated February 6, 2023.



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T.C.25/434, 44 Santhi Nagar,
Near Housing Board Junction,
Thiruvananthapuram - 695 001.

GSTIN - 32AABFS5023Q1Z4

4. The preparation of the Statement is the responsibility of the Management of the board including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances
5. The Management is also responsible for providing the relevant supporting records and documents for our verification.
6. The management is also responsible for ensuring accuracy of the data provided for verification.

Auditors Responsibility

7. Our responsibility is to express a limited assurance conclusion on the accuracy of the amount spent on Green Framework projects which have been accurately extracted from the audited standalone financial statements for the year ended March 31,2024.
8. The audited standalone financial statements referred to in paragraph 7 above, have been audited by another Chartered Accountant, who has issued a modified audit opinion vide report dated 25-05-2024.



9. Our responsibility is to verify and ensure the correctness of payments allocated to green projects during the period from 03-07-2023 to 31-03-2024.
10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.
11. We conducted our examination of the statements in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

Opinion

12. Based on our examination as above and information and explanation received from the management, we are of the opinion that Proceeds of the issue of green debt securities is used for Green Framework Projects as per SEBI Circular SEBI/HO/DDHS/DDHS- RACPOD1/P/CIR/2023/023 dated February 6, 2023. Details of the payments are given in Annexure 1. We have relied on the audited financial statements for the year ended 31-03-2024 and work performed by the previous auditor.



Restriction on Use

13. The certificate is addressed to and provided to Kerala State Infrastructure Investment Board for including it in the Annual Report of FY 2023-2024 and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For Suri and Co.,
Chartered Accountants
Firm Registration No: 004283S

GOVINDARAJA Digitally signed by
GOVINDARAJAN
N RENGARAJAN
RENGARAJAN Date: 2024.08.01 18:04:48
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G Rengarajan

Partner

Membership No: 219922

UDIN: 24219922BKCLUF3823

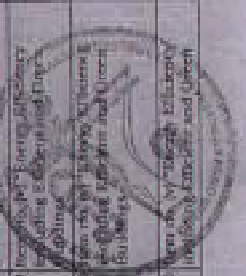
Place: Kochi

Date: 01-08-2024

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD
Green Bond Disbursement details for the period from 01.07.2023 to 31.03.2024

Annexure 1

Sl. No.	Date of Payment	Package Code	Package Name	RDIF Account No.	RDIF State	Beneficiary Name	Beneficiary Bank Account No.	Beneficiary IFSC	Amount	Eligibility Criteria as per clause 2.1(a) of SEBI GSC Regulations
1	11-09-2023	L24010001-01	Construction of Office Building for Karmur Municipal Corporation - Civil and Electrical Works	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	11,86,94,53.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
2	11-09-2023	L24010001-01	Construction of Office Building for Karmur Municipal Corporation - Civil and Electrical Works	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	27,23,30,00.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
3	11-09-2023	L24010001-01	Construction of Office Building for Karmur Municipal Corporation - Civil and Electrical Works	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	6,12,90,00.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
4	05-10-2023	L24010001-01	Development of Taluk Hospital, Ponnur, Kodikode District	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	1,71,56,10.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
5	05-10-2023	L24010001-01	Development of Taluk Hospital, Ponnur, Kodikode District	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	3,01,25,01.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
6	23-03-2023	L24010001-01	Development of Taluk Hospital, Ponnur, Kodikode District	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	4,02,91,01.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
7	30-10-2023	L24010001-01	Development of Taluk Hospital, Ponnur, Kodikode District	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	42,344.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
8	30-10-2023	L24010001-01	Development of International Research Institute of Ayurveda, Ponnur, Karmur	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	6,26,01,01.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
9	30-10-2023	L24010001-01	Development of International Research Institute of Ayurveda, Ponnur, Karmur	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	1,00,00,00.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
10	30-10-2023	L24010001-01	Development of International Research Institute of Ayurveda, Ponnur, Karmur	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	2,32,48,250.40	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
11	30-10-2023	L24010001-01	DH Karmur	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	1,51,63,00.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
12	30-10-2023	L24010001-01	DH Karmur	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	2,91,27,14.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
13	30-10-2023	L24010001-01	DH Karmur	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	4,12,12,00.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
14	02-11-2023	L24010001-01	Development of District Hospital, Ponnur, Physical Infrastructure	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	1,27,05,00.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
15	02-11-2023	L24010001-01	Development of District Hospital, Ponnur, Physical Infrastructure	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	1,27,05,00.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
16	22-11-2023	L24010001-01	Construction of Office Building for Karmur Municipal Corporation - Civil and Electrical Works	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	3,74,00,00.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
17	22-11-2023	L24010001-01	Construction of Office Building for Karmur Municipal Corporation - Civil and Electrical Works	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	1,56,00,00.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
18	05-11-2023	L24010001-01	Construction of Office Building for Karmur Municipal Corporation - Civil and Electrical Works	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	2,67,00,00.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"
19	22-11-2023	L24010001-01	Development of Taluk Hospital, Ponnur, Kodikode District	1270714000000046	KARNATAKA	Impact	20072140000000	CH0200000007	1,56,00,00.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings"



20	23-11-2023	HPW002-24-01	Development of Tamil Hospital Project in Kottarakudi District.	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
21	23-11-2023	HPW002-24-01	Development of Tamil Hospital Project in Kottarakudi District.	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	32,21,23,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
22	20-11-2023	HPW002-25-02	101 Kottarakudi	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
23	20-11-2023	HPW002-25-02	101 Kottarakudi	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
24	23-12-2023	HPW002-24-01	Establishment of International Research Institute of Agriculture (IRIA), Kottarakudi	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
25	23-12-2023	HPW002-24-01	Establishment of International Research Institute of Agriculture (IRIA), Kottarakudi	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
26	18-01-2024	HPW002-24-01	Construction of Office Building for Kottarakudi Corporation - Civil and Electrical Works	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
27	18-01-2024	HPW002-24-01	Construction of Office Building for Kottarakudi Corporation - Civil and Electrical Works	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
28	18-01-2024	HPW002-24-01	Construction of Office Building for Kottarakudi Corporation - Civil and Electrical Works	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
29	27-01-2024	HPW002-24-01	Development of Government Tamil Hospital Kottarakudi in Kottarakudi District - Package 1 (Civil Work)	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
30	27-01-2024	HPW002-24-01	Development of Government Tamil Hospital Kottarakudi in Kottarakudi District - Package 1 (Civil Work)	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
31	27-01-2024	HPW002-24-01	Development of Government Tamil Hospital Kottarakudi in Kottarakudi District - Package 1 (Civil Work)	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
32	03-02-2024	HPW002-25-02	101 Kottarakudi	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
33	03-02-2024	HPW002-25-02	101 Kottarakudi	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
34	03-02-2024	HPW002-25-02	101 Kottarakudi	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
35	09-02-2024	HPW002-24-01	Establishment of International Research Institute of Agriculture (IRIA), Kottarakudi	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
36	09-02-2024	HPW002-24-01	Establishment of International Research Institute of Agriculture (IRIA), Kottarakudi	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
37	12-02-2024	HPW002-24-01	Development of Tamil Hospital Project in Kottarakudi District	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
38	12-02-2024	HPW002-24-01	Development of Tamil Hospital Project in Kottarakudi District	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
39	13-02-2024	HPW002-24-01	Development of Tamil Hospital Project in Kottarakudi District	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"
40	19-02-2024	HPW002-24-01	CONSTRUCTION OF RECREATION COMPLEX AT PERAMBUR IN TIRUVANANTHAPURAM DISTRICT- CIVIL WORKS	BARBODPALAYA	WATERLOO LIMITED (PVT) - Perambur	1011410-0011	50000000750	3,71,49,140	Item no. (iv) "Energy Efficiency including Efficient and Green Buildings"

ANNEXURE D.2

Consolidated* details of major elements of BRSR as mentioned in Annex-IXA of Master Circular NCS
(of 9 projects in Table-1)

I ESSENTIAL INDICATORS			
1	Energy consumption and energy intensity		
	Parameter	FY-2023-2024	FY 2022-2023
	Total electricity consumption (A) in kwh	70,510	
	Total fuel consumption Petrol (B) in litres	4,053	
	Total fuel consumption Diesel (B1) in litres	1,14,172	
	Energy consumption through other sources (C) kwh	11,156	
	Total energy consumption	45,45,721	
	Total project cost in crores	976	
	Energy intensity MJ/Crores	4,659	
	Energy intensity (optional) – the relevant metric may be selected by the entity		
	Remarks		
	Projects commenced in FY 2023-24		
2	Does the entity have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the No		
3	Provide details of the following disclosures related to water, in the following format:		
	Parameter	FY-2023-2024	FY 2022-2023
	Water withdrawal by source (in kilolitres)		
	(i) Surface water	10,05,475	
	(ii) Groundwater	10,67,231	
	(iii) Third party water	10,01,548	
	(iv) Seawater / desalinated water	50	
	(v) Others	200	
	Total volume of water withdrawal (in kilolitres) (i + ii + iii +	30,74,505	
	Total volume of water consumption (in kilolitres)	30,74,505	
	Water intensity per crore of	3,151	
	Water intensity (optional) – the		
4	Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation. No		
5	Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:		
	Parameter	Please specify unit	FY-2023-2024**
	NOx	µg/m3	21.7
	SOx	µg/m3	16.3
	Particulate matter (PM)	µg/m3	76.3
	Persistent organic pollutants (POP)	µg/m3	38.9
	Volatile organic compounds (VOC)	µg/m3	0
	Hazardous air pollutants (HAP)	µg/m3	0
	Others – please specify		
	** Details pertaining to the project serial no-2 in Table -1		
6	Provide details of <u>yearly</u> greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:		
	Parameter	FY 2023-2024	
		Emission factor	Co2 Emission (kg)
	Quantity of Diesel purchased for own vehicles and	90398	2.64
	Quantity of Petrol purchased for own vehicles	1848	2.27
	Quantity of CNG used for the own vehicles in litres	4095	0.001872792
	Air conditioned area(Sq.m)	2187	5.7
	Electricity purchased in kwh	73347	0.000716
	Parameter	FY 2023-2024	
	Quantity of Diesel purchased for own vehicles and	0	2.64
	Quantity of Petrol purchased for own vehicles	0	2.27
	Quantity of CNG used for the own vehicles in litres	0	0.001872792
	Air conditioned area in square meter	0	5.7
	Electricity purchased in kwh	0.00	0.000716
	Parameter	Unit	FY 2023-2024
	Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs,	Metric tonnes of CO2 equivalent	450.483
	Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs,	Metric tonnes of CO2 equivalent	0.001
	Total Scope 1 and Scope 2 emissions per Cr of		450.483

Scope 1

Scope-2

Scope 1

Scope-2

Total Scope 1 and Scope 2 emission intensity (optional) –			
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7	Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details Yes, All projects have provisions for solar power generation systems. In addition projects adopted GHG emissions reductions through CFC and HCFC-free refrigerant and halon free fire suppression systems, low emissions glazings, planting of tree etc.
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8

Provide details related to waste management by the entity, in the following format:

Parameter	FY-2023-2024	FY 2022-2023
Total Waste generated (in metric tonnes)		
Plastic waste (A)	2.99	0
E-waste (B)	0.82	0
Bio-medical waste (C)	0.51	0
Construction and demolition waste (D)	308.81	0
Battery waste (E)	0.26	0
Radioactive waste (F)	0.00	0
Other Hazardous waste. Please specify, if any. (G)	0.01	0
Other Non-hazardous waste generated (H). Please	0.00	0
Total (A+B + C + D + E + F + G + H)	313.39	0
For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)		
Category of waste		
(i) Recycled	3.1	0
(ii) Re-used	13.1	0
(iii) Other recovery operations	0.0	0
Total	16.2	0
For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)		
Category of waste		
(i) Incineration	3	0
(ii) Landfilling	10	0
(iii) Other disposal operations	1	0
Total	14	0

9	Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes. GRIHA green building reporting framework followed for all the projects incorporates construction management practices like segregation of construction waste, its safe storage and on-site/off-site recycling.
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10	If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife Location of operations/offices Type of operations Whether the conditions of NA
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11	Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:				
	Name and brief details of project	EIA Notification No.	Date	Whether conducted by independent	Results
	Development of Malabar Cancer Center as	S.O. 1533 (E)	14th September ,2006	Yes (WAPCOS, a NABET	Yes
	Relevant Web link https://sejaakerala.in/home/				

12	Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air S. No. Specify the law / regulation Provide details of the Any fines / penalties / action Corrective action NA
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II	LEADERSHIP INDICATORS		
1	Provide break-up of the total energy consumed (in Joules or multiples) from renewable,non-renewable sources, in the below format:		
	Parameter	FY-2023-2024	FY 2022-2023
	From renewable sources		
	Total electricity consumption (A) in kwh	64033	0
	Total fuel consumption (B) in litres	39731.05	0
	Energy consumption through other sources (C) in kwh	3044	
	Total energy consumed from	439591.5	0
	From non-renewable sources		
2	Provide the following details related to water discharged:		

Parameter	FY-2023-2024	FY 2022-2023
Water discharge by destination and level of treatment (in kilolitres)		
(i) To Surface water	0	0
- No treatment	0	0
- With treatment – please specify level of	0	0
(ii) To Groundwater	0	0
- No treatment	2790	0
- With treatment – please specify level of	0	0
(iii) To Seawater	0	0
- No treatment	2200	0
- With treatment – please specify level of	0	0
(iv) Sent to third-parties	0	0
- No treatment	0	0
- With treatment – please specify level of	0	0
(v) Others	0	0
- No treatment	2000	0
- With treatment – please specify level of	0	0
Total water discharged (in kilolitres)	6990	0
	0	

3 Water withdrawal, consumption and discharge in areas of water stress (in kilolitres):		
For each facility / plant located in areas of water stress, provide the following information:		
(i) Name of the area	NA	
(ii) Nature of operations		
following format:		
Parameter	FY-2023-2024	FY 2022-2023
Water withdrawal by source (in kilolitres)		
(i) Surface water	509931	0
(ii) Groundwater	88017.74	0
(iii) Third party water	750.97	0
(iv) Seawater / desalinated water	0	0
(v) Others	75100	
Total volume of water withdrawal	519299.71	0
Total volume of water consumption	6,83,168	0
Water intensity per rupee of	700	0
Water intensity (optional) – the relevant metric may be		
Water discharge by destination and level of treatment (in kilolitres)		
(i) Into Surface water	0	0
- No treatment		
- With treatment – please		
(ii) Into Groundwater	0	0
- No treatment		
- With treatment – please		
(iii) Into Seawater	0	0
- No treatment		
- With treatment – please		
(iv) Sent to third-parties	0	0

4 Please provide details of total Scope 3 emissions & its intensity, in the following format			
Parameter	Unit	FY-2023-2024	FY 2022-2023
Total Scope 3 emissions (Break-up of the GHG into CO2,	Metric tonnes of CO2 equivalent	Not attempted	
Total Scope 3 emissions per rupee of turnover			
Total Scope 3 emission intensity (optional) – the relevant			

5	With respect to the ecologically sensitive areas reported at Question 10 of Essential Indicators above, provide details of significant direct & indirect impact of the entity on biodiversity in such areas along-with prevention and remediation activities.
	NA

6	If the entity has undertaken any specific initiatives or used innovative technology or solutions to improve resource efficiency, or reduce impact due to emissions / effluent discharge / waste generated, please provide details of the same as well as outcome of such initiatives, as per the following format:			
	Sr. No	Initiative undertaken	Details of the initiative	Outcome of the initiative
	All projects follow the guidance document of green building reporting standards as per GRIHA & EDGE rating systems			

7	Does the entity have a business continuity and disaster management plan? Give details in 100 words/ web link.
	KIIFB has a ESG policy, Climate Resilience Policy and Green Finance Framework. (Refer link: https://kiifb.org/)

8	Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have
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	NA
9	Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.
	NA

4. REPORT ON THE FUNCTIONS OF KIIFB

Fund mobilization, project appraisal and approval, facilitating fund flow into projects, capacity building support to Administrative Departments/Special Purpose Vehicles (SPVs), and quality monitoring are the core activities of KIIFB.

Government have announced infrastructure projects worth ₹ 80,000 crore for implementation with the funding support from KIIFB. The government also issued the revised detailed guidelines vide G.O.(Ms)No.69/2018/Fin dated 24.02.2018 for the conceptualization, preparation, and submission of projects for KIIFB's funding. In accordance with the above overall financial target announced by the Government and the outlay of projects being approved from time to time, KIIFB mobilizes funds in advance for ensuring uninterrupted fund flow for the implementation of projects.

The working policies of KIIFB and projects for KIIFB funding are being approved by the Board chaired by Hon'ble Chief Minister and the Executive Committee chaired by Hon'ble Minister for Finance based on respective delegations.

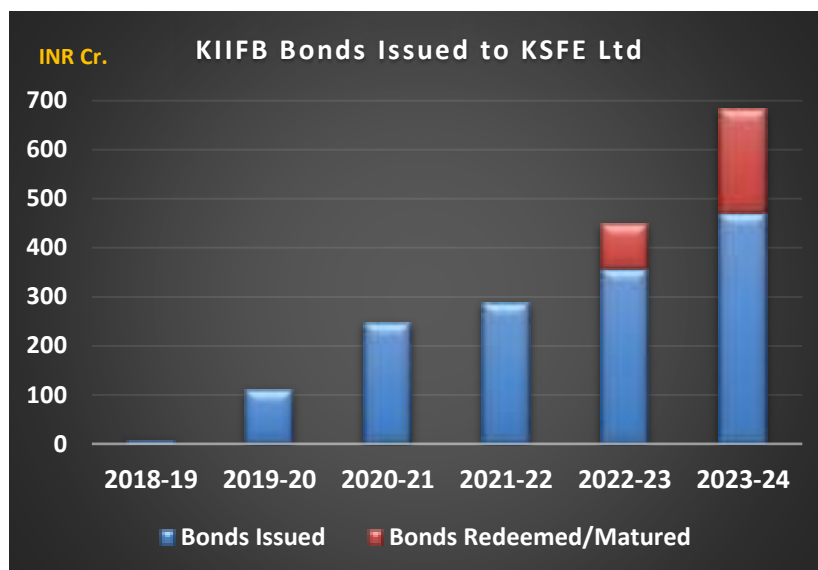
4.1 KEY ACTIVITIES OF FINANCE AND ADMINISTRATION (F&A) DIVISION

The Finance & Administration Division (F&A) looks after the administrative and financial matters of KIIFB. Institutional Finance Group, which handles the technical matters of fund mobilization and investment management also works in F&A. Major activities of the Finance and Administration Division of KIIFB during the financial year 2023-24 are given below.

4.1.1 Fund Mobilisation during FY 2023-24.

The 45th General Body Meeting of KIIFB, held on February 27, 2023, approved raising funds amounting to ₹10,000 crore to meet the anticipated expenditure for project disbursements during the financial year 2023-24. This approval was based on the expectation of some bulk payments, which, however, did not materialize. Consequently, during FY 2023-24, KIIFB availed a total of ₹5,803.86 crore from various financial institutions. Additionally, ₹3,505.01 crore was repaid against various loans within the same financial year. Notably, this included the repayment of the Masala Bond issued by KIIFB in March 2019, with the entire amount of ₹2,150 crore repaid in March 2024. The issuance of the Masala Bond was a significant milestone in KIIFB's history, enhancing its systems and processes to align with international standards.

(i) Bonds issued to KSFE Ltd (KSFE Pravasi Chitty)



KIIFB issued bonds worth ₹ 469.61 crores to KSFE during the financial year 2023-24. This includes deposit bonds amounting to ₹ 425.80 crores and security bonds amounting to ₹ 43.81 crores at 7.6% and 7.5% respectively. Quarter wise details of the bonds issued during FY24 are given below.

2023-24	Amount (INR Cr.)
Quarter-1	101.53
Quarter-2	145.84
Quarter-3	99.75
Quarter-4	122.49
Total	469.61

(ii) Loan from NORKA Welfare Board (Pravasi Dividend Scheme)

The Pravasi Dividend Scheme became operational on 13th December 2019. So far KIIFB has successfully raised ₹330.53 crore through the scheme. During the financial year 2023-24, an amount of ₹ 16.60 crore was raised through this channel.

Financial Year	2019-20	2020-21	2021-22	2022-23	2023-24	Total
Fund mobilized (in ₹ Cr.)	56.58	124.56	110.20	22.59	16.60	330.53

(iii) Receipts from Government during 2023-24

Particulars	Amount Received (in ₹ Cr.)
MVT	2636.25
CESS ON PETROL & DIESEL	594
Total	3230.25

(iv) Fund Availed during 2023-24

Source	Amount Availed (in ₹ Cr.)
KSFE Pravasi Chitt Bond	469.61
KNRKWB Loan (Dividend Scheme)	16.6
REC	950.3
HUDCO II	400
Green Bond	300.02
Domestic Bond	2111.62
HUDCO III	800
PFC	755.72
Total	5803.86

4.1.2 Keraleeyam - 2023

Keraleeyam, an annual festival held in Thiruvananthapuram, the capital city of Kerala celebrated the development and achievements of the State and its culture, from November 1st to November 7th, 2023. KIIFB has also participated in the 'Keraleeyam' events. The Keraleeyam – 2023 has won the Guinness Book of World Records for the online video relaying ‘Kerala Day Wishes’ in 67 different languages.

The KIIFB team got an opportunity to interact closely with the public regarding the projects undertaken by the KIIFB and enlighten the public about the KIIFB’s ongoing and completed projects in each district and its project status. KIIFB held a technical expo highlighting some of the State's largest projects funded by KIIFB. Technical seminars were held on several significant advancements in construction technologies for students at engineering college, engineering graduates, and the general public.

The talks conducted by KIIFB are as follows:

- “Vizhinjam port- A game changer” by Dr. Jayakumar, CEO, Vizhinjam International Seaport Ltd
- “Innovative method in Coastal Protection works” by Dr V Sundar, Prof Ocean Engineering IITM, Chennai
- “Innovative Planning, Design & Construction of a Cable Stayed Bridge in Delhi.” by Shri Jose Kurian, Rtd CE, CPWD
- “Sustainable Technologies for Road Development” by Dr. Samson Mathew, Director, NATPAC.

- e. “Usage of Coir Geo-textiles for Soil Stabilization” by Dr. K. Balan, Rtd. Prof, CET, Trivandrum.
- f. “Opportunities for next 10 years for Engineers” by Dr Kuncheria P Isaac, Founder VC of KTU.

4.2 KEY ACTIVITIES OF PROJECT APPRAISAL DIVISION (PAD)

The Project Appraisal Division of KIIFB provides support throughout the project life cycle to the Administrative Departments and Special Purpose Vehicles for the effective, efficient, and timely completion of the projects. The Division also monitor the progress of implementation through regular reviews and makes professional interventions to ensure standards and midterm corrections wherever found necessary.

4.2.1 Projects Approved by KIIFB

The total outlay of projects approved by KIIFB till 31.03.2024 can be classified as below:

Table 1: KIIFB Approved Projects		
	No. of Projects	Amount in Crore
Infrastructure Projects	1101	₹ 65,869.13
Projects under Land Acquisition Pool	7	₹ 20,000.00
Total	1108	₹ 85,869.13

A. Infrastructure

Sector wise number of Infrastructure projects approved, and their cumulative approved cost are tabulated below:

Table 2: Status of KIIFB Approved projects - Department Wise						
Department	KIIFB Approved Projects		KIIFB Tendered Projects		KIIFB Started/Awarded Projects	
	No. of Projects Approved	Approved Amount (Rs.in Crore)	No. of Projects Tendered	Tendered Amount (Rs.in Crore)	No. of Projects Started/Awarded	Work Contract Amount (Rs.in Crore)
PWD	500	₹ 32,294.05	248	₹ 7,633.57	216	₹ 6,723.38
Agriculture	1	₹ 21.43	1	₹ 21.43	1	₹ 20.57
Animal Husbandry	1	₹ 16.12	0	₹ 0.00	0	₹ 0.00
Ayush	2	₹ 183.06	1	₹ 57.41	1	₹ 69.73
Backward Classes Development Department	1	₹ 17.73	0	₹ 0.00	0	₹ 0.00

Coastal Shipping & Inland Navigation	15	₹ 3,479.83	2	₹ 107.24	1	₹ 78.72
Culture	17	₹ 489.11	8	₹ 224.56	8	₹ 257.80
Devaswom	2	₹ 138.51	1	₹ 118.34	1	₹ 121.66
Fisheries and Ports	26	₹ 522.19	17	₹ 367.79	16	₹ 250.93
Forest	4	₹ 510.53	4	₹ 341.34	4	₹ 272.87
General Education	151	₹ 3,136.03	119	₹ 2,353.12	105	₹ 1,988.26
Health & Family Welfare	86	₹ 6,181.65	59	₹ 2,907.99	53	₹ 2,990.98
Higher Education	62	₹ 1,825.62	33	₹ 785.81	31	₹ 498.98
Home	6	₹ 225.19	1	₹ 47.96	1	₹ 41.69
Industries	1	₹ 62.16	0	₹ 0.00	0	₹ 0.00
Information Technology	4	₹ 1,439.25	3	₹ 1,303.23	3	₹ 1,812.09
Labour & Skills	5	₹ 88.64	5	₹ 64.61	5	₹ 71.71
Local Self Government	24	₹ 758.40	3	₹ 285.07	1	₹ 245.88
Power	18	₹ 5,200.00	16	₹ 2,000.58	14	₹ 1,871.13
Registration	6	₹ 88.65	6	₹ 67.60	6	₹ 95.82
Revenue	5	₹ 95.66	2	₹ 30.13	2	₹ 27.11
SC/ST Development	10	₹ 182.23	6	₹ 94.70	6	₹ 84.83
Sports & YA	40	₹ 874.24	29	₹ 567.33	25	₹ 447.77
Tourism	13	₹ 583.97	10	₹ 322.44	8	₹ 144.94
Transport	3	₹ 600.98	2	₹ 67.83	2	₹ 132.33
Water Resources	98	₹ 6,853.90	87	₹ 3,757.70	87	₹ 3,803.44
Total	1101	₹ 65,869.13	663	₹ 23,527.79	597	₹ 22,052.62

B. Industrial Infra

Besides the Infrastructure Projects, KIIFB has also approved the following Projects related to Industrial Infra. The Projects are conceived as revenue generating and the revenue generated will be utilised to repay the funding provided by KIIFB.

Table 3: Industrial Infra (Projects under Land Acquisition Pool of ₹ 20,000 Crore)		
	No. of Projects	Amount in Crore
PWD-NHAI	1	₹ 6,769.01
Industries (Under LA Pool)	6	₹ 16,403.23
<i>Industrial Parks - 3 projects - ₹13988.63 Cr</i>		
<i>Taking over of land from HNL - ₹200.60 Cr</i>		
<i>Kochi - Bangalore Industrial Corridor & Gift City - ₹2214.00 Cr</i>		
Total	7	₹ 23,172.24

The above projects approved by KIIFB are now under various stages of development such as land acquisition, being tendered, and under construction. Most of the projects under this category are completed and have started functioning. Salient features of some of the major projects under construction are detailed below:

4.2.2 Highlights of selected projects

1. Nayarthodu Bridge

Nayarthodu Bridge, spanning across the Thirurpuzha river, links Kavilakkad junction in the east to Pandinjarekkara Tippu Sulthan Road in the west, a stretch proposed under KIIFB's Coastal highway project (Reach 1: Padinjarekkara to Unniyal Junction). Once completed, this bridge will shorten the distance from Pandinjarekkara to Chamravattom bridge by over 10 km, significantly benefiting residents on the western riverbank who currently undertake journeys of more than 15 km or rely on ferries to access nearby growth centers and towns.

The Public Works department issued Administrative Sanction for Rs. 48 crores for the bridge construction on July 10th, 2017, entrusting the project to the Kerala Road Fund Board (KRFB). Initially, KIIFB approved Rs. 38.61 crores based on the Detailed Project Report (DPR) submitted by KRFB on December 4th, 2018. Subsequently, the financial sanction was revised to Rs. 52.06 crores, to accommodate certain design changes, DSoR Revision and inclusion of GST 18%.

Land acquisition for approach roads, totalling about 49 cents, is currently underway, with an 11(1) Notification issued on November 18th, 2023.

The Nayarthodu Bridge spans 432 m, featuring a bow string girder central span of 55 m, simply supported PSC girders, RCC slab spans of 6 x 36.20 m, and PSC continuous integral type spans. The bridge has an overall width of 12 m for the central span and 11 m for the remaining spans, with a consistent 7.5 m carriageway throughout its length. Additionally, a 1.5 m wide footpath is provided. The approach road, 7 m wide, extends 300 m on the Padinjarekkara side and 170 m on the Kavilakkad side. The bridge design adheres to the standards set by the Indian Roads Congress and MoRTH – Major Bridge specifications, meeting DBM (Bituminous Macadam) and BC (Bituminous Concrete) standards.

After being envisioned about ten years ago, Nayarthodu Bridge is finally nearing completion, bringing much-needed relief to commuters traveling from Padinjarekkara to Chamravattom.



Fig 1.1



Fig 1.2

2. Payyannur - Ambalathara - Kanayi - Maniyaravayal - Mathamangalam road km 0/000 to 11/350 in Kannur District

Payyannur - Mathamangalam Road is a major district road in Kannur District, that starts from Payyannur Perumba in NH-66 and ends at Mathamangalam with a total length of 11.35 Km. The road serves as a major connectivity from Payyannur Municipality to Mathamangalam. It also connects many small towns like Ambalathra, Kanai, Maniyaravayal, and Mathamangalam, and places having tourism importance like Meenkuzhi Water Recreation Centre is situated along the road.

The project was announced in the Budget Speech 2017-18 (Para 156 & Sl. No. 11) to be executed under KIIFB funding. Subsequently, in principle administrative sanction was issued vide G.O (Rt) No. 942/2017/PWD dated 10/07/2017 by designating Kerala Road Fund Board (KRFB) as the Special Purpose Vehicle (SPV) for executing the project at a cost of Rs. 11 Crore.

Based on the Detailed Project Report (DPR) submitted by the SPV, KIIFB has accorded Financial Sanction for Rs. 58.53 Crore as per Proceedings Order No. PWD015-29/APR-5/2020/KIIFB dated 13/02/2020. The work contract was awarded to M/s. Irikkur Construction Company for an amount of Rs. 40.03 Crore (excluding GST) and the work was started on 29/01/2022 with a construction period of 18 Months.

The road is having a carriageway of 7 m with 1m paved shoulder and 1.5 m wide drain cum footpath on both sides with a total RoW of 12 m. The design of the road adheres to the standards set by the Indian Roads Congress and the MoRTH specifications, meeting the requirements of DBM (Dense Bituminous Macadam) and BC (Bituminous Concrete) standards. The road has a crust thickness of 480 mm with 150 mm thick GSB, 250 mm thick WMM, 50mm thick DBM, and 30 mm thick BC.

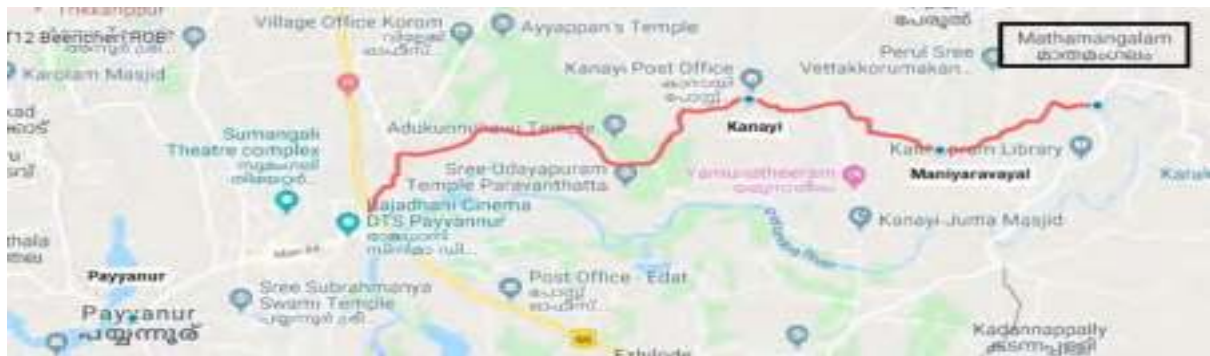


Fig 1. Map showing Payyannur –Ambalathara-Kanai-Maniyaravayal-Mathamangalam Road

Cross Drainage works with 12 Nos of Box culverts, 4 Nos of pipe culverts, and drainage facilities for safe discharge of runoff water has been provided. Provision of Retaining wall (RCC, CC & DR) are provided to ensure side protection. The existing utility services like HT/LT lines of KSEB & KWA pipelines have been shifted along with providing upgradation to the networks as required. The total amount incurred for utility shifting is Rs. 10.94 Crore. Construction of Payyannur Ambalathara - Kanayi – Maniyaravayal - Mathamangalam Road has been completed and was inaugurated on 24/02/2024.



Fig 2.1



Fig 2.2

3. Thennilapuram Bridge & Arangattukadavu Bridge in Palakkad District

The Thennilapuram bridge is constructed across the Thonnalipuzha river connecting Kavassery and Kannambra panchayaths in Palakkad district. The Arangattukadavu Bridge is constructed across Mangalam river connecting Kavassery and Puthucode panchayaths in Palakkad district. The project was announced in the Revised Budget Speech 2016-17, to be executed utilising KIIFB fund. Accordingly, Administrative Sanction for Rs. 10 Crore each for the construction of Thennilapuram Bridge and Arangattukadavu Bridge was issued vide G.O. (Rt) No. 1496/2016/PWD dated 31.10.2016 by entrusting the Kerala Road Fund Board (KRFB) as the Special Purpose Vehicle for executing the project.

Based on the Detailed Project Report (DPR) submitted by the Kerala Road Fund Board, KIIFB has accorded financial sanction for Rs. 17.72 Crores (Rs. 9.63 Crore for Thennilapuram Bridge and Rs. 8.09 Crore for Arangattukadavu Bridge) vide Proceedings Order No. PWD001-11/APR-5/2019/KIIFB dated 16.09.2019. Tenders for both bridges were invited by KRFB on 27.04.2020, and Uralungal Labor Contract Co-operative Society Ltd was selected as the contractor. Contract for construction of Thennilapuram Bridge and Arangattukadavu Bridge were awarded for Rs. 9.211 Crores and Rs. 7.756 Crores (excluding GST) respectively.

- i. **Thennilapuram Bridge:** A three-span bridge of length 26m each with a total length of 78m. The bridge has an overall width of 11.05m comprising of 7.5m carriage way and 1.5m wide footpath on both sides. The approach road for a length of 183m on Erattakulam side, 140m length on Kannambra side and 80m length on Padur side are provided.
- ii. **Arangattukadavu Bridge:** A four-span bridge of total length of 103.40m. The bridge has an overall width of 11m comprising of 7.5m carriage way and 1.5m wide footpath on both sides. The approach road for a length of 60m on Manappadam side and 50m length on Padur side are provided.

Thennilapuram Bridge and Arangattukadavu Bridge have been completed and inaugurated on 23.01.2024 and 08.07.2023 respectively.

The project reduces the distance from Puthucode panchayath to Taluk headquarters from 10 km to 6 km. Consequent to a better transport facility, the annual production of agricultural produces is expected to increase by 30%, thereby boosting up economic background of the inhabitants. These high-level bridges make traffic possible in all seasons of the year so that sectors like tourism, education, agriculture, industries etc. in the area would get a boost which in turn will contribute to the economic growth of the surrounding villages.



Fig 3.1 Thennilapuram Bridge



Fig 3.2 Arangattukadavu Bridge

4. Construction of school building to GHSS Mupliyam - Thrissur

The Government of Kerala has launched the Nava Kerala Mission, a comprehensive initiative aimed at various sectors including agriculture, housing, health, and education, acknowledging the crucial role of education in societal progress. Within this framework, the "Protection of Public Education Mission" (PPE Mission) has been introduced, aiming to elevate the quality of education by upgrading 1000 government schools to international standards and introducing modern amenities in classrooms.

These included aged and poorly maintained buildings with crumbling walls, leaky roofs, and deteriorating floors, posing risks to both students and staff. Additionally, many schools lacked fundamental facilities like classrooms, toilets, drinking water, and playgrounds,

creating uncomfortable learning environments. Overcrowding was also a prevalent issue due to insufficient classrooms, affecting the quality of education as teachers struggled to manage large class sizes. Moreover, inadequate sanitation facilities and poor hygiene standards were common, impacting student health and contributing to absenteeism and dropout rates. Furthermore, a lack of essential resources such as textbooks, laboratory equipment, and teaching aids hindered effective teaching and learning.

GHSS Mupliyam is undergoing a significant transformation under the funding of Kerala Infrastructure Investment Fund Board (KIIFB), showcasing the progressive development of educational infrastructure in Kerala. It was reported that existing buildings were in dilapidated condition. The buildings had water leakages during monsoon. Photographs of the existing buildings are shown below.



Fig 4.1 Existing Buildings

The project, with an administrative sanction amounting to 3.90 Crores and a financial sanction of 3.87 Crores, is executing by M/s JMJ Constructions. The work awarded for an amount of Rs. 3,47,94,146.42/- (including GST) and the same is in progress with finishing works such as plastering works and handrails works. The expected completion of the project is 27.04.2024. The implementing agency is KILA.

The constructed building includes a G+2 academic block with classrooms (6) at each floors along with toilet facilities for Boys and Girls with total area of 14241.622 square feet. Physical progress of the project is now 80%.



Fig 4.2 Academic block in progress

5. Comprehensive Development of Muzhappilangad - Dharmadom Beach in Kannur District

Government, through the revised Budget Speech 2016-17 (para-No.166) have announced "Development of Muzhappilangad and Dharmadom Beach in Kannur District" under the main project "Development of infrastructure at 20 Tourism Destinations", as a project under KIIFB funding. Accordingly, in principle Administrative Sanction for the project has been accorded for Rs.233.72 crore and M/s Kerala Irrigation Infrastructure Development Corporation (KIIDC) Limited has been entrusted as the Special Purpose Vehicle.

The masterplan of the project is as below:

- a. Character Area 01 (Promenade) - Art & Culture, Open Gym, Kiosks, Youth Centre/Amphitheatre, Jogging & Cycling Tracks, Regulated Beach Drive
- b. Character Area 02 (Sports) - Water Sports Activities, Beach Front Restaurants, Toilets, Changing rooms & Shower Areas, Safe Beach Area.
- c. Character Area 03 (Entertainment /Leisure)- Giant Wheel, Giant Musical Fountain.
- d. Character Area 04 (Nature)- Nature Trail, Scuba Diving, Bird Watching

Financial Sanction was accorded for Character Area 01 for a length of 1.40 km on 17.03.2022 for an amount of Rs 79.51 Crores.



Fig 5.1



Fig 5.2

6. KFON (Kerala Fibre Optic Network)

The KFON (Kerala Fibre Optic Network) project is a flagship initiative that leverages the infrastructure of KSEBL (Kerala State Electricity Board Limited) to establish a network infrastructure. This initiative capitalizes on the transmission and distribution networks of KSEBL, making both KSITIL (Kerala State Information Technology Infrastructure Limited) and KSEBL equal partners in the joint venture for the project. The installation of optical cables along the Extra High Tension and Low-Tension lines minimizes dependencies on Right of Way (RoW) issues.

The KFON network was conceived with the goal of offering complimentary connectivity to 20 lakh economically backward families and linking over 30,000 government institutions throughout the state of Kerala. Engineered for scalability, the network is initially designed with a bandwidth of 100Gbps for inter-district connectivity, with the capability to scale up to 500Gbps. The KFON network is poised to serve as a robust foundation for various interactions, including Government-to-Government, Government-to-Customer, and Business-to-Customer interactions. As of the current date, out of the 30,438 proposed end office connections, 28,634 have been successfully completed.

Achievements:

1. State-of-the-Art Network Operating Center – Situated at Info Park in Kochi, the Network Operating Center (NOC) plays a pivotal role in overseeing and administering the extensive fiber-optic network infrastructure deployed as part of the Kerala Fiber Optic Network (KFON) project.
 2. KFON has achieved the IP-1 (Infrastructure Provider - Category 1) certification, signifying a significant milestone.
 3. KFON has successfully secured the ISP-B (Internet Service Provider - Category B) license, marking a noteworthy achievement.
 4. Kerala Fiber Optic Network (KFON) has received the Letter of Authorization (LoA) for the National Long-Distance (NLD) License. This significant milestone grants official authorization to provide National Long-Distance Service, facilitating uninterrupted communication connectivity across the country.
 5. The "Ente KFON" app has been launched, providing a dedicated platform for KFON customers.
 6. www.kfon.in website has been launched to facilitate commercial KFON connectivity, offering a platform to access and explore the network's services.
 7. KFON guarantees uninterrupted internet services by utilizing both primary and redundant upstream bandwidth from multiple Internet Service Providers (ISPs). This approach enhances reliability and ensures a consistent and stable internet experience for users.
- Total approved outlay of the project is Rs.1516.76 Cr
 - Overall Physical Progress: 96%
 - SPV: KFON
 - Proposed date of completion: 30.09.2024



Fig 6.1 KFON ISP Room Network Rack



Fig 6.2 NOC Network Monitoring Room

7. C.K. Omkarnathan Indoor stadium at Wayanad

The main objective of the project is to establish a comprehensive Sports Complex in Kalpetta, Wayanad, comprising an Indoor Stadium, a Swimming Pool, and a Diving Pool equipped with modern facilities suitable for hosting tournaments and serving as a high-altitude training center in northern Kerala. Consequently, the Government of Kerala allocated Rs. 50 Crores for the development of the Omkaranathan Sports Complex in Kalpetta, Wayanad, as part of the budget for 2016-17.

The Special Purpose Vehicle (SPV) submitted a proposal, leading the Kerala Infrastructure Investment Fund Board (KIIFB) to allocate a financial sanction of Rs. 38.43 crores for the construction of the indoor stadium. Completed in March 2024, the district stadium showcases several distinct attributes, which are as follows:



Fig 7.1 An indoor court with maple flooring with a seating capacity of 5000 viewers



Fig 7.2 Olympic-size swimming pool(50mx25m)

8. V R Krishna Iyer Stadium, Thalassery, Kannur

The Integrated Stadium Complex Project in Thalassery aims to foster a vibrant sporting culture and encourage healthier lifestyles among the local community. Consequently, the Government of Kerala allocated Rs. 13.20 Crores for the development of the V R Krishna Iyer Stadium in Thalassery, Kannur, as part of the 2016-17 budget.

Following the submission of a proposal by the Special Purpose Vehicle (SPV), the Kerala Infrastructure Investment Fund Board (KIIFB) approved a financial sanction of Rs. 13.05 crores for the stadium's construction. Scheduled for completion by the end of 2024, the district stadium boasts several distinctive attributes, including:



Fig 8.1 Indoor stadium



Fig 8.2 Pavilion gallery under construction

9. Kerala's Educational Renaissance

With a focus on infrastructure investment, KIIFB acknowledges the pivotal role of robust educational infrastructure in fostering conducive learning/teaching environments for students and faculty. Through prudent fund allocation, KIIFB has facilitated construction of state-of-the-art facilities, vis-à-vis classrooms, laboratories, and libraries, laying the groundwork for creating platforms that would enrich educational experience.

Revamping and upgrading infrastructure:

The State Government's intent for modernising the educational realm has been made evident through announcements in the 2016-17 budget speech, where nearly Rs. 500 crores were earmarked to transform basic amenities in 52 Government engineering colleges and Arts and Science Colleges across Kerala.

DETAILS OF PROJECTS UNDER HIGHER EDUCATION DEPARTMENT

Name of Institution	Total No	FS amount (Rs. In Cr)	Completed projects
Polytechnic Colleges	8	Total FS-RS. 667.65 Under appraisal-Rs.57.34	5
Heritage Colleges	5		1
Engineering Colleges	6		-
GASCs	51		23
Universities	5	FS-Rs.363.85	-
Translational Research Centres	10	Total FS-Rs.48.5 (3 Nos.) Under appraisal-Rs173.36 (7 Nos.)	-
Domestic & International Hostels	5	Total FS-Rs.76.94 (3 Nos.) Under appraisal-Rs.66.01 (2 Nos.)	-
Centre of Excellences	3	Under appraisal-Rs.166.93 (2 Nos.)	-
Equipment procurement-Kerala University		FS-Rs.48.71 Cr	-
Equipment Procurement-CUSAT		FS-Rs.142.24 Cr	Procurement under progress
Pinarayi Education Hub		FS-Rs.275.22 Cr	Work awarded

Kerala's Universities have been experiencing a surge in international student enrolment, a testament to the state's growing reputation as a vibrant hub for academic exploration. To accommodate this influx, the Government, through the Kerala Infrastructure Investment Fund Board (KIIFB), has allocated a substantial amount i.e. Rs.100 crore for 1500 new hostel rooms across the state's Universities as Mahatma Gandhi, Cochin, Calicut, and Kannur. **Furthermore, demonstrating a commitment to inclusivity**, an additional 250 rooms will be specifically designated for international students.

Details of Hostel projects under various universities in Kerala:

Sl. No.	Name of University	DPR cost	FS accorded
1	Kannur University	30.09 Cr	Rs.18.73cr

2	Calicut University	33.75 Cr	Under appraisal.
3	Kerala University	30 Cr	Rs.28.21cr
4	MG University	32.26 Cr	Under Appraisal
5	CUSAT	31.17 Cr	Rs.30cr

The Government of Kerala is taking a significant step towards bridging the gap between academic research and market applications. A new initiative outlined in the 2022-23 budget speech allocates Rs. 200 crores through the Kerala Infrastructure Investment Fund Board for establishment of Translational Research Centres (TRCs) in all the ten State Universities.

The TRCs would provide necessary resources and infrastructure within the respective Universities, where the field would be open for all types of organisations to participate and input research efforts and transform the outcomes of such research ventures into commercial technologies and products for the masses. This strategic investment aims to position Universities as key drivers of local/regional economic growth and job creation through establishment of a vibrant ecosystem, where research and development (R&D) would thrive.

Translational Research Centres

Proposed TRC's	DPR cost	FS accorded (Rs)
Kannur University	22.96 Cr	Under Appraisal
APJKTU	21.91 Cr	12.95cr
Calicut University	23.40 Cr	Under Appraisal
Kerala University	25 Cr	24.64cr
MG University	25 Cr	Under Appraisal
CUSAT	25 Cr	Under Appraisal
KVASU	21.88 Cr	10.24cr
Kerala Agricultural University	23.49 Cr	Under Appraisal
Kerala University of Health Sciences	21.35 Cr	Under Appraisal
Kerala University of Fisheries & Ocean Studies	23.92 Cr	Under Appraisal

Government Launches Centres of Excellence (CoEs) for elevating research efforts.

The Government is into investing in academic research with Centres of Excellence (CoEs)

across the entire University landscape. The CoEs will be hubs for cutting-edge research in specific, focused areas such as Nanoscience, Astrophysics, and Neuroscience. Backed by Rs. 816.79 Crores (as announced in the Budget Speech 2023-24), CoEs aim to significantly elevate research standards and propel universities to become leaders in their respective fields.

Center of Excellence projects

Center of Excellence		
Name of University	AS Outlay	Status of FS
Setting up of Nanoscience & Nanotechnology at MG University	69.08 Cr	Under Appraisal
Setting up of CoE in Neurodegeneration and Brain Health at CUSAT	97.85 Cr	Under Appraisal
Thanu Padmanabhan Centre of Excellence in Astronomy and Astrophysics at Kerala University	57.112 Cr	DPR to be submitted

10. Thrissur Zoological Park

Thrissur Zoological Park is set to become India's inaugural designer zoo and is positioned as one of the largest zoos across Asia. It marks a significant milestone as the first zoo in the state to be constructed and overseen by the Kerala Forest and Wildlife Department.

The Thrissur Zoo, an integral part of the century-old State Museum and Zoo in Thrissur, is undergoing relocation to a vast Zoological Park spanning 340 acres in the Puthur forest, situated 12 kilometers away from Thrissur Town. The new facility aims to exhibit animals in spacious enclosures that adhere to the highest standards of safety, security, and ecological considerations for wildlife. Construction is near closure, on twenty-four special enclosures for animals, including three aviaries, spread across four kilometres in the foothills of three interconnected hills in Puthur village. The entire area is enclosed by a substantial boundary wall extending over three kilometres. The development includes expansive parking lots, a network of service roads, tram roads, visitor paths, a Zoo Hospital Complex equipped with modern facilities, an Entrance Plaza featuring an Orientation Centre, Cafeteria, tram stations, toilet blocks, among other amenities.



Fig 10.1 Aerial view of Puthur Zoological Park

11. Fencing - Man Animal Conflict in Forest

There has been alarming increase in human-wildlife conflicts at various forest locations of Kerala resulting in death, crop, and property damage cases in the recent year. The issue of human-wildlife conflict has been reviewed in many times. The main conflict being the one between the elephants in the wild and the inhabitants near the forest fringes. Crop damages and injuries have been on the rise in a day-by-day basis.

The project focuses on areas where human wildlife conflict is reported frequently. Solar Power Fencing is proposed to be carried out in five Forest Divisions viz. Punalur, Thenmala, Thiruvananthapuram, Mannarkkad, and Palakkad; Elephant proof wall in two Forest Divisions viz. Wayanad Wildlife Division and Palakkad; Rail fencing in one Forest Division viz. Wayanad Wildlife; Crash Guard Rope Fencing in four Divisions viz. South Wayanad, Wayanad Wildlife, North Wayanad and Nilambur South, voluntary relocation of willing people has been proposed under four Forest Divisions viz. Kannur, South Wayanad, Mannarkkad, and Thiruvananthapuram.

No	Components	Length	Amount
1	Solar Power Fencing	238.2 km	4.2876
2	Elephant Proof Wall	0.71 km	1.0240
3	Rail Fence	18 km	15
4	Crash Guard Rope Fencing	48 km	24
5	Relocation of Families	438 Families	65.7
Total			110.0116



Fig 11.1 Rail Fencing

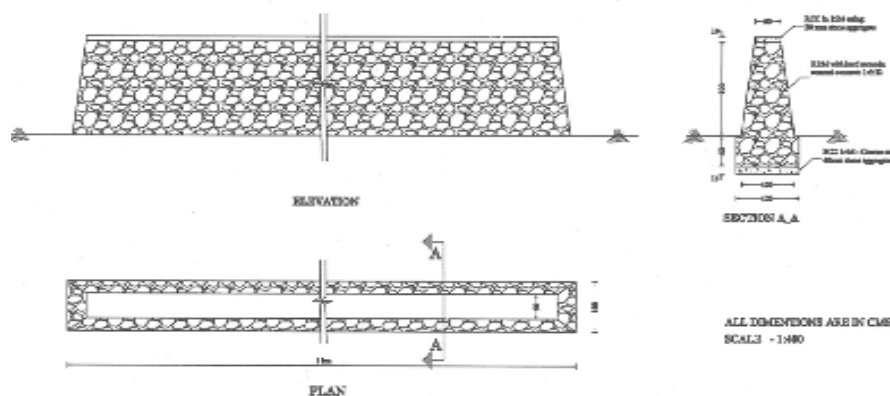


Fig 11.2 Elephant Proof Wall

Of these Elephant Proof Wall and Rail Fencing projects has been completed and the remaining components such as Solar Fencing, Crash Guard Rope Fencing and Voluntary Relocation of Families are under progress.

12. General Hospital, Ernakulam

General Hospital, Ernakulam is a prominent public hospital in the district, situated in the heart of Ernakulam City. It is the only NABH-Accredited General Hospital in the State with 783 beds, the hospital handles over 2500 outpatient visits daily. It offers advanced diagnostic services such as a Regional Diagnostic Lab, MRI, CT, and a Cath lab for Angiogram and Colour Doppler Study.

Upgrading the General Hospital in Ernakulam was crucial as it was operating at full capacity with its existing facilities, leading to a heavy reliance from the public. Space and infrastructure limitations restrict the number of outpatients for various specialties. The new Super Specialty Block with total built up area of 77,500 sqft with eight floors (G+7)

incorporating all the facilities meets the required standard dimensions. The Block features central air conditioning and a well-managed outpatient department, along with associated facilities. It is equipped with state-of-the-art operation theatres, diagnostic and therapeutic facilities, general wards, and pay wards. The construction project was successfully completed, and the Hospital was inaugurated on 21.02.2021.

1. KIIFB has approved the project for an amount of Rs. 65.22 Cr. with Rs. 21.19 crores allocated for medical equipment and furniture.
2. Implementing Agency/SPV – INKEL
3. Percentage Progress – 100% Completed.



Fig 12.1 GH Ernakulam – Elevation

Project Synopsis

Sl. No.	Description	
1	Built up area	77,500 sq.ft
2	No. of floors	8 (Ground + 7 floors)
3	No. of Operation Theatres	8 - Neurology, Nephrology, Paediatrics, Cardiology, Urology, Paediatric Surgery, Cardiothoracic
4	ICU beds & Ward beds	62 beds & 88 beds
5	Other facilities	Super speciality OPDs, Paywards, Cathlab, CSSD, Endoscopy, 1000 kVA power backup with 2 DG, rainwater harvesting system with a capacity of 50,000 litres



Fig 12.2 GH Ernakulam



Fig 12.3 GH Ernakulam -Reception and waiting area



Fig 12.4 GH Ernakulam - ICU & Labour room

13. Taluk Hospital Payyanur

The Taluk Hospital, Payyanur has transformed from an ordinary Government hospital to a facility comparable to any multi-specialty hospital in the state. This well-known hospital acts as a one-stop destination caring the patients from different parts of Kannur and is also a referral hospital for many PHCs and CHCs. The project is construction of a G+7 Main Block. It offers advanced services such as X-Ray, CT scan, PICU, MICU, NBSU, Labour Room, SICU, Microbiology Lab, Hematology Lab, Immunology Lab, Bio-Chemistry Lab, Tissue Processing Area Blood collection & Blood store and fully equipment wards. The construction of the Main building was successfully completed and inaugurated on 24-09-2023.

1. KIIFB has approved the project for an amount of Rs. 56.31 crores with Rs. 10.20 crores allocated for medical equipment and furniture and the SPV for the same is KMSCL.
2. Implementing Agency/SPV for Infrastructure works – HITES
3. Percentage Progress – 100% Completed.



Fig 13.1 TH Payyanur

Project Synopsis

Sl. No.	Description	
1	Built up area	7382 sqm
2	No. of floors	G+7
3	No. of Operation Theatres	5 - Gynaec OT, General Surgery OT Gynaecology OT, Orthopedics OT, Ophthalmology OT
4	ICU beds & Ward beds	278 beds
5	Other facilities	X-ray Unit, CT scan and specialized laboratories, Blood collection & Blood store, lift, STP, Rainwater harvesting tank, Sump & pump room, DG & Substation building



Fig 13.2 TH Payyanur - Elevation



Fig 13.3 TH Payyanur – Interior view

14. Construction of Regulator with Lock across Anjarakandy River at Parapram in Pinarai Panchayath, Kannur District

The proposal suggests constructing a new regulator upstream of the existing structure across the Anjarakandy River in the Pinarayi Panchayath to address the issue of saltwater intrusion into approximately 1200 acres of land spread across Pinarayi, Vengad, Anjarakandy, and Peralasserri villages, and to use the fresh water on upstream side of the regulator for irrigation. This project aims to utilize freshwater for irrigation and mitigate the acute drinking water scarcity faced by the region for about five months each year due to salinity intrusion. By preventing saltwater intrusion and providing reliable irrigation water, the proposed regulator would significantly benefit both agricultural productivity and the drinking water sector in the area, particularly during peak summer months.

The proposed site is located 2 km west of Pinarayi bazaar, accessible via the Pinarayi-Prapram road. The regulator is proposed to be 18.00 m U/S of existing regulator, 6 km from the river mouth, and highly susceptible to tidal variation. The proposed full storage height is 5.30 m in the lock portion, with a 90-100 m river width. The work consists of salt water exclusion Regulator of 98.60 m length with a foot bridge of 1.20 m width and a navigation lock of 14 m wide and 92.80 m long in the middle of river founded on open and bored cast in situ RCC pile, Solid and loose Apron below 2.20 meter from MSL, 6 vertical gates (three of 12X3 m size and three of 12X3.50 m size with electrically operated hoisting system, 8 Diamond lock gates of size 8.80mX5.15m with electrical operating system and lock chamber with its sill at 3.50 m below MSL, cut off wall in RCC wall and by driving hot rolled sheet piles 5.5m to 10.50 m long all-round apron, bank protection wall in concrete over pile foundation and in RR masonry over rubble dumped foundation and 4 sluices with FRP shutters on either bank of river, all electrification works, construction of DG room, approach road work with interlocking blocks, street light system and park. The work has been completed on 15-08-2023.

1. KIIFB has approved project for an amount of – Rs. 55.43 Cr.
2. Implementing Agency/SPV – Kerala Irrigation Infrastructure Development Corporation Ltd. (KIIDC)
3. Percentage Progress – 100% Completed.



Fig 14.1 Regulator cum Foot bridge with Navigation Lock at Anjarakandy

15. Construction of new 400kV Gas Insulated Substation at Kottayam

Kottayam is a major load center now fed by the 220kV Pallom substation and its associated substation at 110kV level and partly supported by 220kV Ambalamughal substation. Considering the load growth, the present feeding will not be enough. The project is executed to make the transmission system to handle the demand in full in N-1 condition and to reduce the losses in the transmission of power. The work is awarded for an amount of Rs.130.98 Cr. Total project Cost including 38.5 Cr. For land acquisition is 161.4 Crores. The project has been completed and substation energized on 17.08.2023.

The following are the two parts proposed in the project.

- a) Project A: 400kV substation with two 400/220kV, 315MVA Interconnection Transformers by Line in Line out arrangement of 400kV Thirunelveli- Pallikara PGCIL DC line. It is also a power highway for Koodamkulam power evacuation.
- b) Project B: 4 Numbers of 220kV transmission line are proposed for downstream evacuation of power from this substation bus as follows:
 - 1) 220kV Kottayam-Pallom and 220kV Kottayam-Ambalamugal lines by LILO of Pallom-Ambalamugal feeder at 220kV Kottayam bus.
 - 2) 220kV Kottayam -Ettumanoor and 220kV Kottayam-Eramallur double circuit lines by upgradation and LILO of existing 66kV Ettumanoor-Vaikom line to 220/110kV using the existing RoW.



Fig 15.1

16. West Coast Canal Waterways Project

The development of West Coast Canal from Kovalam to Bakel which stretches for about 616 km is a priority project of the Government of Kerala. The alignment is proposed along the west coast of Kerala connecting backwaters and rivers. The West Coast Canal starts from Kovalam in Thiruvananthapuram district and ends at Bakel of Kasaragodu district. Out of the 616km, the stretch from Kollam to Kozhikode (328Km) is declared as a National Water Way (NW-3) by the Government of India and is under the control of the Inland Waterway Authority of India. A balance portion of 288km is considered as State Water Way and is being maintained by State of Kerala (Inland Navigation Department). The West Coast Canal which connects Kovalam in the south and Neeleswaram in the north stretches for 590km including 43km uncut portions between Vadakara -Mahe and Mahe & Valapattanam. For extending the canal up to Bakel further by another 26km, (Total 616km), 6.5km need to be cut as a new portion. Moreover, the state has a good length of feeder canals (1200km) which also forms part of inland waterways. The development of Inland waterways can play an important role in the growth of the state's economy.

Inland waterways have played a crucial role in the transportation of men and materials in Kerala. But, due to the invention of faster modes of transport, waterways are now in a polluted and neglected condition. High proximity to the major tourist spots which are unique in Kerala reveals the feasibility of the project.

Kerala, often designated as God's Own Country, is a long strip of land between Arabian sea on West and Western Ghats on East. Inland navigation facilities in backwaters provides for a major chunk of tourism industry in this state and these water bodies were used for commercial Inland water transport since unknown past. These back waters were linked by artificial canals constructed along the West Coast and most of these canals were developed during the 19th century. Improvements in infrastructures in inland navigation sector is a thrust area need attention which in turn improve tourism sector, improve passenger transport, improve goods and cargo transport, improve state GDP and generate employment potential. Environmental regeneration of canals and surrounding eco system is another intangible benefit.

Realizing the need to develop the waterway with utmost priority, the SPV, Kerala Waterways and Infrastructure Limited (KWIL) was formed by the Government for the development of waterways in Kerala.

Hence, promoting the IWT sector to divert a reasonable share of traffic is needed. Development of waterways has several advantages namely sustainable means of transport, better mechanism for flood control, preservation of ecosystem, enhancing the recreational activities and tourism potential of the region, besides decongestion of heavily trafficked corridors in the city.

The master plan for development of waterways in Kerala provides a framework for the development of waterways based on Government of Kerala's top priority for the development of Kovalam- Bakel stretch of West Coast Canal (616 km).

Development of following WCC Reaches is intended to develop under KIIFB funding.

1. Reach 1 (Akkulam- Kovalam): KIIFB approved Rs.124.74 Cr amount for Land Acquisition. Land Acquisition is progressing.
2. Reach 9 (Kallai to Eranhikkal): DPR under preparation.
3. Reach 11 (Mahe to Valappattanam): KIIFB approved Rs.650.50 Cr amount for Land Acquisition part. Land Acquisition is progressing.
4. Reach 13 (Neeleswaram- Bekal): KIIFB approved Rs. 178.15 Cr amount for Land Acquisition part. Land Acquisition is progressing.

The rehabilitation project affected people from Akkulam to Varkala in Reach 2 is also funded by KIIFB. Rehabilitation of people is progressing.

Economic Development Opportunities

Inland waterways have not been utilized to their full potential despite the fact that there are benefits over traditional road and rail transport network in terms of cost, infrastructure overloading, congestion, noise, and air pollution. The proposed study shall assess Economic Development Opportunities (EDOs) for the integrated development of economy along WCC, thereby transforming WCC into an economic and trade corridor of Kerala. The proposed study would be undertaken for each section of the canal so that inherent socio-economic development opportunities are explored and assessed. The appointed Consultant shall identify all thrust sectors and associated EDOs in the Influence Area of allocated section of waterway for exploring revenue opportunities which have strong economic linkages with the proposed WCC.

A project will be formulated aiming to transform the west coast canal into an economic corridor of Kerala. Through this, development opportunities will be created in sectors like industry, renewable energy, transport, tourism, trade and agriculture. Land for various developmental activities along the waterways will be made available to the investors on the basis of the State's PPP policy. A total amount of Rs.300 Cr is earmarked for undertaking this project using the pooled fund under KIIFB.

For the purpose of this study, Influence Area of WCC is defined as the area which falls between WCC and a line drawn parallel to the alignment of WCC 3-7 kms apart on both sides.

KWIL has entrusted agencies for the work of Concept Planning for Transit Oriented Development along the West Coast Canal and Assessment of Economic Development Opportunities for the stretches -2, 3, 4, 5, 6 and 8. Study report of reach 2 and stretch 8 are

completed.

Based on the master plan, various opportunities identified by the agencies. A total of 3047 Ares of land was identified at Reach 2 and 5927.90 Ares of land identified at Reach 8. Out of the total identified land, financial sanction for the acquisition of 1511.50 Ares land in Reach 2 and 1756.90 Ares of land in reach 8 given by KIIFB after the approval of 47th board of KIIFB. The amount sanctioned for land acquisition and Master plan preparation of all the reaches is Rs. 105.73 Cr.

One of the EDOs identified in stretch 2 is the Varkala Canal (including the historic chilakkoor tunnel between Arivalam and Thottilpalam) and it was proposed to develop it as a premium tourist destination. The 24th EC of KIIFB has approved the project 'Construction of walkways, canal beautification, and landscaping of the canal banks between Arivalam and Thottilpalam in Varkala' for an outlay of Rs. 24.98 crores. The work is tendered.

Successful implementation of the potential EDOs identified during the study will help the State in showcasing it as an investor friendly state and to attract more investors to our State.

17. Construction of Revenue Tower at Mattannur in Kannur District

The Government has announced the construction of Revenue towers across the state with KIIFB assistance. The Mini Civil Station/Revenue Tower Projects are intended for housing the various offices, such as Government offices/Public Sector Undertakings presently functioning in rented buildings, under one roof for the convenience of public. The Kerala State Housing Board, being a statutory body and the premier housing agency of the Government had so far implemented six Revenue Tower projects, has been engaged as the Special Purpose Vehicle for implementing the project.

Accordingly, it was decided to construct a Revenue Tower at Mattannur in Kannur District. The project consists of the construction of one main building, a Revenue Tower and a three-storied building for accommodating canteen and guest house. The main revenue Tower building that is presently proposed is an eight storied structure having a total plinth area of 9300 sqm.

A mini civil station is proposed for housing office of Special Tahsildar-LA, Excise circle office, AEO office, KSEBL Electrical section, AE office, SRO, ICDS Iritty, Town Employment Exchange, Legal Metrology Office, and Judicial Sitting Room.

The ground floor of the Main Block is intended as parking area for cars and two wheelers. Ground floor of the canteen block consists of Dining area, Kitchen, Staff rest room and in first and second floor guest house is proposed. The facilities for differently abled and elderly people are provided in each block as per the standards.

The Financial Sanction accorded by KIIFB for the project is Rs.22.53 Crore. Physical progress is 85% and expected to be completed by September 2024.



Fig 17.1 Revenue Tower at Mattannur

18. Construction of Mini Civil Station at Vellarikkund in Kasaragod District

The Mini Civil station comprises of four floors (4 storied) with plinth area of 3615.78 sqm and a Canteen block in two floors (2 storied) with a plinth area of 440.86 sqm.

The Ground Floor of Main Block (Plinth area is 472.41 sqm) is intended as a parking area for cars and two wheelers. The First Floor (Plinth area is 789.12 Sqm) is intended to accommodate Computer Server Room, Video Conference Hall, General Conference Hall, Taluk Industries Office, Taluk Statistical Office, Taluk Supply Office, Taluk Legal Metrological Office, Labour Office, Investigator's Room, Dining Hall for Ladies & Gents, and toilets for Ladies & Gents.

The Second Floor (Plinth area is 931.50 Sqm) is intended to accommodate Election Wing Room, Clerk's Room, Lobby & visitor's area, Conference Halls (30-seater & 15-seater), Taluk Office, Record Room, Dining Halls for Ladies & Gents, Toilets for Ladies & Gents.

The Third Floor (Plinth area is 1263.28 Sqm) is intended to accommodate Joint Regional Transport Office, PWD Office, Other Office Space, Town Employment Office, Soil Conservation Office, Lobby & Visitor's area, Record Room, Electrical Room, Dining Halls for Ladies & Gents, Toilets for Ladies & Gents.

The Financial Sanction accorded by KIIFB for the project is Rs.10.08 crore. The works of the Mini Civil station have been completed and has started functioning.

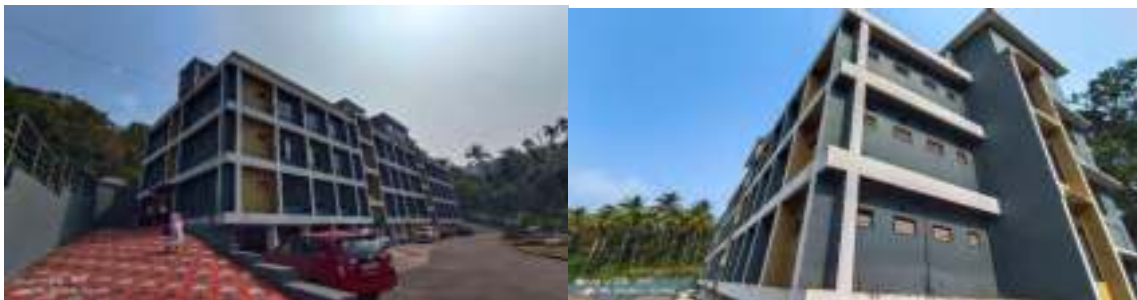


Fig 18.1 Mini Civil Station at Vellarikkund

19. Construction of IT Building at Technocity

The construction of IT building at the Technocity campus, Thiruvananthapuram under E&IT dept is one of the prestigious projects funded by KIIFB. The building has B+G+2 floors having a total built-up area of 2 lakh sqft constructed following the green building norms. A cafeteria building is also constructed near the IT building for housing food court. M/s Kerala State IT Infrastructure Ltd- KSITIL is the designated SPV for the project.

The first floor in the IT building at Technocity has been converted into 29 Smart Business Centres as per the requirement of M/s Technopark. These are partitioned spaces in which interior furnishing has been done with the number of seats varying from 10 to 29. This work includes the interior partitions, flooring, false ceiling, HVAC, lighting works etc. The total outlay sanctioned for the project is Rs.100 crore and the work has been completed.



Fig 19.1 IT Building at Technocity

20. Technology Innovation Zone Project, Kochi

Kerala Technology Innovation Zone, a worldwide innovation incubator hub unifying multiple technology sectors under one roof, is being established by the Kerala Government. The zone will develop top-notch infrastructural facilities to support domestic businesses and help multi-sector technology incubators launch and build their start-ups. The Kerala Technology Innovation Zone is meant to serve as a one-stop shop for technology innovation, offering mentorship for establishing a profitable business, idea consolidation, incubation, acceleration, and even a phalanx of angel investors prepared to fund a viable concept. Serving as a self-sufficient ecosystem, the TIZ promotes the interests of aspiring young innovators and business owners. Furthermore, TIZ will house a wide range of industries in a single physical site. This will promote collaboration across sectors, which may result in creative new products that serve the public interest.

TIZ-2 envisages that each sector such as ICT, Electronics, IoT, Robotics, Biotech and other vibrant industries, will be a separate incubator vertical, with a dedicated infrastructure and support system from KSUM for itself. Additionally, distinct research facilities for several industries will be housed in the zone. The 13.2 acres of land in KINFRA Hitech Park in Kalamassery are being developed into the Kerala Technology Innovation Zone (KTIZ). The Zone is made up of constructed start-up modules, luxurious fabrication labs, R&D lab facilities, commercial office spaces, SOHOs, malls, and dorms, among other things.

The Technology Innovation Zone Project consists of multiple buildings in which Building 1 of built-up area 2.07 lakh Sq. ft and Building 2 of 43,000 Sq. ft are being done with KIIFB funding and has been entrusted with M/s KSITIL for implementation for a total outlay of Rs.251.13 cr.

Physical Progress

- TIZ building 1- 70%.
- TIZ building 2- 55%.

Proposed date of completion

- TIZ building 1- 30/06/2024.
- TIZ building 2- 31/12/2024.





Fig 19.2 Technology Innovation Zone Building 1 at Kochi Innovation Zone

21. Modernizing Water Transport in Alappuzha Canals

The canals crisscrossing Alappuzha town were constructed with the major objective of providing water-transport. Due to negligence, the canals have become non-operational and are highly contaminated.

The Alappuzha town canal system comprises 9 main canals & 104 link canals. The main canals are Vada canal, Commercial canal, Western junction canal, Alappuzha-Ambalappuzha Canal, East junction canal, Murinjapuzha canal, Alappuzha-Cherthala canal, Upputti canal, and Kottaram thodu.

The canals of Alappuzha Town are blocked at several locations due to slit accumulation and waste dumping. Hence, for making water transport facilities through the canal network, cleaning and desilting is a necessity. The need for implementing the project is for ensuring navigability, water Quality Improvement, maintaining continuous flow in canals and low salinity levels for facilitating crop cultivation and an added feature of cultural heritage development.

The project is proposed to be executed in two phases:

Alappuzha Canal Phase I:

Phase 1 of the project includes:

- Cleaning, deepening, and strengthening the banks of canal after dewatering through construction of temporary bunds at regular intervals across 9 major canals and 2 sub-canals (23.00 km) namely Vadai canal, Commercial Canal, East Junction Canal, West Junction Canal, Murinjapuzha Canal, Uppotti Canal, Kottaram Thodu, Ambalappuzha Canal, A.S Canal, Kavil Thodu (Sub canal), Shadhamani Thodu (Sub canal).
- Demolition of earthen bunds across A.S canal and replacing with box culverts (9 nos.)
- Supply of Weed Harvester for removing water Hyacinth and other water weeds from the canals.
- Strengthening of banks of A.S canal and sub canal using coir geo-textiles.

Alappuzha Canal Phase II:

Phase 2 of the project includes:

- Improvements to sub canals and balance protection works to the main canals in Alappuzha town.
- Demolition and Construction of single box Culvert (2 nos) on AS canal.
- Improvements of Kappithodu in Ambalappuzha L.A Constituency at Ambalappuzha South and North Panchayath.
- Improvements of AS canal (balance portion) and Madayanthodu.

Implementing Agency/SPV: - KIIDC

Financial Sanction - Rs.96.51 Crores for Phase I and Phase II together

Physical Progress

Phase I- 100%.

Phase II- 36%.



Fig 21.1 Phase I canal cleaning



Fig 21.2 Phase II canal cleaning

COMPLETED KIIFB PROJECTS

SL. No	Department	No of Sub Projects/Components Completed	Fund sanctioned by KIIFB (in Rs. Cr)
1	Ayush	Land Acquisition for IRIA Phase II	₹ 114.00
2	Cultural Affairs Department	1. Sree Narayana Guru cultural complexes in Kollam 2. Land Accusation for Lalithambika Antharjanam Cultural Complex at Kottayam	₹ 63.36
3	Fisheries Department	Fishing Harbour at 2 locations and 24 fisheries schools	₹ 37.50
4	Forest & Wildlife Department	Man-Animal Conflict: Fencing completed in 35 locations. Thrissur zoological park: 2 components completed	₹ 158.40
5	General Education Department	468 School buildings, 44705 Hitech classrooms, 11257 Hitech Labs <i>(as clustered in 115 Sub projects out of 143 Subprojects)</i>	₹ 2,112.23
6	Health & Family Welfare Department	GMC Thiruvananthapuram, Taluk Hospital-Punalur, 2 General Hospital (Ernakulam & Alappuzha), 43 Dialysis Centres, 7 CCU and 8 Cathlabs	₹ 391.07
7	Higher Education Department	28 College buildings in various locations	₹ 237.04
8	IT Department	Construction of IT Building at Technocity (2 lakh sq.ft)	₹ 100.00
9	Industries Department	1. Land Acquisition for Petrochemical Park 2. Development of Industrial Park by takeover of land from M/S Hindustan Newsprint Ltd-Land Acquisition and Development Works 3. Bio 360 Life Science Park - Phase II Land Acquisition	₹ 1,479.23
10	Public Works Department	73 Roads/Bridges projects	₹ 2,692.71
11	Labour & Skills Department	Upgradation of Govt. ITIs in Kerala on 4 locations	₹ 29.23
12	PWD-NHAI	National highway land acquisition (NH66)	₹ 5,580.74
13	Power Department	GIS PACKAGE-II Upgradation of 110kV Substation to 220kV Gas Insulated Substation	₹ 224.82

14	Registration Department	43 Sub Registrar Offices clustered in 7 subprojects	₹ 57.58
15	Revenue Department	1 Mini civil station (Construction of Mini Civil station, Vellarikundu)	₹ 10.09
16	SC/ST Development Department	Pre-Metric Hostels, ITIs, Model Residential School Buildings (17 Nos)	₹ 99.76
17	Sports & Youth Affairs Department	11 Stadiums include Sports facilities and synthetic tracks	₹ 119.40
18	Tourism Department	5 components in Alappuzha heritage project	₹ 15.15
19	Water Resources Department	1. 27 WSS Projects including transmission lines implementation at various locations 2. 3 Regulator Cum Bridge Projects at various locations 3. Reformation of damaged sunken sea wall and Construction of groyne field project at Chellanam -Phase 1	₹ 1,308.47
Total			₹ 14,830.76

4.3 KEY ACTIVITIES OF INSPECTION AUTHORITY (Administrative)

The Administrative Inspection Wing (AIW) conducts inspections in the offices of various Special Purpose Vehicles (SPVs). During the inspection the tender documents, work awarding details, bill processing details etc. are verified. During the inspection the physical progress of the work and the availability of technical personnel in field will be assessed. The deviations/irregularities/slackness etc. detected on execution, operation and management of projects and suggestions thereon are being intimated periodically to the Special Purpose Vehicles/ Administrative Departments as well as the Technical Inspection Wing/Project Appraisal Division /Finance & Administration Division of KIIFB. The SPVs are now convinced of the necessity of the compliance of KIIFB guidelines as well as the prevailing Rules/ Codes due to repeated instructions and by the firm stand taken by AIW against deviations/violation of approved principles.

The AIW is also verifying all the Contract Documents in PFMS. As per the ‘Contract File Approval’ process, SPVs must upload the project documents from Tripartite Agreement, Technical Sanction and tender publication to site hand over details in the Contract File. The SPVs are asked to rectify the procedure lapses, omissions, non- compliance of Rules, Codes and Guidelines and to correct the defective and in-complete document, if any, found on scrutiny. The Contract File is approved and locked as and when all the required documents are uploaded after completing necessary formalities as per the guidelines in force. The firm and stringent stands taken by AIW on the compliance of KIIFB guidelines as well as the prevailing Rules/ Codes the SPVs have tremendously helped to maintain standardized process in the implementation of KIIFB Projects and to avoid violations of approved principles. During the period from 01.04.2023 to 31.03.2024, AIW has received 514 new contract files in PFMS for approval and 480 were approved. A total of 2130 Contract Files were received for re-confirmation and all of them have been reconfirmed. During the period 57 numbers of inspections were conducted. A total of 537 Bill Files were scrutinized and remarks offered.

Summary of Action Taken during the period from April 2023 to March 2024.

Number of New Contract Files received	514
Number of New Contract Files approved	480
Number of re-confirmation file received and duly approved	2130
Number of Inspections conducted in Project sites & Offices of SPVs	57
Number of bill files scrutinized and remarks offered	537

AIW The Administrative Inspection Wing also inspects various project sites to verify the status of the projects and to ensure the availability of Technical Personnel in the ongoing work sites in addition to the inspections in the offices of SPVs. During the period from 01.04.2023 to 31.03.2024, inspections were conducted in 35 project Sites for the assessment of availability of Technical Personnel and the physical progress of the projects and 22 office visits were also conducted for verification of projects related files. AIW has also conducted inspections in KWA, KSFDC and KILA to examine the pendency in submission of final bills of completed projects. AIW also conducted an inspection on the completed projects of various departments to see whether the completed structures are put in use. Inspections were also conducted to examine the utilization of Mobilization Advance sanctioned to NBCC for Sabarimala Edathavalam Project and at KMSCL regarding the procurement of medical equipment and furniture for various hospitals. An inspection was also conducted on the utilization of procured equipment (weed harvester) by KIIDC and various equipment and furniture used by various hospitals.

4.4 KEY ACTIVITIES OF INSPECTION AUTHORITY (Technical)

The Inspection Authority (Technical) is responsible for examining the technical aspects and providing technical services related to infrastructure projects funded by KIIFB. The functions can be broadly classified into five areas viz.

- (1) Technical Examination & Quality Monitoring
- (2) Internal Process Advisory Support
- (3) Technical Support Services
- (4) Information Management Services
- (5) Capacity Building Services.

Various actions taken and activities carried out during 2023-2024 under the above five umbrellas are summarised below:

4.4.1 Technical Examination & Quality Monitoring

Technical wing of Inspection Authority conducts intensive technical examinations and inspections to evaluate the design, engineering, contractual and quality aspects of projects during planning and implementation. Necessary corrective actions are proposed based on the design, input materials, construction process and works procedures after conducting project specific evaluations. The physical progress is evaluated to analyse the lapses from SPV and contractor's side to take corrective actions in a time bound manner. Regular inspections are conducted to assess the functioning of Quality Management practices followed by SPV's to ensure that durable and functionally efficient infrastructure facilities are built by strictly adhering to public works norms, good engineering practices and quality standards. The inspections also focus on correctness of measurement, accuracy of billing and other payment related aspect to ensure that no construction contractors obtain an undue advantage.

During this period, Inspection authority (Technical) has conducted 2069 inspections, issued 45 Field Observation sheets, 1126 Observation Memos, 742 Technical Observation Note and submitted 20 Inquiry/Inspection Reports to government. Closure Report has also been issued to 982 OM's during this period. The details are as below:

Department	No. of Inspections	No: of FOS issued	No: of TON issued	No: of OM's issued	No: of OM's closed	No: of IR issued
Transportation	463	16	190	229	254	14
Bridges and Elevated Structures	172	23	22	111	83	0
General Civil Works	909	6	314	400	348	5

Electromechanical	525	0	216	386	297	1
Total	2069	45	742	1126	982	20

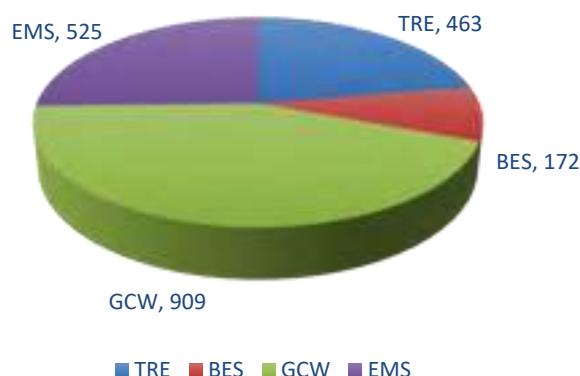
FOS - Field Observation Sheet

TON - Technical Observation Note

OM - Observation Memo

IR - Inspection/Inquiry Report

INSPECTION CONDUCTED DURING 2023-2024



Scrutiny of 83 selected paid bills of various SPVs were also carried out during this period and the report on same has been submitted for necessary action by concerned.

Mobile Quality Management Unit (KIIFB Auto Lab)

KIIFB QA/QC team ensures to give technical support in the quality relative aspects of projects from initial phase itself; also facilitates timely identification of flaws in construction and intimate the respective teams in TIW. Team make use of Autolab (Vehicle furnished with most advanced equipments) - lab on wheels for effective handling of site inspections including sample collections and site level investigations.

Autolab has conducted a total of 241 inspections during the period 01.04.2023 to 31.03.2024 including 183 number of Routine Inspections, (86-TRE routine inspection, 83 GCW Routine inspection, 14 BES Routine inspection), 12 number of Falling weight deflectometer test (6 third part works), 32 roughness test and traffic volume surveys for 10 road stretches.



Autolab



FWD Test at Peerumedu Devikulam Road



DCPT Test at Vazhimukku- Kaliyikkavila Road



Asphalt Density Guage Tester at Perambra Bypass



Rebar locator and Rebound Hammer Test at Thanur Stadium



Ultrasonic Pulse Velocity (UPV) Test at Moollethara Canal, Palakkkad



Field Dry Density (FDD) Test in shoulder



Full Depth Reclamation (FDR) UCS
Casting at Pathanapuram-Enath Road



Core Cutting and thickness check at Mananthavady- Kaithakkal Road



Asphalt Mixing Plant Inspection and Temperature check at Anamala – Chalakkudy Road

Central testing lab

Central testing lab at KIIFB Head Quarters conducted quality tests on samples collected from various sites during inspections apart from testing at network labs.

Quality/Progress monitoring studio

Quality monitoring studio in KIIFB HQ visually monitor the field level operations during site inspections and assess the quality and physical progress of works. Technical support to field level inspection engineers is also given from this studio if expert opinion is required from Senior officials. During this period videos of 497 inspections and 151 quality testing were transmitted directly from sites which are recorded and tagged.

Technical review support

Technical Resource Centre continued to support projects with a view to facilitate its implementation based on updated site conditions, within the budgeted cost and complying with safety and quality requirements. Supports were provided to projects that required assistance at various stages as noted below.

- i) Project development support
- ii) Technical review and support for preparation of project execution documents (PED)
- iii) Review of PEDs

The type of projects supported include hill highways, state highways, major district roads, roads implemented under FDR, grade separated junctions, junction improvements, etc.

Technical review and support for road projects include horizontal and vertical alignment, land acquisition, road safety, hydrology, pavement, utility impacts, cost, constructability etc.

Support services are provided by an experienced multidisciplinary team with assistance from specialist project advisors.

KIIFB - TRC undertakes projects for review during each stage prior to fund release like concept stage or under appraisal, Technical or Design review stage for approval and then prior to Project Execution Stage. All the review activities are based on the Codes & Standards, i.e., Indian codal references or Local guidelines.

A project is reviewed based on DPR/ DAR, design basis report, Soil Investigation report, Architectural, Structural & MEP drawings and analysis model received from SPV and is primarily aimed for improving the overall functionality, compliance to byelaws, sustainability, and structural optimization. The review report highlights the possibility in design optimization, errors or omissions in design assumptions, sustainability and functionality improvements.



Independent quality audit

In order to strengthen the quality management system of all SPVs and to help them to follow a comprehensive check on all quality related aspects, audit by an independent agency is essential. This will help in timely identification of flaws in construction process and ensure the correctness of process and procedure in implementation of public works. Accordingly, third party quality audit process was made mandatory in all KIIFB projects as per the decision of the 38th GB of KIIFB. Further to the above decision, M/s RITES Ltd, (a Government of India enterprise), a multi-disciplinary consultancy organization in the fields of transport, infrastructure and related technologies was designated as the agency for conducting Independent Quality Audit for all KIIFB Projects. In this report period, projects costing approximately 2163.52 Crores has been assigned to M/s RITES for conducting IQA which started from 01.04.2023. This includes 27 transportation projects costing 1118.15 Crores and 24 non-transport projects costing 1045.37 Crores. Transportation projects costing less than 20 Crores and non-transportation projects costing less than 10Crore have been assigned to the Quality Audit Cell (QAC) under Technical Resource Centre (TRC) of KIIFB.



Introduction of PMC agency

In order to ensure completion of projects assigned to SPVs by confirming the standards stipulated by KIIFB, it was approved in the 40th GB to introduce Project Management Consultancy in KIIFB projects. Category of PMC agency shall be:

- Central Public Sector enterprises

- Accredited agencies in PMC category belonging to approved list issued by GoK.
- Reputed Project Management Consultants selected through competitive bidding.

Accordingly, M/S RITES, a public sector enterprise, is appointed as PMC agency for Transportation projects above 20 Cr and GCW above 10Cr. Accordingly 27 projects costing Rs. 1385 Crores under transportation sector was allotted to RITES for PMC services during this period.

The selection of Government of Kerala accredited agencies for the PMC services are completed and M/s HABITAT Technologies have been selected as PMC in building projects. 18 Projects costing 365 Crores is allotted to M/s HABITAT for PMC services.

K-Rail has been appointed as PMC agency for transport sector projects under KRFB and KMRL. A tripartite agreement has been executed with KRFB, K-Rail and KIIFB.

A tripartite agreement was executed between KMRL, RITES and KIIFB engaging RITES as PMC agency for bridges projects under KMRL.

4.4.2 Internal Process Advisory Support

One of the major functions of TIW is to provide Technical Advisory Service to other KIIFB divisions as well as SPV whenever cases requiring such services are referred to. Technical advisory services in respect of (1) Fund release advise (2) TS Advice (3) Deviation/Variation in contracts (4) Court cases (5) RTI support (6) Design Advisory (7) Miscellaneous Advisory are usually carried out by Technical Inspection Wing.

The Technical inspection wing support the scrutiny of designs & schemes if any cases referred from other departments. Also provide advisory services with a value for money perspective and ensure that principles of public work system are strictly followed with regard to:

- Functional Design vs Sectoral Standards
- Cost rationalization by reviewing scope, standard and specification.
- Review of Engineering Design & Value Engineering options
- Innovative options through introduction of new materials, process, and technologies
- Use of advanced tools for design optimization

Major interventions during this period are:



Suspension of work

Directions were given to concerned SPVs for suspension of work in 5 projects based on the observations of Technical Inspection Wing. The reason for suspension includes low progress and substandard quality in the works which were informed in advance to SPVs through various Field Observation sheets (FOS), Technical Observation Note (TON), Observation Memos (OMs) and Inspection/ Inquiry reports. Some SPVs have complied the directions and submitted detailed action plans along with documents sought by KIIFB for considering revocation of suspension. Accordingly, instruction for revoking of suspension with conditions were issued for 3 projects out of 5 suspended projects. In order to closely monitor the compliance of directions and progress of works after the issue of notice on revocation, regular intensive inspection of all the 2 works are conducted once in two weeks and status reports were presented to competent authority regularly.



Centage deduction for non-deployment of required technical personnel in KIIFB funded projects.

KIIFB has formulated the criteria for technical staff requirement based on the project value by adopting the principles of best engineering practices and referring to the requirements stipulated by various governmental departments. Directions were issued to all Administrative Departments & SPVs to ensure the deployment of technical personnel as per the criteria given by KIIFB. In order to ensure the compliance of stipulations as per the guidelines issued and to provide a penal provision for noncompliance, the proposal to reduce the centage by an amount calculated on the factored portion of eligible centage based on the inputs from the inspection authority has been implemented as approved by KIIF Board.



Performance Evaluation of SPVs

39th meeting of the KIIF Board has authorized CEO to carry out half yearly evaluation on performance of the SPVs in project implementation w.e.f July 01, 2020, using the structured template approved by Board. Accordingly, the performance review of SPVs has been conducted upto the period from 01.01.2023 to 30.06.2023. The report has been prepared after analysing the capacity of all SPVs on various managerial and professional parameters as per the template approved by the KIIF Board. The report up to the period from 01.07.2022 to

31.12.2022 has been shared with FTAC, KIIFB Board/EC and to respective departments and SPVs. The 5th report for the period 01.01.2023 to 30.06.2023 is completed.

4.4.3 Technical Support Services

Following were the major initiatives under this head during this period:

- **Project Development Support Services**
- **Project Engineering Support Services**
- **Project Execution Support Services**
- **Organisational & Process Support to SPVs**
- **Technical Consultancy Services**

Following various cells under Technical Resource Centre extend supports to SPVs in the above areas.

1. BIM/Virtual Design Cell (VDC)

Modern Infrastructure Management requires creation of a digital replica of project to be constructed, in the planning stage itself. Modelling skills in areas relating to BIM / VDC unit need to be acquired by all practicing professionals in Infrastructure sector. In order to equip the SPV professionals with the above techniques necessary support are provided from this unit. BIM based modelling with Specification, Schedule and cost integration in 5D mode is proposed to be introduced in all major identified projects in KIIFB for monitoring, controlling, inspection planning, bill checking, and post completion asset management activities.

BIM would act as an instrumental tool for an agency like KIIFB to effectively monitor and inspect the project progress and quantify the visual progress to a cost-based valuation. Therefore, KIIFB envisages to use BIM as a comprehensive process for design development and project management, collaborating with all other stakeholders of the project to create a Virtual Design & Construction Model.

During this period, Virtual Design Cell has completed LOD 300 Level Detailing for 25 Projects, 2D layout preparation from BIM for 14 Projects and supported TIW in design review for 4 Projects.

2. Project Support cell (Transportation, Building, Electromechanical)

Project Support Cell is an important technical advisory initiative taken to do the technical review and PED preparation for projects under various stages viz Under Appraisal Projects, TS awaiting Projects, TS Issued & Work Not Awarded Projects, Work Awarded/ Just Started Projects under Transportation & Non-Transportation Sector. Major support areas are surveys and investigations.

Project Support Cell (Transportation) - Technical review and support of road projects included surveys and investigations, road design -horizontal and vertical alignment, land acquisition limits, intersection improvements, road safety, pavement, utility impacts, cost, constructability, etc. The support extends to Hill highways, Major district roads, and projects selected for implementation under Full Depth Reclamation method.

About 19 road projects in the above categories were supported during this period. In addition to these, another 20 projects were supported through NATPAC.

Project Support Cell (Buildings and Electromechanical Services) – Review or design support to SPV is initiated to ascertain design adequacy of the structure, compliance to codal provisions, identify service-related clashes or functionality issues and availability of detailed GFC drawings as per standards, thereby ensuring safety and economy of project. Review may be undertaken during any of the following four stages:

- (i) DPR stage / under appraisal
- (ii) Projects for which sanction has been issued by KIIFB and TS is yet to be issued
- (iii) Approved Projects for which TS has been issued by SPV and works not awarded
- (iv) Works awarded and ongoing

The various types of projects that were reviewed by the team includes buildings for educational (schools, colleges etc)/ institutional (hospitals) purposes, office/ market buildings, theatre complexes, stadia, water supply projects including schemes for supply, maintenance & conveyance of drinking water & overhead reservoirs, etc.

The team has performed design review of around 70 projects and review of around 410 PED projects during the period. The timely intervention of the team has helped SPVs to achieve a

safe & optimised design and also indirectly helped to avoid cost escalation due to delay in project implementation.

A few major projects for which design support was extended are given below:

1. Kadakkal Fish Market
2. Anchal Fish Market
3. Punalur Fish Market
4. Nedumangad Market
5. Erattupetta Municipality
6. Valanchery Municipality
7. DH, Kollam
8. Digital Science Park
9. Blesson George Indoor Stadium, Pathanamthitta
10. Pandalam Municipal Office
11. Athani market in Wadakkanchery
12. Feroke Municipal Office
13. Ottupara Fish Market, Wadakkancherry
14. Kottakkal Market
15. Koothattukulam Municipal Office
16. School buildings for KILA

3. Quality Audit Cell (QAC)

Implementation of quality management systems in SPVs is an essential prerequisite for successful completion of projects. Quality audit is a tool for analysing the level on compliance of requirements of quality management system. Being a new skill, SPVs are to be equipped with adequate technical capability in handling the quality audit process in project execution. The introduction of Independent Quality Audit (IQA) process in all packages approved by KIIFB through auditors empanelled/ approved by KIIFB is done through Quality Audit Cell. Third party quality audit process as a mandatory one for releasing payments against payment milestones exceeding 40 %, 80% and 100% value in all packages approved by KIIFB.

During this period, Quality Audit Cell has prepared various check lists such as DPR, Design, Procedure & Implementation by taking necessary inputs and suggestions from TIW Officers.

The cell has also supported TIW for various activities such as data collection from SPVs, procurement of equipment, Project Awareness Events, Auto lab inspection, sampling, testing & report preparation, drone survey etc.

4. Sustainability Support Cell (SSC)

A sustainability support cell has been created in TRC to assist KIIFB divisions and SPVs by providing necessary technical inputs for implementing sustainable infrastructure technology option in different sectors. Major works of SSC during this period are creation of Sustainable Infrastructure Management (SIM) framework for KIIFB, work on compliance of Masala Bond covenants, Assistance to F & A for a proposal to float Green Bonds, Specific project level studies and Documentation etc. SSC team involved in Design Review Process and provides support for ESG division under KIIFB

Major interventions during this period are:

Implementation of alternate technology

Vide GO under reference, government had issued orders for implementation of alternate technology options in KIIFB road works. Accordingly, rate analysis for 6 alternate technologies has been prepared with data from DSR & MORTH and inputs from advisory committee, viz, (i) Geo cells & Geogrids (ii) Full Depth Reclamation (FDR) (iii) Micro surfacing (iv) Segmental Blocks (v) Soil Nailing (vi) Hydroseeding.

As an initial step, Full Depth Reclamation (FDR), which is one of the alternate technologies suggested, was proposed to be undertaken as separate package in roads falling under various divisions of KRFB.

29 roads across various divisions of KRFB was identified to be constructed using FDR technology. Contract awarded for Trivandrum (5 roads) and Kollam (4 roads) divisions.

Road safety Audit

NATPAC is appointed as third party for conducting Road Safety Audit of those road projects which are nearing completion. NATPAC has completed Road Safety Audit (RSA) for 26 roads for a total length of 331.08 kms and findings submitted to SPV.



Isolation blocks

In view of the Covid pandemic it was decided to set up 10 bedded Isolation wards for contagious diseases in 140 LAC using pre-engineered technology. KMSCL was appointed as Special Purpose Vehicle for the project, and it was decided that KIIFB shall place a team of engineers as a Technical Support Unit in KMSCL through its technical resource centre for supervision and monitoring.

The Steering Committee of Government of Kerala approved the amount of Rs:1,24,95,829/- (Rupees One Crore Twenty-Four Lakhs Ninety-Five Thousand Eight Hundred and Twenty Nine only)- in principle for one location. During the report period 50 Isolation blocks have been completed and handed over and other 32 projects are under various stages of construction.



Consultancy Services

As per the 42nd Board approval of setting up consultancy service in KIIFB and as per the proceedings dated 08.10.2021 it was decided to set up a functional organization for consultancy services at KIIFB as KIIFB Consultancy Services Unit. KIIFCON Pvt Ltd, a subsidiary of KIIFB was incorporated on 17th August 2022 to take up the consultancy activities in the field of transportation, power, ports etc. KIIFB's new step is to create a sustainable and innovative solutions and operate globally as professional consulting engineers. KIIFB Consultancy Services offers Consulting & Advisory Services, Design & Engineering services, Project & Contract Management, Quality Management services, Transaction Advisory Services, Environment Services to various sectors including Transportation, Buildings, Power, Energy etc. KIIFB Consultancy Services would offer comprehensive solutions to the Engineering Industry in Kerala. KIIFB Technical Consultancy Services Unit concentrates in three different fields.

1. Project Development Services
2. Project Engineering Services
3. Project Execution Services.

Following are the projects currently executing by KIIFCON:

1. Project Management Consultancy for Cochin Smart City Mission Ltd
2. Client Engineer for Wayside Amenities – Reststop project

3. Technical consultant for Industrial Rubber Park
4. Authority Engineer for Beach Development of Kovalam and adjoining beaches
5. Consultant for Development of Land parcels owned by KSRTC.
6. Consultant for Route Rationalisation of KSRTC.
7. General consultant for Urban Sustainability Development of Cochin.

4.4.4 Information Management Services



Infrastructure Information Management (GIS)

The Infrastructure Information Management work using Geographical Information Systems (GIS) in KIIFB is aimed at contributing to efficiency in project planning, monitoring and management by bringing in disparate data on to a common referencing system and having the ability to visualise project information in their geographical context. With focus on ensuring quality and completion schedules, project information is analysed in GIS to provide inputs for the planning of inspection visits and monitoring project progress. As on April, 2024, the KIIFB geodatabase contains information on 635 road projects out of which 84 are completed, 107 are ongoing and 138 are under appraisal. For 1847 works contract packages under general civil works 854 are completed, 387 are in progress and 163 are under appraisal. Physical progress information captured monthly for individual packages through the PMAS App are compiled to update the geodatabase and provide actionable inputs for management action as necessary. The progress records in the preceding three months are compared, and packages flagged up that show no progress or have figures failing logical checks. Aspects relating to Quality, Schedule and Finance are also checked and maps generated for packages that get filtered as per conditions framed up. These maps are shared to inspection teams to aid in devising field inspection schedules. Topographical survey requirements are met through empanelled agencies. Field verifications on the submitted data are carried out by the in-house surveying team using Total Station and DGPS for ensuring quality as well as compliance with the Terms of Reference. As on date this work has been done for 45 road projects. Towards aiding project management, the geospatial data is also made available in the web-based mapping interface, Spatial Project Monitoring System (SPMS) whereby authorised users can access latest project details. The procurement process for an aerial

LiDAR is on for the purpose of generating topographical data as well as for progress monitoring purposes.

4.4.5 Capacity Building Services

Capacity Building Services aim in providing various Technical Support Services as below:

- Administrative support to Technical Support Units
- Trainings for internal technical personnel
- Trainings for SPV personnel & other project associated professionals
- Internship Programs
- Infrastructure awareness programs

These services are extended either through agencies or through Technical Resource Centre (TRC)

Technical Resource Centre & Coordination

KIIFB Technical Resource Centre is managed by CMD, under the technical co-ordination of Technical Inspection Wing (TIW) to facilitate all technical requirements of SPV's. In addition, technical assistance is imparted to SPVs and other divisions of KIIFB through Technical Resource Centre (TRC)

Following were the major initiatives/interventions during this period:

Technical Support to SPVs

Technical Supports were given to various SPVs by providing manpower, hardware and software for BIM Implementation etc.

Internship Programmes

18 Interns selected from the rank list was inducted and trained under various division of KIIFB (TRC/TIW/PAD).

Training programs

Familiarization session on PFMS and KIIFB procedures was conducted for SPVs by KIIFB.

The officials of KIIFB attended various training programmes/ workshops such as:

- 1.EPC-An Effective Way of Implementing Infrastructure Projects
- 2.IMPACT 2023
- 3.Technical Talk on “Understanding Super Pave Type Performance Testing & Design Fundamentals” organized by KHRI
- 4.hands-on training programme on "Experiential Learning: Barrier Free Built Environments" organized by Dept. of Architecture & Planning, CET
- 5."Full Depth Reclamation Technology," organized by NATPAC in association with KIIFB.
- 6.Bentley technical session
7. Two-day Indo - German workshop on “Adapting to Climate Hazards to become Climate Resilient”.
- 8.18th annual conference “SMART & SUSTAINABLE ROADS” organised by Indian Infrastructure
9. Reinforced Soil Sensitization-Maccaferri
10. Workshop on "Ensuring quality in KIIFB projects & Project Monitoring and Resource Management in KIIFB projects”.
11. Two-day workshop on “Emerging Trends in Building Construction”
- 12.SMART CITIES: An Interdisciplinary approach.

4.5 KEY ACTIVITIES OF ENVIRONMENTAL SOCIAL AND GOVERNANCE WING

The Environmental Social and Governance (ESG) wing endeavours to facilitate the integration of ESG principles within our organizational culture. This involves incorporating ESG considerations into the fundamental activities, decision-making processes, and strategic frameworks of KIIFB/SPVs. The goal is to ensure that the conduct of business at KIIFB is more sustainable, responsible, and participative, considering not only financial performance but also its impact on the environment, society, and corporate governance. ESG Wing also assists the Institutional Finance Group in its forays into the sector of sustainable investments and undertaking the necessary due diligence activities.

ESG Risk Management Framework at KIIFB is implemented through the following steps (i) Institutionalization of ESG into the system (ii) Capacitating the stakeholders on integration of ESG aspects into projects (iii) Adoption of sustainable practices focusing on carbon emission reduction, (iv) Climate Resilience Incorporation in Infrastructure Designs. The major activities are as follows.

Institutionalization of ESG into the system

- Adopted a Climate Resilience Policy and revised and adopted the ESG Policy, and Green Finance Framework.
- Mobilised Green Domestic Bond (Rs.302 Crores) during September 2023 and disbursed Rs.63.01 Crores for buildings designed and executed in line with GRIHA 3-star rating requirements and BRSR requirements as per SEBI circular no.SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/023 dated 6th February 2023.
- Decided to extend sustainability certification to infrastructure projects other than buildings through the ENVISION rating system.
- Developed an ESG Screening Tool/Checklist for risk assessment.
- Developed ESMS, (Environmental & Social Management Systems) ESMP (Environmental & Social Management Plan), and Green Building Compliance templates and cascaded to SPVs.
- Development of ESG Manual, SOP, and EHS Policy in progress

Capacitating the stakeholders on integration of ESG aspects into projects

- Green Building Rating Systems (GRIHA, IGBC, and EDGE)
- ESG Screening Tool/Checklist

- Climate Resilience design inclusion in DPRs
- ESMP and ESMS
- Climate data inventory

Adoption of sustainable practices focusing on carbon emission reduction

Green building rating

- Shortlisted 80 projects (about 10 Lakhs sq.m) for Green Building Certification. On completion, this is expected to reduce 82,600 TCO₂ eq/year than normal designs with an average cost increment of about 1.34% which will be recouped in 3-5 years of operation.
- Identified 68 projects for GRIHA certification and 40 registered.
- Identified 5 projects for EDGE L1 certification and 5 registered.
- Identified 7 projects for Indian Green Building Council (IGBC) certification and 1 registered.
- Disbursed proceeds for green domestic bonds for 8 green building projects

Climate Resilience incorporation in infrastructure designs

- Resilience and climate resource repository prepared.
- Developed DPR template in alignment with the Climate Resilience Policy
- Attempted in 6 sectoral projects in collaboration with SPVs & gap assessment report prepared