**THIS KEY INFORMATION DOCUMENT IS PREPARED IN CONFORMITY WITH THE APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE AND LISTING OF NON-CONVERTIBLE SECURITIES) REGULATIONS, 2021, READ WITH THE SEBI MASTER CIRCULAR DATED 22 MAY 2024, THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS REGULATIONS), 2015 AND THE COMPANIES ACT, 2013 (AS APPLICABLE), EACH AS AMENDED FROM TIME TO TIME. THIS KEY INFORMATION DOCUMENT IS NEITHER A PROSPECTUS NOR A STATEMENT IN LIEU OF PROSPECTUS.**

# KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

*(a body corporate constituted by the Kerala Infrastructure Investment Fund Act, 1999 (as amended by the Kerala Infrastructure Investment Fund (Amendment) Act, 2016) and incorporated on 11 November 1999 in Kerala)*

**Corporate Identification Number (CIN)**: Not Applicable; **PAN**: AAAJK0192K; **RBI Registration No**: Not Applicable
**Date and Place of Incorporation**: Incorporated on 11 November 1999 in Kerala
**Registered Office**: 2nd Floor, Felicity Square, MG Road, Statue, Thiruvananthapuram – 695 001
**Corporate Office**: 2nd Floor, Felicity Square, MG Road, Statue, Thiruvananthapuram – 695 001
**Tel.:** 0471-2780900; **Email**: financeadmin@kiifb.org; **Website**: https://kiifb.org/
**Company Secretary and Compliance Officer**: Mr. Sabareeswar Thampan; **Tel.**: 9645544074; **E-mail**: co.fa@kiifb.org
**Promoter**: State Government of Kerala

**PRIVATE PLACEMENT OF UNSECURED, RATED, REDEEMABLE, TAXABLE, LISTED NON-CONVERTIBLE DEBENTURES ("DEBENTURES") BY WAY OF ISSUANCE, COMPRISING SEVEN STRPPs 'A' THROUGH 'G' OF FACE VALUE OF INR 1,00,000 (INDIAN RUPEES ONE LAKH ONLY) EACH ("FACE VALUE") WITH EACH BOND AGGREGATING TO A VALUE OF INR 7,00,000 (INDIAN RUPEES SEVEN LAKH ONLY), FOR AMOUNTS OF UP TO INR 199,99,00,000 (INDIAN RUPEES ONE HUNDRED NINETY NINE CRORES AND NINETY NINE LAKHS ONLY), WITH A GREEN-SHOE OPTION TO RETAIN OVERSUBSCRIPTION OF UP TO INR 299,95,00,000 (INDIAN RUPEES TWO HUNDRED AND NINETY NINE CRORES AND NINETY FIVE LAKHS ONLY), BY KERALA INFRASTRUCTURE INVESTMENT FUND BOARD ("ISSUER") AND COUPON OF 9.49% PER ANNUM PAYABLE QUARTERLY FOR A TENOR OF APPROXIMATELY 4 - 10 YEARS, AT PAR AGGREGATING TO TOTAL ISSUE SIZE NOT EXCEEDING INR 499,94,00,000 (INDIAN RUPEES FOUR HUNDRED AND NINETY NINE CRORES AND NINETY FOUR LAKHS ONLY) UNDER ISINs [●] ("ISSUE").**

**THIS ISSUANCE WOULD BE UNDER THE ELECTRONIC BOOK MECHANISM FOR ISSUANCE OF DEBT SECURITIES ON PRIVATE PLACEMENT BASIS AS PER SEBI MASTER CIRCULAR ISSUED BY SEBI UNDER THE SEBI NON-CONVERTIBLE SECURITIES LISTING REGULATIONS. THE ISSUER INTENDS TO USE BSE LIMITED ("BSE") ELECTRONIC BIDDING PLATFORM ("BSE-BOND EBP") FOR THIS ISSUE. THIS KEY INFORMATION DOCUMENT WILL BE UPLOADED ON THE BSE BOND-EBP TO COMPLY WITH THE SEBI MASTER CIRCULAR READ WITH THE OPERATIONAL GUIDELINES FOR ISSUANCE OF SECURITIES ON PRIVATE PLACEMENT BASIS THROUGH THE ELECTRONIC BOOK MECHANISM ISSUED BY BSE DATED 17 APRIL 2023 AND AN OFFER WILL BE MADE TO SUCCESFUL BIDDERS IN ACCORDANCE WITH THE APPLICABLE LAW. NEITHER THE ISSUER NOR ANY OF ITS MEMBERS HAVE BEEN DECLARED AS A WILFUL DEFAULTER.**

This Key Information Document contains relevant information and disclosures required for issue of the Debentures. The issue of the Debentures comprised in the Issue and described under this Key Information Document has been authorised by the Issuer through the resolution passed by the board of members of the Issuer on 12 July 2024 and the investment management committee of the Issuer on 13 March 2025. The Issue shall be subject to the provisions of the Kerala Infrastructure Investment Fund Act, 1999 as amended by the Kerala Infrastructure Investment Fund (Amendment) Act, 2016 (the "**KIIF Act**"), the Act (as applicable), the rules notified pursuant to the Act (as applicable), the terms and conditions of this Key Information Document and the General Information Document filed with the relevant Stock Exchanges, the Application Form, and other terms and conditions as may be incorporated in the Debenture Trust Deed and other documents in relation to each such Issue. The present issue of Debentures is not underwritten.

**THESE DEBENTURES TO BE ISSUED DO NOT FORM PART OF NON-EQUITY REGULATORY CAPITAL MENTIONED UNDER CHAPTER V OF THE SEBI NON-CONVERTIBLE SECURITIES LISTING REGULATIONS.**

## GENERAL RISK

Investment in non-convertible securities is risky and Investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, Investors must rely on their examination of the issue including the risks involved in it. Specific attention of Investors is invited to statement of risk factors contained in Section 1 (*Risk Factors*) of this Key Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or Investor's decision to purchase such securities.

## LISTING

The Debentures offered through this Key Information Document are initially proposed to be listed on the Wholesale Debt Market ("**WDM**") Segment of the Stock Exchange. The Issuer, with prior notice to the Debenture Trustee, may get the Debentures listed on other material stock exchanges as it deems fit. The Issuer shall comply with the requirements of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the listing agreement (to the extent applicable) on a continuous basis.

## ELIGIBLE INVESTORS

The Eligible Investors are: (a) resident individuals; (b) HUF; (c) trust; (d) limited liability partnerships; (e) partnership firm(s); (f) portfolio managers registered with SEBI; (g) association of persons; (h) companies and bodies corporate including public sector undertakings; (i) scheduled commercial banks; (j) regional rural banks; (k) financial institutions; (l) insurance companies; (m) mutual funds; (n) foreign portfolio investors (if permitted under Applicable Law); and (o) any other investor eligible to invest in these Debentures in accordance with Applicable Law.

## CREDIT RATING

The Debentures have been rated:

(a) "Provisional IND AA (CE)" with stable outlook by India Ratings and Research Private Limited for an amount up to INR 499,94,90,000 (Indian Rupees Four Hundred and Ninety Nine Crores and Ninety Four Lakhs and Ninety Thousand only) *vide* its rating letter dated 19 March 2025.
(b) "Provisional ACUITE AA (CE)" with stable outlook by Acuité Ratings & Research Limited for an aggregate amount up to INR 500,03,00,000 (Indian Rupees Five Hundred Crores and Three Lakhs only) *vide* its rating letter dated 19 March 2025.

The above ratings are not a recommendation to buy, sell or hold securities and Investors should take their own decisions. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and the ratings should be evaluated independently of any other rating. The rating agencies have the right to suspend, withdraw the rating at any time on the basis of new information etc. The Issuer declares that the credit ratings assigned to the Debentures are valid as on the date of issuance and listing. Please refer to Schedule II (*Credit Rating Letter(s) and Rating Rationale from the Credit Rating Agency(ies)*) of this Key Information Document for rationale for the above ratings.

## COMPLIANCE CLAUSE OF EBP

The Issue shall be open for bidding in accordance with the SEBI Non-Convertible Securities Listing Regulations, read with the circulars/guidelines/notifications issued by SEBI (including the SEBI Master Circular) and related operational guidelines issued by BSE as the electronic bidding platform ("**EBP Platform**") provider from time to time including the EBP Guidelines issued by BSE.

## ISSUE PROGRAMME*

| ISSUE OPENING DATE | ISSUE CLOSING DATE | DATE OF EARLIEST CLOSING |
|---|---|---|
| 24 March 2025 | 24 March 2025 | Not applicable |

| COUPON | COUPON PAYMENT FREQUENCY | REDEMPTION DATE | REDEMPTION AMOUNT |
|---|---|---|---|
| 9.49% per annum | Quarterly | 25 March 2035 | At par |

## ARRANGER TO THE ISSUE

**PRP PROFESSIONAL EDGE ASSOCIATES PRIVATE LIMITED**
Address: 5th Floor, Eros City Square, Rosewood City, Sector 49-50, Gurugram-122018
Contact Person: Mr. Gaurav Kute
Tel: +91 124 4249000
Website: www.prpedge.com
Email: info@prpedge.com

## DEBENTURE TRUSTEE

**CATALYST TRUSTEESHIP LIMITED**
Address: GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road, Kothrud, Pune – 411 038.
Contact Person: Mr. Umesh Salvi, Managing Director
Tel: +91 20 66807200
Website: www.catalysttrustee.com
Email: mailto:dt@ctltrustee.com; ComplianceCTL– Mumbai@ctltrustee.com

## REGISTRAR TO THE ISSUE

**CAMEO CORPORATE SERVICES LIMITED**
Address: Subramanian Building, #1, Club House Road, Chennai 600 002 - India.
Contact Person: Mr. RD Ramaswamy
Tel: 044 – 40020710/044 - 2846 0390
Website: https://cameoindia.com
Email: cameo@cameoindia.com

## CREDIT RATING AGENCIES

**ACUITE RATINGS & RESEARCH LIMITED**
Address: 708, Lodha Supremus Lodha iThink Techno Campus, Kanjurmarg (East), Mumbai 400 042.
Contact Person: Ms. Varsha Bist
Tel: 91 2249294000/ 022-49294011
Website: https://www.acuite.in
Email: info@acuite.in

**INDIA RATINGS AND RESEARCH PRIVATE LIMITED**
Address: Wockhardt Towers, 4th Floor, West WinG, Bandra Kurla Complex, Bandra East, Mumbai – 400051.
Contact Person: Mr. Suyash Gangwal
Tel: +91 22 4000 1700; +91 22 4035 6125
Website: https://www.indiaratings.co.in/
Email: infogrp@indiaratings.co.in

## STATUTORY AUDITOR

**M/s SURI & CO., CHARTERED ACCOUNTANTS**

Address: TC 25/434, 44 Santhi Nagar, Near Housing Board Junction, Thiruvananthapuram – 695 001
Contact Person: CA Gopikrishnan S
Tel: 0471 2333053
Website: www.suriandco.com
Email: surikiifb@suriandco.com
Peer Review Certificate No: 016670

** The Issuer reserves the right to change the issue schedule including the Deemed Date of Allotment at its sole and absolute discretion without giving any reasons or prior notice. In the event of a change in the above issue schedule, the Issuer shall communicate the revised issue schedule to the Investors.*

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## ISSUER'S ABSOLUTE RESPONSIBILITY

*The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms (i) that this Key Information Document contains all information with regard to the Issuer and the Issue which are material in the context of the Issue; (ii) that the information contained in this Key Information Document is true and correct in all material aspects and is not misleading; and (iii) that the opinions and intentions expressed herein are honestly stated and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading.*

## DISCLAIMERS

### DISCLAIMER OF THE ISSUER

*The distribution of this Key Information Document and the Issue, to be initially listed on the WDM segment of the BSE, is being made strictly on a private placement basis. This Key Information Document is not intended to be circulated to any person other than Eligible Investors. Multiple copies hereof or of any Key Information Document given to the same entity shall be deemed to be given to the same person and shall be treated as such. It does not constitute and shall not be deemed to constitute an offer or an invitation to subscribe to the Debentures to the public of India in general. This Key Information Document should not be construed to be a prospectus or a statement in lieu of prospectus under Applicable Law. Apart from this Key Information Document, no offer document or prospectus has been or will be prepared in connection with the offering of the Debentures or in relation to the Issuer nor is such a prospectus required to be registered under Applicable Laws. This Key Information Document has been prepared in conformity with the SEBI Non-Convertible Securities Listing Regulations and the rules thereunder.*

*This Key Information Document has been prepared to provide key information about the Issuer to potential Investors to whom it is addressed and who are willing and eligible to subscribe to the Debentures. This Key Information Document does not purport to contain all the information that any potential Eligible Investor may require. Neither this Key Information Document nor any other information supplied in connection with the Debentures is intended to provide the basis of any credit or other evaluation and any recipient of this Key Information Document should not consider such receipt a recommendation to purchase any Debentures. Each Eligible Investor contemplating purchasing any Debentures should make its own independent investigation of the financial condition and affairs of the Issuer, and its own appraisal of the creditworthiness of the Issuer as well as the structure of the Issue. Potential Investors should consult their own financial, legal, tax and other professional advisors as to the risks and investment considerations arising from an investment in the Debentures and should possess the appropriate resources to analyse such investment and the suitability of such investment to such Investor's particular circumstances. It is the responsibility of the potential Investors to also ensure that they will sell these Debentures in strict accordance with this Key Information Document, the Debenture Trust Deed, and Applicable Laws, so that the sale does not constitute an offer to the public in terms of Applicable Law. Neither the intermediaries nor their agents nor advisors associated with the Issue undertake to review the financial condition nor affairs of the Issuer during the life of the arrangements contemplated by this Key Information Document or have any responsibility to advise any Eligible Investor or potential Eligible Investors on the Debentures of any information coming to the attention of any other intermediary.*

*The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that this Key Information Document contains all information with regard to the Issuer and the Issue, that the information contained in this Key Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Key Information Document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect. The Issuer has no side letter with any debt securities holder except the ones disclosed in this Key Information Document. Any covenants later added shall be disclosed on the stock exchange website where the Debentures are listed. No person has been authorised to give any information or to make any representation not contained or incorporated by reference in this Key Information Document or in any material made available by the Issuer to any potential Eligible Investor pursuant hereto and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer. The legal advisors to the Issuer and any other*

*intermediaries and their agents or advisors associated with the Issue have not separately verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility is accepted by any such legal advisors or intermediary as to the accuracy or completeness of the information contained in this Key Information Document or any other information provided by the Issuer. Accordingly, the legal advisors to the Issuer and other intermediaries associated with the Issue shall have no liability in relation to the information contained in this Key Information Document or any other information provided by the Issuer in connection with the Issue.*

*The Issuer does not undertake to update the Key Information Document to reflect subsequent events after the date of the Key Information Document and thus it should not be relied upon with respect to such subsequent events without first confirming its accuracy with the Issuer.*

*Neither the delivery of this Key Information Document nor any Issue made hereunder shall, under any circumstances, constitute a representation or create any implication that there has been no change in the affairs of the Issuer since the date hereof.*

*Recipients shall not be entitled to use any of the information otherwise than for the purpose of deciding whether or not to invest in the Debentures.*

*This Key Information Document and the contents hereof and thereof are restricted only for the intended recipient(s) who have been addressed directly and specifically through a communication by the or on behalf of the Issuer and only such recipients are eligible to apply for the Debentures. All Investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue. The contents of this Key Information Document and any other information supplied in connection with this Key Information Document or the Debentures are intended to be used only by those potential Investors to whom it is distributed. It is not intended for distribution to any other person and should not be reproduced by them or the disseminated recipient.*

*Invitations, offers and allotment of the Debentures shall only be made pursuant to this Key Information Document. You may not be and are not authorised to (1) deliver this Key Information Document or any other information supplied in connection with this Key Information Document or the Debentures to any other person; or (2) reproduce this Key Information Document or any other information supplied in connection with this Key Information Document or the Debentures in any manner whatsoever. Any distribution or reproduction of this Key Information Document in whole or in part or any public announcement or any announcement to third parties regarding the contents of this Key Information Document or any other information supplied in connection with this Key Information Document or the Debentures. Failure to comply with this instruction may result in a violation of the SEBI Non-Convertible Securities Listing Regulations or other Applicable Laws of India and other jurisdictions. This Key Information Document has been prepared by the Issuer for providing information in connection with the proposed Issue described in this Key Information Document.*

*Each person receiving this Key Information Document acknowledges that such person has been afforded an opportunity to request and to review and has received all additional information considered by it to be necessary to verify the accuracy of or to supplement the information herein and such person has not relied on any intermediary associated with the Issue in connection with its investigation of the accuracy of such information or its investment decision. Each person in possession of this Key Information Document should carefully read and retain this Key Information Document. However, each such person in possession of this Key Information Document is not to construe the contents of this Key Information Document as investment, legal, accounting, regulatory or tax advice, and such persons in possession of this Key Information Document should consult with their own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the Debentures.*

*Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, Investors must rely on their own examination of the Issuer and the offer including the risks involved. The Debentures have not been recommended or approved by any regulatory authority in India, including the SEBI nor does SEBI guarantee the accuracy or adequacy of this Key Information Document. Specific attention of Investors is invited to the statement of 'Risk factors' under the Section 1 (Risk Factors) of the General Information Document.*

*The Issue will be a domestic issue restricted to India and no steps have been taken or will be taken to facilitate the Issue in any jurisdictions other than India. This Key Information Document is not intended for distribution to, or use by, any person or entity in any jurisdiction or country where distribution or use of such information would be contrary to law or regulation. This Key Information Document does not constitute, nor may it be used for or in connection with, an offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such an offer or solicitation. Persons into whose possession this Key Information Document comes are required to inform themselves about and to observe any such restrictions. This Key Information Document is made available to Investors in the Issue on the strict understanding that it is confidential and may not be transmitted to others, whether in electronic form or otherwise.*

**DISCLAIMER OF THE SECURITIES AND EXCHANGE BOARD OF INDIA**

**IT IS TO BE DISTINCTLY UNDERSTOOD THAT FILING OF THIS KEY INFORMATION DOCUMENT WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS KEY INFORMATION DOCUMENT. THE ARRANGER HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS KEY INFORMATION DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE REGULATIONS. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING INVESTMENT IN THE PROPOSED ISSUE.**

*As per the provisions of the SEBI Non-Convertible Securities Listing Regulations, it is not stipulated that a copy of this Key Information Document has to be filed with or submitted to SEBI for its review/approval. It is to be distinctly understood that this Key Information Document should not in any way be deemed or construed to have been approved or vetted by SEBI and that this Issue is not recommended or approved by SEBI. SEBI does not take any responsibility either for the financial soundness of any proposal for which the Debentures are issued/ proposed to be issued, or for the correctness of the statements made or opinions expressed in this Key Information Document.*

**DISCLAIMER OF THE ARRANGER**

*Mechanism adopted in compliance with Regulation 13 of the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992:*

*It is disclosed to all the stakeholders including but not limited to potential investors that, the Issuer has appointed PRP Professional Edge Associates Private Limited as Arranger to the Issue. We further would like to disclose that lead managers/ merchant bankers/ arrangers either directly or through its affiliates or it associates or its subsidiaries may invest in the proposed issue through EBP mechanism in transparent manner. EBP mechanism is adopted to ensure fair, objective, and unbiased opportunity to all investors.*

*Nothing in this Key Information Document constitutes an offer of securities for sale in any other jurisdiction where such offer or placement would be in violation of any law, rule or regulation.*

*The Issuer has prepared this Key Information Document and the Issuer is solely responsible for its contents. The Issuer will comply with all laws, rules and regulations and has obtained all regulatory, governmental and corporate approvals for the issuance of the Debentures. All the information contained in this Key Information Document has been provided by the Issuer or is publicly available information, and such information has not been independently verified by the Arranger(s). No representation or warranty, expressed or implied, is or will be made, and no responsibility or liability is or will be accepted, by the Arranger(s) or its affiliates for the accuracy, completeness, reliability, correctness or fairness of this Key Information Document or any of the information or opinions contained therein, and the Arranger(s) hereby expressly disclaims, to the fullest extent permitted by law, any responsibility for the contents of this Key Information Document and any liability, whether arising in tort or contract or otherwise, relating to or resulting from this Key Information Document*

*or any information or errors contained therein or any omissions therefrom. By accepting this Key Information Document, you agree that the Arranger(s) will not have any such liability.*

*You should carefully read and retain this Key Information Document. However, you are not to construe the contents of this Key Information Document as investment, legal, accounting, regulatory or tax advice, and you should consult with your own advisors as to all legal, accounting, regulatory, tax, financial and related matters concerning an investment in the Debentures.*

**DISCLAIMER IN RESPECT OF JURISDICTION**

*The Issue will be made to the Investors as specified under "Eligible Investors" of this Key Information Document, who shall be specifically approached by the Issuer. This Key Information Document does not constitute an offer to sell or an invitation to subscribe to the Debentures offered hereby to any person to whom it is not specifically addressed. Any disputes arising out of this Issue will be subject to the jurisdiction of the courts and tribunals of Thiruvananthapuram. This Key Information Document does not constitute an offer to sell or an invitation to subscribe to the Debentures herein, in any jurisdiction and to any person to whom it is unlawful to make an offer or invitation in such jurisdiction.*

**DISCLAIMER OF THE BSE**

*As required, a copy of this Key Information Document has been submitted to BSE. It is to be distinctly understood that the aforesaid submission or hosting the same on the website of BSE in terms of the SEBI Non-Convertible Securities Listing Regulations, should not in any way be deemed or construed to mean that this Key Information Document has been cleared or approved by BSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Key Information Document; nor does it warrant that the Issuer's Debentures will be listed or will continue to be listed on the BSE; nor does it take any responsibility for the financial or other soundness of the Issuer, its members, its management or any scheme or project of the Issuer.*

*Every person who desires to apply for or otherwise acquire any securities of the Issuer may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.*

**DISCLAIMER OF THE CREDIT RATING AGENCIES**

*All credit ratings assigned are subject to certain limitations and disclaimers. Please read these limitations and disclaimers on the website of the Credit Rating Agencies. In addition, rating definitions and the terms of use of such ratings are available on the public website of the Credit Rating Agencies. published ratings, criteria, and methodologies are available from this site at all times. Code of conduct, confidentiality, conflicts of interest, affiliate firewall, compliance, and other relevant policies and procedures may also apply.*

*Ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. The Credit Rating Agencies has based its ratings on information obtained from sources believed by it to be accurate and reliable. The Credit Rating Agencies do not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities or instruments are rated by the Credit Rating Agencies have paid a credit rating fee, based on the amount and type of bank facilities/instruments. Further, in this connection, please also refer to the copies of the rating letter, press release and the rating rationale issued by the Credit Rating Agencies in respect of the rating for the Debentures provided in this Key Information Document.*

**DISCLAIMER OF THE DEBENTURE TRUSTEE**

*Unless as required under Applicable Law, the Debenture Trustee does not undertake to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Key Information Document and does not have any responsibility to advise any Investor or prospective Investor in the Debentures of any information available with or subsequently coming to the attention of the Debenture Trustee, its agents or advisors except as specifically provided for in the Debenture Trust Deed.*

*The Debenture Trustee has not separately verified the information contained in this Key Information Document, accordingly no representation, warranty or undertaking express or implied, is made and no responsibility is accepted by Debenture Trustee as to the accuracy or any other information provided by the Issuer. Accordingly, the Debenture Trustee associated with the Issue shall have no liability in relation to the information contained in this Debenture Trustee or any other information provided by the Issuer in connection with this Issue.*

*The Debenture Trustee, "ipso facto" does not have the obligations of the Issuer or a principal debtor or a guarantor as to the monies paid / invested by the Investors for the Debentures.*

**CONFIDENTIALITY**

*The information and data contained herein is submitted to each recipient of this Key Information Document on a strictly private and confidential basis. By accepting a copy of this Key Information Document or any other information supplied in connection with this Key Information Document or the Debentures, each recipient agrees that neither it nor any of its employees or advisors will use the information contained herein for any purpose other than evaluating the specific transactions described herein or will divulge to any other party any such information. This Key Information Document or any other information supplied in connection with this Key Information Document or the Debentures must not be photocopied, reproduced, extracted or distributed in full or in part to any person other than the recipient without the prior written consent of the Issuer.*

**CAUTIONARY NOTE**

*The Investors have confirmed that they, (i) are knowledgeable and experienced in financial and business matters, have expertise in assessing credit, market and all other relevant risk and are capable of evaluating, and have evaluated, independently the merits, risks and suitability of purchasing the Debentures; (ii) understand that the Issuer has not provided, and will not provide, any material or other information regarding the Debentures, except as included in the General Information Document and this Key Information Document, (iii) have not requested the Issuer to provide it with any such material or other information, (iv) have not relied on any investigation that any person acting on their behalf may have conducted with respect to the Debentures, (v) have made their own investment decision regarding the Debentures based on their own knowledge (and information they have or which is publicly available) with respect to the Debentures or the Issuer, (vi) have had access to such information as deemed necessary or appropriate in connection with purchase of the Debentures, (vii) are not relying upon, and have not relied upon, any statement, representation or warranty made by any person, including, without limitation, the Issuer, and (viii) understand that, by purchase or holding of the Debentures, they are assuming and are capable of bearing the risk of loss that may occur with respect to the Debentures, including the possibility that they may lose all or a substantial portion of their investment in the Debentures, and they will not look to the Debenture Trustee appointed for the Debentures for all or part of any such loss or losses that they may suffer.*

*No person, including any employee of the Issuer, has been authorised any information or to make any representation not contained in this Key Information Document. Any information or representation not contained herein must not be relied upon as having been authorised on behalf of the Issuer. Neither the delivery of this Key Information Document at any time nor any statement made in connection with the offering of the Debentures shall under the circumstances imply that any information/ representation contained herein is correct at any time subsequent to the date of this Key Information Document. The distribution of this Key Information Document and the offer, sale, pledge or disposal of the Debentures may be restricted by law in certain jurisdictions. This Key Information Document does not constitute an offer to sell or an invitation to subscribe to the Debentures in any other jurisdiction and to any person to whom it is unlawful to make such offer or invitation in such jurisdiction. Persons into whose possession this Key Information Document comes are required by the Issuer to inform themselves about and observe any such restrictions.*

**FORWARD LOOKING STATEMENTS**

*Certain statements in this Key Information Document are not historical facts but are "forward-looking" in nature. Forward-looking statements appear throughout this Key Information Document, including, without limitation, under Section 1 (Risk Factors) of this Key Information Document. Forward-looking statements include statements concerning the Issuer's plans or financial performance, capital expenditure, etc. If any, the Issuer's competitive strengths and weaknesses and the trends the Issuer anticipates in the industry, along with*

*the political and legal environment, and geographical locations, in which the Issuer operates, and other information that is not historical information.*

*Words such as "aims", "anticipate", "believe", "could", "continue", "estimate", "expect", "future", "goal", "intend", "is likely to", "may", "plan", "predict", "project", "seek", "should", "targets", "would" and similar expressions, or variations of such expressions, are intended to identify and may be deemed to be forward-looking statements but are not the exclusive means of identifying such statements.*

*By their nature, forward-looking statements involve inherent risks and uncertainties, both general and specific, and assumptions about the Issuer, and risks exist that the predictions, forecasts, projections and other forward-looking statements will not be achieved.*

*These risks, uncertainties and other factors include, among other things, those listed under the Section 1 (Risk Factors) of this Key Information Document, as well as those included elsewhere in this Key Information Document. Prospective Investors should be aware that a number of important factors could cause actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements. These factors include, but are not limited, to:*

- *General, political, economic, social and business conditions in Indian and other global markets;*
- *The Issuer's ability to successfully implement its strategy, growth and expansion plans;*
- *Competition in the Indian markets;*
- *Adverse rulings against the Issuer by courts or tribunals in the legal proceedings;*
- *Inability of the Issuer to employ substantial number of qualified personnel for operating its business and project operations;*
- *Occurrence of strikes, work stoppages and/or increased wage demands by the employees/labour employed for the Issuer's business operations, resulting in a material adverse effect on the business of the Issuer, results of operations and cash flows;*
- *Availability of adequate debt financing at reasonable terms;*
- *Inability of the Issuer to obtain or maintain adequate insurance cover for its projects;*
- *Performance of the Indian debt and equity markets; and*
- *Changes in laws and regulations applicable to body corporates in India, including foreign exchange control regulations in India.*

*For a further discussion of factors that could cause the Issuer's actual results to differ, please refer to the Section 1 (Risk Factors) of this Key Information Document. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. Although the Issuer believes that the expectations reflected in such forward-looking statements are reasonable at this time, the Issuer cannot assure Investors that such expectations will prove to be correct. Given these uncertainties, the Investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of the Issuer's underlying assumptions prove to be incorrect, the Issuer's actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent forward-looking statements attributable to the Issuer are expressly qualified in their entirety by reference to these cautionary statements. As a result, actual future gains or losses could materially differ from those that have been estimated. The Issuer undertakes no obligation to update forward-looking statements to reflect events or circumstances after the date hereof.*

*Forward looking statements speak only as of the date of this Key Information Document. None of the Issuer, its members, its officers or any of their respective affiliates or associates has any obligation to update or otherwise revise any statement reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition.*

## DEFINITIONS AND ABBREVIATIONS

*References to any legislation, act, regulations, rules, guidelines or policies shall be to such legislation, act, regulations, rules, guidelines or policies as amended, supplemented, or re-enacted from time to time and any reference to a statutory provision shall include any subordinate legislation made under that provision*.

*Capitalised terms used, but not defined herein shall have the meaning ascribed to it under the General Information Document. Unless the context otherwise indicates or requires, the following terms used in this Key Information Document shall have the meanings given below.*

| TERM | DESCRIPTION |
|---|---|
| "**Accounts Agreement**" | Means the accounts agreement entered into by the Issuer, the Account Bank and the Debenture Trustee (as amended from time to time). |
| "**Account Bank**" | Means State Bank of India, Trivandrum City Branch or any other replacement, branch, or scheduled commercial bank, acceptable to the Debenture Trustee. |
| "**Applicants**" | Means and refer to the Persons, who have made an application for subscription to the Debentures pursuant to this Key Information Document. |
| "**Application Form**" | Means an application form to be filled by the Eligible Investors for the subscription of the Debentures. |
| "**Critical Rating Downgrade Event**" | Means the downgrade of the credit rating of the Debentures by any Credit Rating Agency, to below A+ (A or below) (i.e., a three-notch credit downgrade (or any subsequent credit downgrade therefrom) from the credit rating allotted at the time of issuance of the Debentures by a Credit Rating Agency) |
| "**Credit Rating Agencies**" | Means:<br>(a) India Ratings and Research Private Limited; and<br>(b) Acuité Ratings & Research Limited |
| "**Debenture Trust Deed**" | Means the debenture trust deed entered into by and between the Issuer and the Debenture Trustee (as amended from time to time). |
| "**Debenture Trustee**" | Means the trustee for the Debenture Holders, in this case being Catalyst Trusteeship Limited, a company incorporated under the provisions of the Companies Act, 1956 and existing under the Act, with corporate identification number U74999PN1997PLC110262 and having its registered office at GDA House, First Floor, Plot No. 85, Bhusari Colony (Right), Kothrud, Pune, Maharashtra, India, 411038. |
| "**Debenture Trustee Agreement**" | Means the debenture trustee agreement dated 18 March 2025 entered into by and between the Issuer and the Debenture Trustee (as amended from time to time). |
| "**Debentures**" | Unsecured, rated, redeemable, taxable, listed non-convertible debentures comprising seven STRPPs 'A' through 'G' of a face value of INR 1,00,000 (Indian Rupees One Lakh only) each (with each bond aggregating to a value of INR 7,00,000 (Indian Rupees Seven Lakh only)), for amounts of up to INR 199,99,00,000 (Indian Rupees One Hundred Ninety Nine Crores and Ninety Nine Lakhs only), with a green-shoe option to retain over-subscription of up to INR 299,95,00,000 (Indian Rupees Two Hundred and Ninety Nine Crores and Ninety Five Lakhs only), such that the aggregate issue size of the Debentures does not exceed an amount of up to INR 499,94,00,000 (Indian Rupees Four Hundred Ninety Nine Crores and Ninety Four Lakhs only) through private placement route under the terms of the Debenture Trust Deed, General Information Document and this Key information Document as issuance of Debentures under ISINs [●]. This |

| TERM | DESCRIPTION |
|---|---|
| | issuance of Debentures under ISINs [●] is made pursuant to the SEBI Non-Convertible Securities Listing Regulations and the SEBI DT Master Circular. |
| "**Debt Service Reserve Account**" | Means the no lien, no set-off bank account of the Issuer, titled "Kerala Infrastructure Investment Fund Board" bearing account number 43922206971, opened and maintained by the Issuer with the Account Bank and IFSC Code SBIN0008635. |
| "**Deed of Guarantee**" | Means the deed of guarantee executed by GoK in favour of the Debenture Trustee (as amended from time to time). |
| "**Deed of Hypothecation**" | Means the deed of hypothecation entered into by and between the Issuer and Debenture Trustee (as amended from time to time). |
| "**Deemed Date of Allotment**" | The day on which the Issuer receives the Subscription Amount (which, for avoidance of doubt, shall mean the day on which the Subscription Amount is paid into the Issue Proceeds Account), and such date shall be no later than 2 (two) Working Days from the Issue Closing Date. |
| "**Default**" | Means an Event of Default, or any event or circumstance specified in Clause 2.1 of Article XXVI (*Remedies and Events of Default*) of the Debenture Trust Deed, which would (pursuant the expiry of a grace period (if any) and/or the giving of notice) be or become an Event of Default. |
| "**Default Interest**" | Has the meaning as provided in Row 31 (*Default Interest Rate*) of the Section 6 (*Summary of Terms*) under this Key Information Document. |
| "**EBP Guidelines**" | Means the SEBI Master Circular read with the "Operational Guidelines for participation on BSE-BOND (EBP platform of BSE)" issued by BSE dated 17 April 2023 in relation to EBP, as amended, modified and supplemented, from time to time. |
| "**Eligible Investors**" | Shall have the meaning as provided on the first page of this Key Information Document. |
| "**Events of Default**" | Means any event or circumstances as specified in Row 64 (*Event of Default*) of the Section 6 (*Summary of Terms*) of this Key Information Document. |
| "**General Information Document**" | Means the general information document dated 18 April 2024 issued by the Issuer in respect of the issue of the Debentures. |
| "**Interest**" / "**Coupon**" | Means in respect of a Debenture, the accrued interest on each Debenture calculated at the Interest Rate (as provided in this Key Information Document) on each applicable Interest Payment Date (as provided in the Row 18 (*Coupon/Dividend Rate*) of the Section 6 (*Summary of Terms*) under this Key Information Document). |
| "**Interest Payment Date**" / "**Coupon Payment Date**" | Has the meaning ascribed to such term in Row 21 (*Coupon/Dividend Payment Date(s)* of the Section 6 (*Summary of Terms*) under this Key Information Document. |
| "**Interest Rate/Coupon Rate**" | Means the rate of interest on the face value of the Debentures which is as provided in Row 18 (*Coupon/Dividend Rate*) of Section 6 (*Summary of Terms*) under this Key Information Document. |
| "**Issue Closing Date**" | Means 24 March 2025 |
| "**Issue Opening Date**" | Means 24 March 2025 |
| "**Issue Proceeds Account**" | Means the no lien account opened by the Issuer with State Bank of India, in their branch office at Trivandrum city bearing account number 43922291038 and IFSC SBIN0070028, wherein the Subscription Amount shall be deposited by the Indian |

| TERM | DESCRIPTION |
|---|---|
| | Clearing Corporation Limited as per the end use in terms of the Debenture Trust Deed, the General Information Document and this Key Information Document. |
| "**KIIFB Bond Servicing Account**" | Means the no lien, no set-off bank account of the Issuer, titled "KIIFB Bond Servicing Account" bearing account number 43922198244 opened and maintained by the Issuer with State Bank of India having its branch at Trivandrum city and IFSC Code SBIN0070028. |
| "**Listing Agreement**" | Means the agreement to be entered into between the Issuer and the Stock Exchange for the purpose of listing the Debentures on the Stock Exchange. |
| "**Nominal Value**" or "**Face Value**" | Means INR 1,00,000 (Indian Rupees One Lakh only) being the nominal face value of each Debenture under each STRPPs/Sub-Series. |
| "**Pay In Date**" | Means 25 March 2025 |
| "**Permitted Investments**" | Has the meaning set out in Row 81 (*Permitted Investments*) in the Section 6 (*Summary of Terms*) under this Key Information Document. |
| "**Purpose**" | Has the meaning set out in Row 16 (*Objects of the Issue / Purpose for which there is requirement of funds*) in the Section 6 (*Summary of Terms*) under this Key Information Document. |
| "**Put Option Event**" | Means the occurrence of: (a) a Cross Default; and/or (b) a Critical Rating Downgrade Event. |
| "**Put Option Debenture Holders**" | Mean the Debenture Holders who shall direct the Debenture Trustee to exercise the Put Option in respect of the Debentures held by them as per the terms of the Transaction Documents. |
| "**Record Date**" | Means the date falling 15 (fifteen) days prior to any due date. In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day shall be the Record Date. |
| "**Redemption Date**" | Means 25 March 2035 |
| "**Registrar and Transfer Agent**" | Means Cameo Corporate Services Limited and unless repugnant to or inconsistent with the context or meaning thereof, the term shall be deemed to mean and include its successors and permitted assigns. |
| "**SEBI DT Master Circular**" | Means the Master Circular for debenture trustees dated 16 May 2024 bearing reference number SEBI/HO/DDHS-PoD3/P/CIR/2024/46, as amended. |
| "**SEBI Master Circular**" | Means the Master Circular for issue and listing of Non-Convertible Securities, Securities Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated 22 May 2024 issued by SEBI, as amended from time to time. |
| "**Subscription Amount**" | Means amount equivalent to the amount of the principal in respect of the Debentures which are allotted in terms of the Debenture Trust Deed, the General Information Document and Key Information Document. |
| "**Tenor**" | Means approximately 4 – 10 years under 7 different STRPPs/sub-series. |
| "**Transaction Documents**" | Means:<br>(a) this Key Information Document;<br>(b) the General Information Document;<br>(c) the Debenture Trust Deed; |

| TERM | DESCRIPTION |
|---|---|
| | (d) the Debenture Trustee Agreement;<br>(e) the Deed of Guarantee;<br>(f) the Accounts Agreement;<br>(g) the Deed of Hypothecation; and<br>(h) any other document designated as a "Transaction Document" in writing by the Debenture Trustee and the Issuer jointly. |

## SECTION 1

## RISK FACTORS

**General Risk**

*Investment in non-convertible securities is risky, and Investors should not invest any funds in such securities unless they can afford to take the risk attached to such investments. Investors are advised to take an informed decision and to read the risk factors carefully before investing in this offering. For taking an investment decision, Investors must rely on their examination of the issue including the risks involved in it. Specific attention of Investors is invited to statement of risk factors contained in the section on 'Risk Factors' of the General Information Document. These risks are not, and are not intended to be, a complete list of all risks and considerations relevant to the non-convertible securities or Investor's decision to purchase such securities.*

The risk factors set out in Section 1 (*Risk Factors*) of the General Information Document shall be deemed to be incorporated in this Key Information Document and shall apply *mutatis mutandis* as if it were set out in full herein.

## SECTION 2

## DISCLOSURES (IN ACCORDANCE WITH SEBI NON-CONVERTIBLE SECURITIES LISTING REGULATIONS)

**1. Details of credit rating along with the latest press release of the Credit Rating Agency in relation to the issue, and a declaration that the rating is valid as on the date of the issuance and listing. Such press release shall not be older than one year from the date of opening of the issue.**

India Ratings and Research Private Limited has assigned a rating of Provisional IND AA (CE) with stable outlook to the Debentures. The rating letter from India Ratings and Research Private Limited is provided in Schedule II (*Credit Rating Letter(s) and Rating Rationale from the Credit Rating Agency(ies)*) of this Key Information Document. India Ratings and Research Private Limited has issued a press release of the credit rating in respect of the Debentures on 19 March 2025.

Acuité Ratings & Research Limited has assigned a rating of Provisional ACUITE AA (CE) with stable outlook to the Debentures. The rating letter from Acuité Ratings & Research Limited is provided in Schedule II (*Credit Rating Letter(s) and Rating Rationale from the Credit Rating Agency(ies)*) of this Key Information Document. Acuité Ratings & Research Limited has issued a press release of the credit rating in respect of the Debentures on 19 March 2025.

These ratings are not a recommendation to buy, sell or hold securities and Investors should take their own decisions. The ratings may be subject to revision or withdrawal at any time by the assigning rating agencies and the ratings should be evaluated independently of any other rating. The rating agencies have the right to suspend, withdraw the rating at any time on the basis of new information etc. The Issuer declares that the credit ratings assigned to the Debentures are valid as on the date of issuance and listing. Please refer to Schedule II (*Credit Rating Letter(s) and Rating Rationale from the Credit Rating Agency(ies)*) of this Key Information Document for rationale for the above ratings.

**2. Name(s) of the stock exchange(s) where the non-convertible securities are proposed to be listed and the details of their in-principle approval for listing obtained from these stock exchange(s). If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the issuer shall specify the designated stock exchange for the issue. The Issuer shall specify the stock exchange where the recovery expense fund is being or has been created, as specified by the Board.**

| | |
|---|---|
| **Name of the Stock Exchange** | BSE |
| **Details of in-principle approval obtained from the Stock Exchange** | The Issuer has obtained an 'in-principle' approval from the Stock Exchange for listing of the Debentures *vide* letter / e-mail communication dated 16 April 2024.<br><br>In-principle approval from the Stock Exchange has been appended as Schedule V (*In-principle Approval from the Stock Exchange*) to this Key Information Document. |
| **If non-convertible securities are proposed to be listed on more than one stock exchange(s) then the issuer shall specify the designated stock exchange for the issue.** | The Debentures are not proposed to be listed on more than one stock exchange. |
| **Details of recovery expense fund** | The Issuer has created/shall create a Recovery Expense Fund for an amount equal to 0.01% of the Issue subject to maximum of INR 25,00,000 with the Stock Exchange, in accordance with the |

| | |
|---|---|
| | provisions of the Applicable Law, including but not limited to the SEBI DT Master Circular, as amended from time to time.<br><br>The Recovery Expense Fund shall be utilised for meeting the expenses incurred by the Debenture Trustee with respect to enforcement of security and recovery of all outstanding amounts with respect to the Debentures. |

**3. Issue Schedule***

| Particulars | Date |
|---|---|
| **Issue Opening Date** | 24 March 2025 |
| **Issue Closing Date** | 24 March 2025 |
| **Pay In date** | 25 March 2025 |
| **Deemed Date of Allotment** | 25 March 2025 |

** The Issuer reserves the right to change the issue schedule including the Deemed Date of Allotment at its sole and absolute discretion without giving any reasons or prior notice. In the event of a change in the above issue schedule, the Issuer shall communicate the revised issue schedule to the Investors.*

**4. Details of the following parties pertaining to the Issue:**

| | |
|---|---|
| **Legal counsel** | **TRILEGAL**<br><br>Address: One World Centre, 10th Floor, Tower 2A & 2B, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013<br><br>Tel: +912240791000<br><br>E-mail: joseph.jimmy@trilegal.com<br><br>Website: https:/trilegal.com<br><br>Contact Person: Joseph Jimmy |
| **Guarantor** | **Government of Kerala**<br><br>Address: Finance Department, Government Secretariat, Statue, Thiruvananthpuram, Kerala - 695001<br><br>Tel: 04712336576<br><br>E-mail: Osgadibmc@gmail.com<br><br>Website: https://kerala.gov.in/<br><br>Contact Person: Additional Chief Secretary to Government of Kerala, Finance Department |
| **Arrangers** | Specified on the front page of this Key Information Document. |

**5. Expenses of the Issue***

| Particulars | Amount (INR in lakhs) | % of the total issue expense | % of total issue size |
|---|---|---|---|
| **Lead manager(s) fees** | 427.13 | 98.53 | 2.14 |

| Particulars | Amount (INR in lakhs) | % of the total issue expense | % of total issue size |
|---|---|---|---|
| **Fees payable to the legal advisors** | 5.00 | 1.15 | 0.025 |
| **Underwriting commission** | NIL | NIL | NIL |
| **Brokerage, selling commission and upload fees** | NIL | NIL | NIL |
| **Fees payable to the registrars to the issue** | 0.94 | 0.21 | 0.0047 |
| **Advertising and marketing expenses** | NIL | NIL | NIL |
| **Fees payable to the regulators including stock exchanges** | 0.41 | 0.095 | 0.002 |
| **Expenses incurred on printing and distribution of issue stationary** | NIL | NIL | NIL |
| **Any other fees, commission or payments under whatever nomenclature** | NIL | NIL | NIL |

**Assuming the base issue is fully subscribed. The expenses are indicative and are subject to change depending on the actual level of subscription to the Issue and the number of allottees, market conditions and other relevant factors.*

**6. Financial Information of the Issuer**

(a) **The audited financial statements of the Issuer (i.e. profit and loss statement, balance sheet and cash flow statement) on a standalone basis for a period of three completed years which shall not be more than six months old from the date of the issue document or issue opening date, as applicable. Such financial statements should be audited and certified by the statutory auditor(s) who holds a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India ("ICAI"). The financial statements shall be accompanied with auditor's report along with requisite schedules, footnotes, summary, etc.**

Audited financial statements on a standalone basis: The audited financial statements of the Issuer along with Auditor's Report for the financial years 2020-2021, 2021-2022, 2022-2023 and the unaudited financial statements along with the limited review report for the period ending 31 December 2023 is provided in Annexure A (*Audited Financial Statements for the Issuer along with Auditor's Report*) of the General Information Document read along with the audited financial statements of the Issuer along with Auditor's Report for the complete financial year ending 31 March 2024 and the unaudited financial statements along with the limited review report for the period ending 31 December 2024 is provided in Annexure B *(Updated Financial Statements)* of this Key Information Document.

The certificates issued by the Peer Review Board of the Institute of Chartered Accountants of India of the Statutory Auditor to – (i) M/s Varma and Varma Chartered Accountants (certificate dated 18 May 2022 and bearing number: 014223); and (ii) M/s Suri and Co LLP (certificate dated 1 May 2024 and bearing number: 016670); as provided in Schedule VIII (*Peer Reviewed Certificates of the Statutory Auditor*) to this Key Information Document.

Audited financial statements on a consolidated basis: Not Applicable.

(b) **Key operational and financial parameters on consolidated and standalone basis in respect of the financial information provided under paragraph 6 (a) above.**

Key operational and financial parameters on a standalone basis: The key operational and financial parameters for the financial years 2020-2021, 2021-2022, 2022-2023 and the unaudited financial statements along with the limited review report for the period ending 31 December 2023 of the Issuer are provided in Schedule I *(Key Operational and Financial Parameters of the Issuer)* of the General Information Document read along with the key operational and financial parameters of the Issuer for complete financial year ending 31 March 2024 and the unaudited financial statements along with the limited review report for the period ending 31 December 2024 are provided in Annexure C *(Key Operational and Financial Parameters of the Issuer)* of this Key Information Document.

Key operational and financial parameters on a consolidated basis: Not applicable.

(c) **Details of any other contingent liabilities (including debt service reserve account, guarantees, any put options, etc.) of the Issuer based on the last audited Financial Statements including amount and nature of liability**

For details of the contingent liabilities and commitments, please refer to Paragraph 9(c) of Section 2 of the General Information Document.

(d) **The amount of corporate guarantee issued by the Issuer along with details of the counterparty (like name and nature of the counterparty i.e. subsidiary, joint venture entity, group company etc.) on behalf of whom it has been issued.**

Nil

(e) **Material changes, if any, in the information provided in the General Information Document**

Material changes in the information are provided in Annexure A (*Material changes to information provided in the General Information Document*) of this Key information Document.

(f) **Any material developments not disclosed in the General Information Document, since the issue of the General Information Document relevant to the offer of non-convertible securities in respect of which this Key Information Document is being issued**

Not applicable.

**7. Details regarding the auditors of the Issuer:**

(a) **Details of the auditors of the Issuer**

| Name of the Auditors | Address | Date of appointment |
|---|---|---|
| M/s Suri & Co., Chartered Accountants | Address: TC 25/434, 44 Santha Nagar, Near Housing Board Junction, Thiruvananthapuram - 695001 | 6 May 2024 |

(b) **Details of change in the auditor since last 3 (three) financial years and the current financial year**

Please refer to Annexure A of this Key Information Document.

**8. Contribution being made by the members as part of the offer or separately in furtherance of such objects.**

Not applicable.

**9. Consent of directors, auditors, bankers to issue, solicitors or advocates to the issue, legal advisors to the issue, lead managers to the issue, Registrar to the Issue, and lenders (if required, as per the terms of the agreement) and experts.**

Please refer to Schedule III (*Resolutions*) in respect to the resolutions passed at the meeting of the board of members of the Issuer and the investment management committee of the Issuer, Schedule I (*Consent Letter of the Debenture Trustee*) for consent letter of Debenture Trustee and Schedule VI (*Consent Letter of Registrar and Transfer Agent*) for consent letter of Registrar to the Issue.

**10. Details of the Debenture Trustee.**

(A) In accordance with Regulation 8 of the SEBI Non-Convertible Securities Listing Regulations, Section 71 of the Act read with (Share Capital and Debenture) Rules, 2014 and SEBI Debenture Trustees Regulations, the Issuer has appointed Catalyst Trusteeship Limited to act as debenture trustee for the Debenture Holders and Catalyst Trusteeship Limited has given its consent to the Issuer for its appointment as Debenture Trustee vide its letter dated 17 March 2025 for the Issue and for inclusion of its name in the form and context in which it appears in this Key Information Document. Copy of the consent letter dated 17 March 2025 enclosed in this Key Information Document as Schedule I (*Consent Letter of the Debenture Trustee*).

(B) The Issuer and the Debenture Trustee have entered into a Debenture Trustee Agreement *inter alia*, specifying the powers, authorities and obligations of the Debenture Trustee and the Issuer, and specifying the terms and conditions of the appointment of the Debenture Trustee (including fees and remuneration) and the due diligence to be carried out by the Debenture Trustee. The Debenture Trustee Agreement has been executed as per required regulations before opening of Issue, a copy of which is available at https://url.uk.m.mimecastprotect.com/s/vX7ICWnJGTPX96ZhxhwUovRxb?domain=kiifb-my.sharepoint.com.

(C) The Debenture Trustee shall adhere to the requirements of the SEBI DT Master Circular.

(D) The Debenture Trustee will protect the interest of the Debenture Holders in the event of default by the Issuer in regard to timely payment of interest and repayment of principal and they will take necessary action at the cost of the Issuer.

(E) Any payment made by the Issuer to the Debenture Trustee on behalf of the Debenture Holder(s) shall discharge the Issuer pro-tanto to the Debenture Holder(s). The Issuer and the Debenture Trustee shall execute the Debenture Trust Deed, within such timelines as may be specified by SEBI. In case the Issuer fails to execute the Debenture Trust Deed, within specified timelines, without prejudice to any liability arising on account of violation of the provisions of the Act (as applicable) and the SEBI Non-Convertible Securities Listing Regulations, the Issuer shall also pay interest of at least 2% (two percent) per annum or such other rate, as specified by SEBI to the Debenture Holders, over and above the agreed coupon/interest rate, till the execution of the debenture trust deed. In this regard, it is clarified that the debenture trust deed which has been

executed (as amended from time to time) by the Issuer and Debenture Trustee that shall apply to the terms and provisions of the Debentures.

**11. If the security is backed by a guarantee or letter of comfort or any other document / letter with similar intent, a copy of the same shall be disclosed. In case such document does not contain detailed payment structure (procedure of invocation of guarantee and receipt of payment by the investor along with timelines), the same shall be disclosed in the issue document.**

The Debentures are guaranteed by an irrevocable and unconditional guarantee issued by GoK. Copies of the government orders dated 8 August 2024 and 11 August 2024, issued by GoK approving the extension of such unconditional and irrevocable guarantee is annexed as Schedule VII (*Guarantee Orders*) to this Key Information Document.

**12. Disclosure of cash flow with date of interest/dividend/ redemption payment as per day count convention**

<table>
<tr><th colspan="2">Illustration of Debenture Cash Flows to be shown in Key Information Document</th></tr>
<tr><td>Issuer</td><td>Kerala Infrastructure Investment Fund Board</td></tr>
<tr><td>Nominal Value (per security)</td><td>INR 1,00,000 (Indian Rupees One Lakh only)</td></tr>
<tr><td>Date of Allotment</td><td>25 March 2025</td></tr>
<tr><td>Redemption Date</td><td>25 March 2035</td></tr>
<tr><td>Interest Rate</td><td>9.49% p.a. payable quarterly</td></tr>
<tr><td>Frequency of the Interest Payment with specified dates</td><td>Quarterly. Payable at the last date falling at the expiry of each calendar quarter after the Deemed Date of Allotment, provided that the last Coupon Payment Date shall fall on the final Redemption Date.
<table>
<tr><th>Sl no.</th><th>Coupon Payment Date</th></tr>
<tr><td>1.</td><td>
<table>
<tr><th>Interest Payment Dates</th></tr>
<tr><td>25-06-2025</td></tr>
<tr><td>25-09-2025</td></tr>
<tr><td>25-12-2025</td></tr>
<tr><td>25-03-2026</td></tr>
<tr><td>25-06-2026</td></tr>
<tr><td>25-09-2026</td></tr>
<tr><td>25-12-2026</td></tr>
<tr><td>25-03-2027</td></tr>
<tr><td>25-06-2027</td></tr>
<tr><td>27-09-2027</td></tr>
<tr><td>27-12-2027</td></tr>
<tr><td>27-03-2028</td></tr>
<tr><td>23-06-2028</td></tr>
<tr><td>25-09-2028</td></tr>
</table>
</td></tr>
</table>
</td></tr>
</table>

| Illustration of Debenture Cash Flows to be shown in Key Information Document | | |
|---|---|---|
| | | 25-12-2028 |
| | | 23-03-2029 |
| | | 25-06-2029 |
| | | 25-09-2029 |
| | | 25-12-2029 |
| | | 25-03-2030 |
| | | 25-06-2030 |
| | | 25-09-2030 |
| | | 25-12-2030 |
| | | 25-03-2031 |
| | | 25-06-2031 |
| | | 25-09-2031 |
| | | 25-12-2031 |
| | | 25-03-2032 |
| | | 25-06-2032 |
| | | 24-09-2032 |
| | | 24-12-2032 |
| | | 25-03-2033 |
| | | 24-06-2033 |
| | | 23-09-2033 |
| | | 23-12-2033 |
| | | 24-03-2034 |
| | | 23-06-2034 |
| | | 25-09-2034 |
| | | 25-12-2034 |
| | | 23-03-2035 |
| **Day Count Convention** | Actual/actual | |
| **Procedure and time schedule for allotment and issue of securities** | As detailed in the section titled "Application Process" (in accordance with SEBI Non-Convertible Securities Listing Regulations). | |

**Illustrative Cash flow:**

**The following cash flow figures are basis the below assumptions:**

| | |
|---|---|
| **Date considered for computing redemption dates (Deemed Date of Allotment)** | 25 March 2025 |
| **Face Value** | INR 1,00,000 under each STRPPs/Sub-Series |

| | |
|---|---|
| **Coupon/ Interest Rate** | 9.49 % p.a., payable quarterly |

| Days | Due Dates | Interest Payment Dates | STRPP A | STRPP B | STRPP C | STRPP D | STRPP E | STRPP F | STRPP G |
|---|---|---|---|---|---|---|---|---|---|
| 92 | Wednesday, 25 June, 2025 | Wednesday, 25 June, 2025 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 |
| 92 | Thursday, 25 September, 2025 | Thursday, 25 September, 2025 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 |
| 91 | Thursday, 25 December, 2025 | Thursday, 25 December, 2025 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 |
| 90 | Wednesday, 25 March, 2026 | Wednesday, 25 March, 2026 | 2,340.00 | 2,340.00 | 2,340.00 | 2,340.00 | 2,340.00 | 2,340.00 | 2,340.00 |
| 92 | Thursday, 25 June, 2026 | Thursday, 25 June, 2026 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 |
| 92 | Friday, 25 September, 2026 | Friday, 25 September, 2026 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 |
| 91 | Friday, 25 December, 2026 | Friday, 25 December, 2026 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 |
| 90 | Thursday, 25 March, 2027 | Thursday, 25 March, 2027 | 2,340.00 | 2,340.00 | 2,340.00 | 2,340.00 | 2,340.00 | 2,340.00 | 2,340.00 |
| 92 | Friday, 25 June, 2027 | Friday, 25 June, 2027 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 |
| 92 | Saturday, 25 September, 2027 | Monday, 27 September, 2027 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 |
| 91 | Saturday, 25 December, 2027 | Monday, 27 December, 2027 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 |

| Days | Due Dates | Interest Payment Dates | STRPP A | STRPP B | STRPP C | STRPP D | STRPP E | STRPP F | STRPP G |
|---|---|---|---|---|---|---|---|---|---|
| 91 | Saturday, 25 March, 2028 | Monday, 27 March, 2028 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 |
| 92 | Sunday, 25 June, 2028 | Friday, 23 June, 2028 | 27,385.46 | 2,385.46 | 2,385.46 | 2,385.46 | 2,385.46 | 2,385.46 | 2,385.46 |
| 92 | Monday, 25 September, 2028 | Monday, 25 September, 2028 | 26,789.10 | 2,385.46 | 2,385.46 | 2,385.46 | 2,385.46 | 2,385.46 | 2,385.46 |
| 91 | Monday, 25 December, 2028 | Monday, 25 December, 2028 | 26,179.77 | 2,359.54 | 2,359.54 | 2,359.54 | 2,359.54 | 2,359.54 | 2,359.54 |
| 90 | Sunday, 25 March, 2029 | Friday, 23 March, 2029 | 25583.40 | 2,333.61 | 2,333.61 | 2,333.61 | 2,333.61 | 2,333.61 | 2,333.61 |
| 92 | Monday, 25 June, 2029 | Monday, 25 June, 2029 | | 27,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 |
| 92 | Tuesday, 25 September, 2029 | Tuesday, 25 September, 2029 | | 26,794.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 |
| 91 | Tuesday, 25 December, 2029 | Tuesday, 25 December, 2029 | | 26,183.00 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 |
| 90 | Monday, 25 March, 2030 | Monday, 25 March, 2030 | | 25585.00 | 2,340.00 | 2,340.00 | 2,340.00 | 2,340.00 | 2,340.00 |
| 92 | Tuesday, 25 June, 2030 | Tuesday, 25 June, 2030 | | | 277,392.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 |
| 92 | Wednesday, 25 September, 2030 | Wednesday, 25 September, 2030 | | | 26,794.00 | 2,392.00 | 2,392.00 | 2,392.00 | 2,392.00 |
| 91 | Wednesday, 25 December, 2030 | Wednesday, 25 December, 2030 | | | 26,183.00 | 2,366.00 | 2,366.00 | 2,366.00 | 2,366.00 |

| Days | Due Dates | Interest Payment Dates | STRPP A | STRPP B | STRPP C | STRPP D | STRPP E | STRPP F | STRPP G |
|---|---|---|---|---|---|---|---|---|---|
| 90 | Tuesday, 25 March, 2031 | Tuesday, 25 March, 2031 | | | 25,585.00 | 2,340.00 | 2,340.00 | 2,340.00 | 2,340.00 |
| 92 | Wednesday, 25 June, 2031 | Wednesday, 25 June, 2031 | | | | 27,392.00 | 2,392.00 | 2,392.00 | 2,392.00 |
| 92 | Thursday, 25 September, 2031 | Thursday, 25 September, 2031 | | | | 26,794.00 | 2,392.00 | 2,392.00 | 2,392.00 |
| 91 | Thursday, 25 December, 2031 | Thursday, 25 December, 2031 | | | | 26,183.00 | 2,366.00 | 2,366.00 | 2,366.00 |
| 91 | Thursday, 25 March, 2032 | Thursday, 25 March, 2032 | | | | 25,591.50 | 2,366.00 | 2,366.00 | 2,366.00 |
| 92 | Friday, 25 June, 2032 | Friday, 25 June, 2032 | | | | | 27,385.46 | 2,385.46 | 2,385.46 |
| 92 | Saturday, 25 September, 2032 | Friday, 24 September, 2032 | | | | | 26,789.10 | 2,385.46 | 2,385.46 |
| 91 | Saturday, 25 December, 2032 | Friday, 24 December, 2032 | | | | | 26,179.77 | 2,359.54 | 2,359.54 |
| 90 | Friday, 25 March, 2033 | Friday, 25 March, 2033 | | | | | 25,583.40 | 2,333.61 | 2,333.61 |
| 92 | Saturday, 25 June, 2033 | Friday, 24 June, 2033 | | | | | | 27,392.00 | 2,392.00 |
| 92 | Sunday, 25 September, 2033 | Friday, 23 September, 2033 | | | | | | 26,794.00 | 2,392.00 |
| 91 | Sunday, 25 | Friday, 23 December, 2033 | | | | | | 26,183.00 | 2,366.00 |

| Days | Due Dates | Interest Payment Dates | STRPP A | STRPP B | STRPP C | STRPP D | STRPP E | STRPP F | STRPP G |
|---|---|---|---|---|---|---|---|---|---|
| | December, 2033 | | | | | | | | |
| 90 | Saturday, 25 March, 2034 | Friday, 24 March, 2034 | | | | | | 25,585.00 | 2,340.00 |
| 92 | Sunday, 25 June, 2034 | Friday, 23 June, 2034 | | | | | | | 27,392.00 |
| 92 | Monday, 25 September, 2034 | Monday, 25 September, 2034 | | | | | | | 26,794.00 |
| 91 | Monday, 25 December, 2034 | Monday, 25 December, 2034 | | | | | | | 26,183.00 |
| 90 | Sunday, 25 March, 2035 | Friday, 23 March, 2035 | | | | | | | 25,585.00 |
| **3652** | **TOTAL** | | **1,34,433.73** | **1,43,914.07** | **1,53,404.07** | **1,62,900.57** | **1,72,393.80** | **1,81,874.14** | **1,91,364.14** |

## 13. Undertakings by the Issuer

(a) Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, Investors must rely on their own examination of the Issuer and the offer including the risks involved. The securities have not been recommended or approved by the any regulatory authority in India, including the SEBI nor does SEBI guarantee the accuracy or adequacy of this document. Specific attention of Investors is invited to the statement of 'Risk Factors' provided under Section 1 (*Risk Factors*) of the General Information Document and this Key Information Document.

(b) The Issuer, having made all reasonable inquiries, accepts responsibility for, and confirms that the General Information Document and this Key Information Document contain all information with regard to the Issuer and the Issue, that the information contained in the General Information Document and this Key Information Document is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this document as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

(c) The Issuer has no side letter with any debt securities holder except the one(s) disclosed in the General Information Document and/or this Key Information Document. Any covenants later added shall be disclosed on the Stock Exchange website where the debt is listed.

## 14. Other details pertaining to the Issue

**A. Creation of Debenture Redemption Reserve – relevant legislations and applicability**

Not applicable as the Issuer is not a company incorporated under the Act.

**B. Recovery Expense Fund**

The Issuer has created/shall create and maintain a Recovery Expense Fund, in accordance with the regulations, guidelines and circulars issued by SEBI, and if during the currency of these presents any guidelines are formulated (or modified or revised) by any authority having authority under Applicable Law in respect of creation of the Recovery Expense Fund within the timelines prescribed under Applicable Law. The Issuer shall abide by such guidelines and issue supplemental letters, agreements and deeds of modification, as may be required, by the Debenture Holders or the Debenture Trustee and shall also cause the same to be registered, where necessary subject to the same being applicable. If a Recovery Expense Fund is created, the Issuer shall submit to the Debenture Trustee evidence in form of a certificate duly certified by the statutory auditor of the Issuer.

**C. Issue/instrument specific regulations – relevant details**

(a) Securities Contracts (Regulation) Act, 1956;

(b) Securities and Exchange Board of India Act, 1992;

(c) The Depositories Act, 1996;

(d) SEBI Non-Convertible Securities Listing Regulations;

(e) SEBI LODR Regulations, 2015;

(f) SEBI Debenture Trustees Regulations;

(g) the KIIF Act; and

(h) all other relevant laws (including rules, regulations, clarifications, notifications, directives, circulars as may be issued by the Securities Exchange Board of India, and any statutory, regulatory, judicial, quasi-judicial authority).

**D. Default in Payment**

In case of default in payment of the Interest and/or redemption on the due dates of the Debentures, additional interest shall be payable in accordance with the provisions in the Row 31 (*Default Interest Rate*) in the Section 6 (*Summary of Terms*) of this Key Information Document.

**E. Delay in Listing**

In case of delay in listing of the Debentures beyond 3 (three) Working Days from the date of closure of the Issue or such other timelines as prescribed under the Applicable Laws, whichever is earlier. The Issuer shall pay penal interest of 1% p.a. over the interest/ Coupon Rate for the period of delay to the Investor (i.e. from the date of allotment to the date of listing), until the Debentures are listed on the Stock Exchange. Further, the Issuer shall be permitted to utilize the issue proceeds of its subsequent two privately placed issuances of securities only after receiving final listing approval from Stock Exchange.

**F. Delay in allotment of Debentures**

The allotment shall happen in accordance with Applicable Laws within 1 (one) business day from the Issue Closing Date (as per the settlement cycle chosen by the Issuer). In the event of failure to do so, the Issuer shall pay interest for the delayed period as per the provision specified by regulatory authority from time to time.

**G. Delay in execution of Debenture Trust Deed**

Where the Issuer fails to execute the debenture trust deed within the period specified in the sub-regulation (1) of Regulation 18 of SEBI Non-Convertible Securities Listing Regulations as amended from time to time, without prejudice to any liability arising on account of violation of the provisions of the Act (as applicable) and the SEBI Non-Convertible Securities Listing Regulations, the Issuer shall also pay interest of at least 2% (two percent) per annum to the Debenture Holder, over and above the agreed Coupon Rate, till the execution of the debenture trust deed. In this regard, it is clarified that the debenture trust deed that has been executed (as amended from time to time) by the Issuer and Debenture Trustee, shall apply to the terms and provisions of the Debentures.

**H. Issue Details**

Terms of the offer are set out in the Section 6 (*Summary of Terms*) of this Key Information Document.

**I. Disclosure prescribed under PAS-4 of Companies (Prospectus and Allotment of Securities), Rules, 2014 but not contained in this schedule, if any:**

Not applicable, as the Issuer is not a company incorporated under the Act.

**J. Project details: gestation period of the project; extent of progress made in the project; deadlines for completion of the project; the summary of the project appraisal report (if any), schedule of implementation of the project:**

The Issue proceeds shall be used for providing financing to various infrastructure projects in the State of Kerala and to repay any financial indebtedness availed by the Issuer, as approved by the board members of the Issuer from time to time.

**K. Disclosure regarding Security**

The Debentures are not "secured debt securities" for the purposes of the SEBI Non-Convertible Securities Listing Regulations. The Debentures are **not** secured by creation of a charge on the properties or assets of the Issuer or its subsidiaries or its holding companies or its associate companies having a value which is sufficient for the due repayment of principal and payment of interest thereon.

## SECTION 3

## ADDITIONAL DISCLOSURES

**1. General Information**

A. ***Name, address, website and other contact details of the Issuer indicating both registered office and corporate office:***

| | |
|---|---|
| **Name of the Issuer** | Kerala Infrastructure Investment Fund Board |
| **Registered Office** | 2nd Floor, Felicity Square, MG Road, Statue, Thiruvananthapuram – 695 001 |
| **Corporate Office** | 2nd Floor, Felicity Square, MG Road, Statue, Thiruvananthapuram – 695 001 |
| **Website** | https://kiifb.org/ |
| **Contact details** | Tel.: 0471-2780900<br>Email: financeadmin@kiifb.org |

B. ***Date of incorporation of the Issuer:***

11 November 1999

C. ***Business carried on by the Issuer and its Subsidiaries with the details of branches or units, if any:***

Please refer to Section 3 of the General Information Document.

D. ***Use of proceeds (in the order of priority for which the said proceeds will be utilized):***

(i) ***purpose of the placement;***

Please refer to Row 17 (*Details of the utilisation of the Proceeds*) of Section 6 (*Summary of Terms*) of this Key Information Document.

(ii) ***break-up of the cost of the project for which the money is being raised;***

Please refer to Paragraph 7(e) of Section 2 of the General Information Document.

(iii) ***means of financing for the project;***

Please refer to Paragraph 7(e) of Section 2 of the General Information Document.

(iv) ***proposed deployment status of the proceeds at each stage of the project.***

Not applicable

**Brief particulars of the management of the Issuer:** Please refer to Section 2 of the General Information Document.

**2. Names, addresses, director identification number and occupations of the directors:** Please refer to Section 2 of the General Information Document and Annexure A of this Key Information Document.

**Management's perception of risk factors:** Please refer to Section 1 of the General Information Document.

**Details of default, if any, including therein the amount involved, duration of default and present status, in repayment of:** Nil

3. **Names, designation, address and phone number, email ID of the nodal/ compliance officer of the Issuer, if any, for the private placement offer process**: Please refer to Section 3 of the General Information Document.

4. **Any default in Annual filing the Issuer under the Act or the rules made thereunder:** Not applicable

**Particulars of the Offer**

| | |
|---|---|
| **Financial position of the Issuer for the last 3 (three) Financial Year** | Please refer to Annexure A (*Audited Financial Statements for the Issuer along with Auditor's Report*) of the General Information Document read along with Annexure B (*Updated Financial Statements*) of this Key Information Document read along with the key operational and financial parameters of the Issuer for the complete financial year ending 31 March 2024 and for the period ending 31 December 2024 is provided in Annexure C *(Key Operational and Financial Parameters of the Issuer)* of this Key Information Document. |
| **Date of passing of resolution by the board of the Issuer and the shareholders of the Issuer** | Resolutions of the board of members of the Issuer passed on 12 July 2024 and the investment management committee of the Issuer on 13 March 2025.<br><br>Copy of the said resolutions are annexed herewith and marked as Schedule III (*Resolutions*). |
| **Date of passing of resolution in general meeting of the shareholders of the Issuer, authorizing the offer of securities** | Not applicable |
| **Kinds of securities offered (i.e. whether shares or debenture) and class of security; the total number of shares or debentures or other securities to be issued** | Issue of unsecured, rated, listed, redeemable, taxable and non-convertible bonds, in the nature of debentures, comprising seven STRPPs/sub-series 'A' through 'G' of a face value of INR 1,00,000 (Indian Rupees One Lakh only) each (with each bond aggregating to a value of INR 7,00,000 (Indian Rupees Seven Lakh only)), for amounts of up to INR 199,99,00,000 (Indian Rupees One Hundred Ninety Nine Crores and Ninety Nine Lakhs only), with a green-shoe option to retain oversubscription of up to INR 299,95,00,000 (Indian Rupees Two Hundred and Ninety Nine Crores and Ninety Five Lakhs only), such that the aggregate issue size of the Debentures does not exceed an amount of up to INR 499,94,00,000 (Indian Rupees Four Hundred and Ninety Nine Crores and Ninety Four Lakhs only) to be issued under ISINs [●]. |
| **Price at which the security is being offered, including premium if any, along with justification of the price** | Through BSE EBP. |
| **Name and address of the valuer who performed valuation of the** | Not applicable |

| | |
|---|---|
| **security offered and basis on which the price has been arrived at along with report of the registered valuer** | |
| **Relevant date with reference to which the price has been arrived at** | Not applicable |
| **The class or classes of persons to whom the allotment is proposed to be made** | Please refer Row 8 (*Eligible Investors*) of the Section 6 (*Summary of Terms*) under this Key Information Document. |
| **Intention of promoters, directors or key managerial personnel to subscribe to the offer (applicable in case they intend to subscribe to the offer)** | Not applicable |
| **The proposed time within which the allotment shall be completed** | Issue Opening Date: 24 March 2025<br>Issue Closing Date: 24 March 2025<br>Pay In Date: 25 March 2025<br>Deemed Date of Allotment: 25 March 2025 |
| **The change in control, if any, in the Issuer that would occur consequent to the private placement** | Not applicable |
| **The number of persons to whom allotment on preferential basis/ private placement/ rights issue has already been made during the year, in terms of number of securities as well as price.** | Please refer to Paragraph 13(d) of Section 2 (*Disclosures (In Accordance with the SEBI Non-Convertible Securities Listing Regulations*)) of the General Information Document read along with the details as provided in Annexure A *(Material changes to information provided in the General Information Document)* of this Key Information Document. |
| **The justification for the allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer.** | Not applicable |
| **Amount which the Issuer intends to raise by way of proposed offer of securities** | Up to INR 199.99,00,000 (Indian Rupees One Hundred Ninety Nine Crores and Ninety Nine Lakhs only), with a green-shoe option to retain oversubscription of up to INR 299,95,00,000 (Indian Rupees Two Hundred and Ninety Nine Crores and Ninety Five Lakhs only), such that the aggregate issue size of the Debentures does not exceed an amount of up to INR 499,94,00,000 (Indian Rupees Four Hundred and Ninety Nine Crores and Ninety Four Lakhs only). |
| **Debenture Trust Deed** | In the event of any inconsistency between the provisions of the Debenture Trust Deed and this Key Information Document, the provisions of the Debenture Trust Deed shall prevail. |
| **Terms of raising of securities:** | **Duration, if applicable** — Approximately 4 – 10 years |

| | | |
|---|---|---|
| | **Rate of Interest** | 9.49%, payable quarterly |
| | **Mode of Payment** | RTGS / NEFT |
| | **Mode of Repayment** | RTGS / NEFT |
| **Proposed time schedule for which this Key Information Document is valid** | Issue Opening Date: 24 March 2025<br>Issue Closing Date: 24 March 2025<br>Pay In Date: 25 March 2025<br>Deemed Date of Allotment: 25 March 2025 | |
| **Purpose and objects of the Issue** | The funds raised by the Issue shall be utilised by the Issuer in compliance with the Applicable Law and in accordance with the Debenture Trust Deed, for the purpose of:<br>(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 immoveable assets for setting up such infrastructure projects;<br>(b) Repayment of any financial indebtedness availed by Issuer; and<br>(c) Any other objectives of the Issuer pursuant to the KIIF Act. | |
| **Contribution being made by the promoter or directors of either as part of the offer or separately in furtherance of the object** | Nil | |
| **Principal terms of assets charged as security, if applicable** | Please refer to Section 6 (*Summary of Terms*) of this Key Information Document. | |
| **The details of significant and material orders passed by the regulators, courts and tribunals impacting the going concern status of the Issuer and its future operations** | Nil | |
| **If the proceeds, or any part of the proceeds, of the issue of the Debentures are or is to be applied directly or indirectly in the purchase of any business; or in the purchase of an interest in any business and by reason of that purchase, or anything to be done in consequence thereof, or in connection therewith, the Issuer shall become entitled to an interest in either the capital or profits and losses or both, in such business exceeding 50% (fifty per cent).** | Nil | |

| | |
|---|---|
| **Whether the proceeds, or any part of the proceeds, of the issue of the Debentures are or are to be applied directly or indirectly, and in any manner resulting in the acquisition by the Issuer of the shares in any other body corporate.** | Nil |

**Pre-issue and Post-issue shareholding pattern of the Issuer as on 31 December 2024**

Not applicable

Note: The Issuer is a body corporate viz., a board constituted under KIIF Act and has not issued any equity shares.

**Disclosure with regard to interest of the directors of the Issuer, litigation, etc.:**

Please refer to Section 3 of the General Information Document.

**5. Financial position of the Issuer:**

Please refer to Annexure A (*Audited Financial Statements for the Issuer along with Auditor's Report*) of the General Information Document read along with Annexure B (*Updated Financial Statements*) of this Key Information Document read along with the key operational and financial parameters of the Issuer for the complete financial year ending 31 March 2024 and for the period ending 31 December 2024 is provided in Annexure C *(Key Operational and Financial Parameters of the Issuer)* of this Key Information Document.

## SECTION 4

## TERMS AND CONDITIONS OF THE DEBENTURES

**1. Issue**

Issue of unsecured, rated, listed, redeemable, taxable and non-convertible bonds, in the nature of debentures, comprising seven STRPPs 'A' through 'G' of a face value of INR 1,00,000 (Indian Rupees One Lakh only) each (with each bond aggregating to a value of INR 7,00,000 (Indian Rupees Seven Lakh only)), for amounts of up to INR 199,99,00,000 (Indian Rupees One Hundred Ninety Nine Crores and Ninety Nine Lakhs only), with a green-shoe option to retain oversubscription of up to INR 299,95,00,000 (Indian Rupees Two Hundred and Ninety Nine Crores and Ninety Five Lakhs only),such that the aggregate issue size of the Debentures does not exceed an amount of up to INR 499,94,00,000 (Indian Rupees Four Hundred Ninety Nine Crores and Ninety Four Lakhs only), through private placement route under the terms of this Key Information Document as issuance of Debentures.

**2. Mode of bidding**

The Debentures are proposed to be issued in the closed bidding mode in accordance with the EBP Guidelines. There are two modes of bidding prescribed by the EBP Guidelines, namely: (a) open bidding; and (b) closed bidding.

**3. Minimum Subscription**

As the current issue of Debentures is being made on a private placement basis, the requirement of minimum subscription shall not be applicable and therefore the Issuer shall not be liable to refund the Issue subscription(s)/ proceed(s) in the event of the total issue collection falling short of issue size or certain percentage of issue size.

**4. Force Majeure**

The Issuer reserves the right to withdraw the Issue prior to the Issue Closing Date in the event of any unforeseen development adversely affecting the economic and regulatory environment.

**5. Post-allocation disclosures**

In line with the EBP Guidelines and as per provisions under the SEBI Non-Convertible Securities Listing Regulations and the SEBI Master Circular.

**6. Procedure for applying for the demat facility**

(a) Applicant(s) must have a beneficiary account with any Depository Participant of NSDL/CDSL prior to making the application.

(b) For subscribing to the Debentures, names should be identical to those appearing in the account details of the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

(c) If incomplete/ incorrect beneficiary account details are given which does not match with the details in the depository system, it will be deemed to be an incomplete application and the same be held liable for rejection at the sole discretion of the Issuer.

(d) The Debentures shall be directly credited to the beneficiary account and after due verification, allotment advice, would be sent directly to the Applicant by the Registrar and Transfer Agent but the confirmation of the credit of the Debentures to the Applicant’s depository account will be provided to the Applicant by the Depository Participant of the Applicant.

(e) Interest or other benefits with respect to the Debentures would be paid to those holders whose names appear on the list of beneficial owners given by the depository to the Issuer as on the Record Date. In case, the beneficial owner is not identified by the depository on the Record Date due to any reason whatsoever, the Issuer shall keep in abeyance the payment of Interest or other benefits, till such time the beneficial owner is identified by the Depository and intimated to the Issuer. On receiving such intimation, the Issuer shall pay the Interest or other benefits to the beneficiaries identified, within a period of 15 (fifteen) calendar days from the date of receiving such intimation.

(f) Applicants may please note that the Debentures shall be allotted and traded on the Stock Exchange only in dematerialized form.

**7. Allotment resolutions and credit of Debentures**

The beneficiary account of the Investor(s) with NSDL/ CDSL/ Depository Participant will be given initial credit within 3 (three) Business Days from the date of closure of the Issue and confirmation of the credit of Debentures shall be provided by the relevant Depository within 3 (three) Business Days from the date of closure of the Issue.

Subject to the completion of all statutory formalities within time frame prescribed in the Applicable Laws, an allotment resolution shall be passed by the board of members of the Issuer on the Pay In Date to record the allotment of the Debentures to the relevant Investor(s) on the said date and the beneficiary demat account of the Investor(s) would be credited with the number of Debentures so allotted. The Debentures since issued in electronic (dematerialized) form, will be governed as per the provisions of the Depository Act, SEBI (Depositories and Participants) Regulations, 1996, rules notified by NSDL/ CDSL/ Depository Participant from time to time and other Applicable Laws and rules notified in respect thereof. The Debentures shall be allotted in dematerialized form only.

**8. Compliance with Applicable Laws**

The Issue of Debentures is being made in compliance with the Act and the rules made thereunder (as applicable), the SEBI Non-Convertible Securities Listing Regulations, the SEBI LODR Regulations, the SEBI Debenture Trustees Regulations, the KIIF Act and amendments thereto, circulars enacted thereunder, and other Applicable Laws in this regard.

**9. Who Can Apply**

This Key Information Document and the contents hereof are restricted to only the intended recipient(s) who have been addressed directly through a communication by or on behalf of the Issuer, and only such recipients are eligible to apply for the Debentures. The investors, when specifically approached, who are eligible to apply for this private placement of Debentures are mentioned in Row 8 (*Eligible Investors*) of the Section 6 (*Summary of Terms*) of this Key Information Document. All investors are required to comply with the relevant regulations/guidelines applicable to them for investing in this Issue.

**10. Who Cannot Apply**

The entities apart from Row 8 (*Eligible Investors*) of the Section 6 (*Summary of Terms*) under this Key Information Document, shall not be eligible to participate in the Issue and any applications from such persons and entities shall be rejected.

Prospective subscribers must make their own independent evaluation and judgment regarding their eligibility to invest in the Issue. Prior to making any investment in these Debentures, each Investor should satisfy and assure herself/ himself/ itself that it is authorized and eligible to invest in these Debentures.

***Disclaimer****: An application, even if complete in all respects, is liable to be rejected without assigning any reason for the same. The Issuer may but is not bound to revert to any investor for any additional documents/ information and can accept or reject an application as it deems fit. Investment by Investors falling in the categories mentioned above are merely indicative and the Issuer does not warrant that they are permitted to invest as per extant laws, regulations, etc. Each of the above categories of Investors is required to check and comply with extant rules/ regulations/ guidelines, etc. Governing or regulating their investments as applicable to them and the Issuer is not, in any way, directly or indirectly, responsible for any statutory or regulatory breaches by any Investor, neither is the issuer required to check or confirm the same.*

## 11. How to Apply

All Eligible Investors will have to register themselves as a one-time exercise (if not already registered) with the EBP Platform for participating in electronic book building mechanism. Eligible Investors should refer to the EBP Guidelines for issuance of debt securities on private placement basis through an electronic book mechanism. Eligible Investors will also have to complete the mandatory know-your-customer verification process. Eligible Investors should refer to the EBP Guidelines.

(i) The details of the Issue shall be entered on the EBP by the Issuer at least 2 (two) Business Days prior to the Issue Opening Date, in accordance with the EBP Guidelines.

(ii) The Issue will be open for bidding for the duration of the bidding window that would be communicated through the Issuer's bidding announcement on the EBP, at least 1 (one) Business Day before the start of the Issue Opening Date.

Some of the key guidelines in terms of the current EBP Guidelines, are as follows:

(a) ***Modification of Bid***

Eligible Investors may note that modification of bid is allowed during the bidding period. However, in the last 10 (ten) minutes of the bidding period, revision of bid is only allowed for improvement of yield and upward revision of the bid size. Note that the present Issue is a variable coupon instrument.

(b) ***Cancellation of Bid***

Eligible Investors may note that cancellation of bid is allowed during the bidding period. However, in the last 10 (ten) minutes of the bidding period/ window, no cancellation of bids is permitted.

(c) ***Multiple Bids***

Eligible Investors may note that multiple bids are permitted, in line with the provisions of the SEBI Non-Convertible Securities Listing Regulations and SEBI Master Circular (as applicable).

(d) ***Withdrawal of Issue***

The Issuer may, at its discretion, withdraw the issue process on the following conditions:

(i) Non-receipt of bids up to the issue size;

(ii) The bidder has defaulted on payment towards the allotment, within the stipulated time frame, due to which the Issuer is unable to fulfil the issue size;

(iii) The cut-off yield entered by the bidder is higher than the estimated cut-off yield disclosed to the EBP.

Provided that the Issuer shall accept or withdraw the Issue on the EBP within 1 (one) hour of the closing of the bidding window, and not later than 6 pm on the Issue Closing Date.

However, Eligible Investors should also refer to the EBP Guidelines, as prevailing on the date of the bid.

(e) ***Provisional/ Final allocation***

Allocation shall be made on a uniform yield basis. Post completion of bidding process, the Issuer will upload the provisional allocation on the EBP Platform. Once the allocation is done then the successful bidders can see their respective allocations on the allocation report generated by the EBP Platform.

Application(s) for the Debentures must be made by submitting the Application Forms which must be completed in block letters in English. Application Form must be accompanied by electronic fund transfer instruction as per below details.

This being a private placement offer, Applicants who have been addressed through this communication directly, i.e., the Applicant can alone apply.

All Application Forms, duly completed, together with cheque/ demand draft for the amount payable drawn or made payable in favour of KERALA INFRASTRUCTURE INVESTMENT FUND BOARD and crossed "Account Payee only", on application must be delivered before the closing date of the Issue to the Issuer.

Applications complete in all respects (along with all necessary documents as detailed in this Key Information Document) must be submitted before the last date indicated in the issue time table or such extended time as decided by the Issuer, at the registered office of the Issuer, accompanied by the Subscription Amount by way of cheque(s)/ demand draft(s) drawn on any bank including a co-operative bank which is situated at and is a member of the bankers' clearing house located at a place where the Application Form is submitted. Such Subscription Amount for subscription of the Debentures shall be made from the bank account of the Applicant and the Issuer shall keep the record of the bank account from where such payments of subscription have been received. However, where the Debenture(s) is held by joint holders, then Subscription Amount in respect of such Debentures shall be paid from the bank account of the Applicant whose name appears first in the Application Form.

Outstation cheque(s)/ bank draft(s) drawn on bank(s) not participating in the clearing process at the designated clearing centres will not be accepted. Money orders/ postal orders/ cash will also not be accepted. The Issuer assumes no responsibility for any applications/ cheques/ demand drafts lost in mail.

No separate receipt will be issued for the Subscription Amount. However, the Issuer receiving the duly completed Application Form will acknowledge receipt of the application by stamping and returning to the Applicant the acknowledgment slip at the bottom of each Application Form.

As a matter of precaution against possible fraudulent encashment of interest warrants/ cheques due to loss/ misplacement, the Applicant should furnish the full particulars of his or her bank account (i.e. account number, name of the bank and branch) at the appropriate place in the Application Form.

The payment can be made by real time gross settlement ("**RTGS**")/ national electronic funds transfer ("**NEFT**") by crediting the funds to the bank account of the Indian Clearing Corporation Limited of the Stock Exchange ("**Designated Bank Account**") for pay in of Subscription Amount as prescribed under the electronic book building procedure.

The subscription monies transferred to Designated Bank Account, by the Applicants successful under the electronic book building procedure will, subsequent to the fulfilment of procedural requirements under the Applicable Law, be transferred to the Designated Bank Account. The details of the Designated Bank Account are as follows:

| | |
|---|---|
| **Name of Bank** | HDFC BANK |
| **IFSC Code** | HDFC0000060 |
| **Account number** | ICCLEB |
| **Name of beneficiary** | INDIAN CLEARING CORPORATION LIMITED |

| | |
|---|---|
| **Name of Bank** | ICICI Bank Ltd. |
| **IFSC Code** | ICIC0000106 |
| **Account number** | ICCLEB |
| **Name of beneficiary** | INDIAN CLEARING CORPORATION LTD |

| | |
|---|---|
| **Name of Bank** | YES BANK |
| **IFSC Code** | YESB0CMSNOC |
| **Account number** | ICCLEB |
| **Name of beneficiary** | INDIAN CLEARING CORPORATION LTD |

The applications must be accompanied by certified true copies of (i) a letter of authorization, and (ii) specimen signatures of authorised signatories.

**12. Instructions for filling up the Application Form**

(a) Application must be completed in BLOCK LETTERS IN ENGLISH. A blank must be left between two or more parts of the name.

(b) Signatures should be made in English.

(c) Full amount has to be paid on application per Debenture applied for. Applications for incorrect amounts are liable to be rejected. Nominal Value: INR 1,00,000 (Indian Rupees One Lakh only) under each STRPPs/Sub-Series.

(d) Money orders or postal orders will not be accepted. The payments can be made by NEFT/ RTGS, the details of which are given above. Payment shall be made from the bank account of the Person subscribing. In case of joint-holders, monies payable shall be paid from the bank account of the Person whose name appears first in the application.

(e) No cash will be accepted.

(f) The Applicant should mention its permanent account number or the GIR number allotted to it under the Income Tax Act, 1961 and also the relevant income-tax circle/ward/district.

(g) Applications under power of attorney/relevant authority.

(h) In case of an application made under a power of attorney or resolution or authority to make the application a certified true copy of such power of attorney or resolution or authority to make the application and the memorandum and articles of association and/or bye-laws of the Investor

must be attached to the Application Form at the time of making the application, failing which, the Issuer reserves the full, unqualified and absolute right to accept or reject any application in whole or in part and in either case without assigning any reason therefore. Further any modifications / additions in the power of attorney or authority should be notified to the Issuer at its registered office. Names and specimen signatures of all the authorised signatories must also be lodged along with the submission of the completed application.

(i) An application once submitted cannot be withdrawn.

(j) The applications would be scrutinised and accepted as per the terms and conditions specified in this Key Information Document.

(k) Any application, which is not complete in any respect, is liable to be rejected.

(l) The Investor/ Applicant shall apply for the Debentures in electronic, i.e., dematerialised form only. Applicants should mention their Depository Participant's name, DP-ID and beneficiary account number in the Application Form. In case of any discrepancy in the information of Depository/beneficiary account, the Issuer shall be entitled to not credit the beneficiary's demat account pending resolution of the discrepancy.

The Applicant is requested to contact the office of the Issuer as mentioned above for any clarifications.

**13. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018**

The Issue is governed by the provisions of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018.

Over and above the aforesaid terms and conditions, the Debentures, if any issued under this Key Information Document, shall be subject to this Key Information Document, the Debenture Trust Deed and also be subject to the provisions of the KIIF Act.

**14. Option to Subscribe**

The Issuer has made arrangements for issue and holding of the Debentures in dematerialized form.

**15. Right to Debenture Holders:**

The Debentures shall not, confer upon the Debenture Holders thereof any rights or privileges available to the shareholders of the Issuer.

**16. Right to accept or reject applications**

The Issuer reserves its full, unqualified and absolute right to accept or reject any application, in part or in full, without assigning any reason thereof. The rejected Applicants will be intimated along with the refund warrant, if applicable, to be sent. Application would be liable to be rejected on one or more technical grounds, including but not restricted to:

(a) incomplete Application Form;

(b) applications exceeding the Issue size;

(c) bank account details have not been provided;

(d) details for issue of Debentures in electronic / dematerialized form not given;

(e) PAN or GIR No. and the income tax circle / ward / district is not given; and

(f) in case of applications made through power of attorneys, if the relevant documents are not submitted.

The full amount of the Debentures has to be submitted along with the Application Form.

The Issuer shall circulate copies of this Key Information Document along with the serially numbered Application Form, either in electronic or physical form, to the Applicants and the Application Form will be specifically addressed to such Applicants.

**17. Submission of Documents by Applicants**

The Applicants shall submit the following additional documents along with the Application Form as may be relevant:

(a) KIIF Act;

(b) Government notification/certificate of incorporation;

(c) Specimen signatures of authorised persons; and

(d) Copy of PAN card.

**18. Basis of Allotment**

Notwithstanding anything stated elsewhere, Issuer reserves the right to accept or reject any application, in part or in full, without assigning any reason. The Issuer may stop accepting subscription in consultation with arranger team at any time during the private placement. Banks cumulatively will not be allotted more than 20% of primary issue size. The Investors will be required to remit the funds as well as submit the duly completed Application Form along with other necessary documents to the Issuer by the Issue Closing Date.

Date and Time of Receipt of Subscription Amount: 25 March 2025; Pay In Date: 25 March 2025

*The Time of Receipt of Funds shall be the time of receipt of Subscription Amount in the Designated Bank Account on the Pay In Date for the purpose of subscribing in the Issue.*

Notwithstanding the above, the Issuer reserves the right to determine the basis of Allotment at its sole discretion. For further clarity, please refer to Section 11 titled "**How to Apply**".

**19. Allotment**

The Debentures allotted to Investor in dematerialized form would be directly credited to the beneficiary account as given in the Application Form after verification. The Debentures will be credited to the account of the allottee(s) as soon as practicable but in any event within 2 (two) Business Days from the date of closure of the Issue.

If the Debentures are not allotted within 60 (sixty) days from the date of receipt of the payments from the Applicants, the Issuer shall repay such monies to the Applicants within 15 (fifteen) days from the date of completion of the aforesaid 60 (sixty) days. If the Issuer fails to repay the payments within the aforesaid period, it shall be liable to repay that money with interest at the rate of 12% (twelve per cent) per annum from the expiry of the 60$^{th}$ (sixtieth) day.

**20. Register of Debenture Holders**

A Register of Debenture Holders containing necessary particulars of the Debenture Holders will be maintained with the Depository. The Issuer shall at all times duly maintain all details of Debenture Holders in the form and manner as required under Applicable Laws.

**21. Transfer / Transmission / Trading of Debentures**

The Debentures shall be transferable freely to all classes of Eligible Investors. It is clarified that the Debentures are not intended to be held by any category of persons who are not Eligible Investors. Subject to the foregoing, the Debentures may be transferred and/or transmitted in accordance with the applicable provisions of the Applicable Laws. The Debentures held in dematerialised form shall be transferred subject to and in accordance with the rules/procedures as prescribed by depositories and the relevant Depository Participants of the transferor or transferee and any other Applicable Laws and rules notified in respect thereof. The transferee(s) should ensure that the transfer formalities are completed prior to the Record Date. In the absence of the same, Interest will be paid/redemption will be made to the person, whose name appears in the Register of Debenture Holders maintained by the Depositories. In such cases, claims, if any, by the transferees would need to be settled with the transferor(s) and not with the Issuer.

Provided further that nothing in this section shall prejudice any power of the Issuer to register as Debenture Holder any Person to whom the right to any Debenture of the Issuer has been transmitted by operation of law.

Subject to the terms of the Debenture Trust Deed, the normal procedure followed for transfer of securities held in dematerialized form shall be followed for transfer of these Debentures held in electronic form. The seller should give delivery instructions containing details of the buyer's Depository Participant account to its Depository Participant. The Issuer undertakes that there will be a common transfer form / procedure for transfer of Debentures.

The Debentures shall be issued only in authorizing form in compliance with the provisions of the Depositories Act (as amended from time to time), any other applicable regulations (including of any relevant stock exchange) and these conditions. No physical certificates of the Debentures would be issued.

**22. Authority for the placement**

This private placement of Debentures is being made pursuant to the resolutions passed by the board of members on 12 July 2024 and the investment management committee of the Issuer on 13 March 2025 authorizing the Issuer to borrow monies by way of issue of Debentures.

The Issuer can carry on its existing activities and future activities planned by it in view of the existing approvals, and no further approvals from any Governmental Agency are required by the Issuer to carry on its said activities.

**23. Record Date**

This will be 15 (fifteen) days prior to each Coupon Payment Date and Redemption Date in accordance with the Transaction Documents ("**Record Date**"). The list of beneficial owner(s) provided by the Depository as at the end of day of Record Date shall be used to determine the name(s) of person(s) to whom the Interest and/or principal instalment is to be paid notwithstanding any subsequent transfer by the existing Debenture Holders after the Record Date.

**24. Effect of Holidays**

As specified in Row 51 (*Business Day Convention*) in the Section 6 (*Summary of Terms*) of this Key Information Document.

**25. Redemption on Maturity of Debenture**

The Issuer shall pay, in respect of each outstanding Debenture, an amount that is equal to the outstanding principal amount of that Debenture as on 3 (three) years from the Deemed Date of Allotment, any accrued but unpaid Interest applicable to the principal amount of each Debenture is payable on relevant Interest Payment Date and any other amounts that are payable in accordance with the Debenture Trust Deed.

The details of the settlement mechanism upon redemption of Debentures have been specified in Row 53 (*Settlement mode of the Instrument*) of Section 6 (*Summary of Terms*) of this Key Information Document.

**26. Resolution for pre and post issue related difficulties**

The Investor may contact the Issuer in case of any pre-issue/ post-issue related problems such as non-receipt of credit of Debentures / refund orders etc.

**27. Debentures to Rank Pari-Passu**

The Debentures of this Issue shall rank *pari-passu* inter-se without preference or priority of one other or others.

**28. Payments at Par**

Payment of the principal, all Interest and other monies will be made to the registered Debenture holder(s)/ beneficial owner(s) and in case of joint holders to the one whose name stands first in the Register of Debenture Holder(s) / in the list of beneficial owner(s) provided to the Issuer by the Depository. Such payment shall be made through electronic clearing services (ECS), real time gross settlement (RTGS), direct credit or national electronic fund transfer (NEFT). Upon failure of the Issuer to make the relevant payments through the aforesaid mode, the Issuer shall pay the redemption, Interest and all other amounts to the registered Debenture Holders by way of demand draft(s)/ credit in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date. The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the Record Date. On such payment being made, the Issuer will inform NSDL/ CDSL and accordingly the account of the Debenture Holder(s) with NSDL/ CDSL will be adjusted.

**29. Tax Deduction at Source**

(a) Interest on the Debentures issued pursuant to this Issue is subject to deduction of income Tax under the provisions of the Income Tax Act, 1961 **("IT Act")** or any other statutory modification or re-enactment thereof, as applicable. The Debenture Holders desirous of claiming non-deduction or lower deduction of Tax at source under Applicable Laws, as the case may be, shall be required to submit the declaration/ certificates as per format prescribed under Applicable Laws with the Issuer and the Registrar to the Issue ("**RTA**") at the below mentioned address on or prior to the relevant Record Date for payment of interest on the Debentures:

| Particulars | Contact Details of the Issuer | Contact Details of the RTA |
|---|---|---|
| Name | Kerala Infrastructure Investment Fund Board | Cameo Corporate Services Limited |
| Correspondence Address | 2nd Floor, Felicity Square, Mg Road, Thiruvananthapuram 695001, Kerala (India) | 5th Floor, Subramanian Building No.1, Club House Road Chennai 600002 Tamil Nadu India |
| Contact Person | Sabareeswar Thampan | Mohanavalli E. |
| Designation | Compliance Officer | Asst. Manager |

| Particulars | Contact Details of the Issuer | Contact Details of the RTA |
|---|---|---|
| E-mail ID | Co.Fa@Kiifb.Org | Mohana@Cameoindia.Com<br>Investor1@Cameoindia.Com |
| Tel. No. | 0471-2780900 | 044 – 400 20780752 |
| Fax No. | Not Applicable | Not Applicable |
| Link for online submission | Https://Kiifb.Org/Certupld.Jsp | Https://Investors.Cameoindia.Com/ |

(b) In case of non-receipt of such prescribed declaration/ certificate from the Debenture Holders claiming non-deduction or lower deduction of Tax at source under Applicable Laws, on or prior to the relevant Record Date, the Issuer shall make Tax deduction at source deductions in accordance with the prescribed rates prior to credit of interest on Debentures.

(c) Income Tax is deductible at source at the rate of 10% on interest on the Debentures held by resident Indians in accordance with Section 193 of the IT Act. In cases where interest is to be paid to an individual or hindu undivided family ("**HUF**") (being the Debenture Holder) is less than INR 5,000 and interest is to be paid by way of account payee cheque then the relevant Debenture Holder may seek non deduction of Tax at source on the interest on Debentures by submitting the prescribed declaration/certificates with the Issuer and the RTA at the aforesaid address on or prior to the relevant Record Date.

(d) In case of Debenture Holder who is a resident individual or resident HUF claiming non-deduction or lower deduction of Tax at source under Section 193 of the IT Act, as the case may be, the Debenture Holder should furnish either (a) a declaration (in duplicate) in the prescribed form i.e. (i) Form 15H which can be given by individuals who are of the age of 60 years or more (ii) Form 15G which can be given by all Debenture Holders (other than companies and firms), or (b) a certificate, from the relevant assessing officer which can be obtained by all Debenture Holders (including companies and firms) by making an application in the prescribed form i.e. Form No. 13.

(e) Debenture Holders may seek/ may be granted, as the case may be, non-deduction or lower deduction of Tax at source in following instances under the IT Act:

(i) When the relevant assessing officer issues a certificate on an application by a Debenture Holder on satisfaction that the total income of the Debenture Holder justifies no/lower deduction of Tax at source as per the provisions of Section 197(1) of the IT Act; and that a valid certificate is filed by the Debenture Holder with the Issuer before the Record Date for payment of interest;

(ii) When the resident Debenture Holder with Permanent Account Number ("**PAN**") (not being a company or a firm) submits a declaration as per the provisions of Section 197A(1A) of the IT Act in the prescribed Form 15G verified in the prescribed manner to the effect that the Tax on his estimated total income of the financial year in which such income is to be included in computing his total income will be NIL. However, under Section 197A(1B) of the IT Act, Form 15G cannot be submitted nor considered for exemption from Tax deduction at source if the dividend income referred to in Section 194, interest on securities, interest, withdrawal from National Savings Scheme and income from units of mutual fund or of Unit Trust of India as the case may be or the aggregate of the amounts of such incomes credited or paid or likely to be credited or paid during the financial year in which such income is to be included exceeds the maximum amount which is not chargeable to income Tax;

(iii) Senior citizens, who are 60 or more years of age at any time during the financial year, enjoy the special privilege to submit a self-declaration in the prescribed Form 15H for non-deduction of Tax at source in accordance with the provisions of Section 197A(1C) of the IT Act even if the aggregate income credited or paid or likely to be credited or paid exceeds the maximum amount not chargeable to Tax, provided that the Tax due on the estimated total income of the year concerned will be NIL;

(iv) All mutual funds registered under Securities and Exchange Board of India are exempt from Tax on all their income, including income from investment in Debentures under the provisions of Section 10 (23D) of the IT Act in accordance with the provisions contained therein. Further, as per the provisions of Section 196 of the IT Act, no deduction of Tax shall be made by any person from any sums payable to mutual funds specified under Section 10(23D) of the IT Act, where such sum is payable to it by way of interest or dividend in respect of any securities or shares owned by it or in which it has full beneficial interest, or any other income accruing or arising to it;

(v) For any Debentures held by foreign institutional investors/ foreign portfolio investors/ qualified foreign investors, interest on Debentures may be eligible for concessional Tax rate of 5% (plus applicable surcharge and health and education cess) for interest referred under Section 194LD applicable in respect of rupee denominated bonds of an Indian entity between 1 June 2013 and 1 July 2023 provided such rate does not exceed the rate as may be notified by the Governmental Agency. Further, in case where Section 194LD is not applicable, the interest income earned by foreign institutional investors/ foreign portfolio investors should be chargeable to Tax at the rate of 20% under Section 115AD of the IT Act. Tax shall be deducted u/s. 196D of the IT Act on such income at 20%. Where double taxation avoidance agreement is applicable to the payee, the rate of Tax deduction shall be lower of rate as per double taxation avoidance agreement or 20%, subject to the conditions prescribed therein;

(vi) Interest payable to Life Insurance Corporation, General Insurance Corporation and any other insurers are exempted from deductions of tax at source under Section 193 of the IT Act;

(vii) Interest payable to entities falling under the list of entities exempted from Tax deduction at source by the circular no. 18/2017 by Central Board of Direct Taxes (whose income is unconditionally exempt under Section 10 of the IT Act and who are also statutorily not required to tile return of income as per Section 139 of the IT Act);

(viii) Any other specific exemption available to any other category of Investors under the IT Act.

(f) In case(s) where the Debentures Holder(s) do not submit the declaration/ certificates as per format prescribed under Applicable Laws with the Issuer and the RTA at the specified address on or prior to the relevant Record Date for payment of interest on the Debentures, the Issuer shall not be liable to refund the applicable amount of Tax deducted at source and the Debenture Holders would be required to directly take up with the Tax authorities for refund, if any.

(g) Exercise of any rights, privileges and obligations as set out above in sub-paragraphs (a) to (f) above under this paragraph, from time to time by the Debenture Holders, Debenture Trustee and / or the Issuer (as may be applicable) shall at all times be subject to Applicable Law (including but not limited to provisions on timelines for submission of documents.

**30. Payment Instruments (if applicable)**

Loss of any payment instrument, if applicable, should be intimated to the Issuer along with the request for issue of a duplicate payment instrument(s), if applicable. If any payment instrument(s), if applicable, is lost, stolen, or destroyed, then upon production of proof thereof, to the satisfaction of the Issuer and upon furnishing such indemnity, as the Issuer may deem adequate and upon payment of any expenses incurred by the Issuer in connection thereof, new payment instrument(s), if applicable shall be issued. Payments shall be made through electronic mode only. Upon failure of the Issuer to make the relevant payments through the aforesaid mode, the Issuer shall pay the redemption, Interest and all other amounts to the registered Debenture Holders by way of demand draft(s)/credit in the name of the Debenture Holder(s) whose names appear on the list of beneficial owners given by the Depository to the Issuer as on the Record Date. The Debentures shall be taken as discharged on payment of the redemption amount by the Issuer on maturity to the registered Debenture Holder(s) whose name appears in the Register of Debenture Holder(s) on the Record Date. On such payment being made, the Issuer will inform NSDL/ CDSL and accordingly the account of the Debenture Holder(s) with NSDL/ CDSL will be adjusted.

**31. Notices**

All notices to the Debenture Holder(s) required to be given by the Issuer shall be deemed to have been given to the sole/ first allottee or sole/ first registered holder of the Debentures, as the case may be if sent by facsimile, by email or by personal delivery or by sending the same by prepaid registered mail and shall be effective (a) if sent by fax, when sent (on receipt of a confirmation to the correct fax number) or if sent by email, when sent; (b) if sent by hand delivery, when delivered; (c) if sent by courier, 3 (three) Business Days after deposit with a courier; and (d) if sent by a registered letter, when the registered letter would, in the ordinary course of post be delivered, whether actually delivered or not.

All notices to be given by the Debenture Holder(s) shall be sent by registered post or e-mail or by hand delivery to the registered office of the Issuer or to such Persons at such address as may be notified to the Issuer from time to time. All correspondence regarding the Debentures should be marked "Private Placement of Debentures".

**32. Sharing of Information**

The Issuer may, at its option, use on its own, as well as exchange, share or part with any financial or other information about the Debenture Holders available with the Issuer, with its subsidiaries and affiliates and other banks, financial institutions, credit bureaus, agencies, statutory bodies, as may be required under Applicable Law and neither the Issuer or its subsidiaries and affiliates nor their agents shall be liable for use of the aforesaid information.

**33. Debentures subject to the Debenture Trust Deed, etc.**

Over and above the aforesaid terms and conditions, the Debentures, issued under this Key Information Document, shall be subject to prevailing guidelines/regulations of RBI and other authorities and also be subject to the provisions of the Debenture Trust Deed, and all documents to be entered into by the Issuer in relation to the Issue, including this Key Information Document, the Debenture Trust Deed, and other Transaction Documents.

**34. Governing Law**

The Debentures are governed by and will be construed in accordance with Indian law. The Issuer and Issuer's obligations under the Debentures shall, at all times, be subject to the directions of RBI, SEBI and Stock Exchanges and other applicable regulations from time to time. The applicable jurisdiction has been specified in Row 70 (*Governing Law and Jurisdiction*) in the Section 6 (*Summary of Terms*).

**35. Conflict**

This Key Information Document supersedes all previous deeds, documents arrangements, agreements, memoranda of understanding including any term sheet that may have been entered into by the Issuer with the Debenture Holders and/or the Debenture Trustee in connection with the Debentures and in the event of any conflict or inconsistency with such previous documents, deeds and agreements the provisions of this Key Information Document shall prevail. However, in case of any repugnancy, inconsistency or where there is a conflict between the conditions as are stipulated in this Key Information Document and the Debenture Trust Deed, executed by the Issuer, the provisions as contained in the Debenture Trust Deed shall prevail and override the provisions of such Key Information Document.

## 36. Investor Relation and Grievance Redressal

Arrangements have been made to redress Investor grievances expeditiously. The Issuer endeavours to resolve the Investors' grievances within promptly upon receipt. All grievances related to the Issue quoting the application number (including prefix), number of Debentures applied for, amount paid on application, may be addressed to the Registrar and Transfer Agent/ compliance officer. All Investors are hereby informed that the Issuer has appointed a Registrar and Transfer Agent/ compliance officer who may be contacted in case of any problem related to this Issue.

## SECTION 5

## MATERIAL DOCUMENTS

By very nature of its business, the Issuer is involved in a large number of transactions involving financial obligations and therefore it may not be possible to furnish details of all material contracts and agreements involving financial obligations of the Issuer. However, the contracts and documents referred to in paragraph (a) below (not being contracts entered into in the ordinary course of the business carried on by the Issuer) which are or may be deemed to be material that have been entered into by the Issuer and are available with the Issuer with respect to the issuance.

(a) **Material Contracts and Documents**

(i) General Information Document dated 18 April 2024 and this Key Information Document;

(ii) A certified copy of KIIF Act;

(iii) Copy of the resolutions of the board of members of the Issuer passed at their meeting held on 12 July 2024 and the investment management committee of the Issuer on 13 March 2025 authorizing the borrowing and authorizing the allotment of the Debentures;

(iv) Annual Report along with Audited financials and Audit Reports for the last three financial years and unaudited financials along with the limited review report for the period ending 31 December 2024;

(v) Letter of consent from the Registrar and Transfer Agent to act as Registrar and Transfer Agent to the Issue dated 17 March 2025.

(vi) Letter appointing the Debenture Trustee to the Issue dated 9 August 2024.

(vii) Letter of consent from the Debenture Trustee to act as Debenture Trustee to the Issue dated 17 March 2025.

(viii) In-principle Approval for listing of Debenture by the relevant Stock Exchange dated 16 April 2024.

(ix) Letter from the Credit Rating Agency conveying the credit rating for the Debentures dated 19 March 2025 and 19 March 2025.

(x) Tripartite Agreement between the Issuer, the relevant Depository and Registrar and Transfer Agent in dematerialized form dated 19 June 2024.

(xi) Debenture Trust Deed dated 21 March 2025 and Debenture Trustee Agreement dated 18 March 2025.

The Issuer shall submit all documents, and make necessary disclosures, in accordance with the SEBI LODR Regulations. The Issuer shall comply with the SEBI LODR Regulations and SEBI Non-Convertible Securities Listing Regulations.

(b) **Time and place at which the contracts together with documents will be available for inspection from the date of issue document until the date of closing of subscription list.**

On all Business Days at the registered office of the Issuer.

***Note***: The Issuer is a body corporate constituted under the KIIF Act and has not issued any shares. Accordingly, the disclosures in respect of the share capital of the Issuer in General Information

Document. Further the Issuer does not have directors, and is being managed by a board of members, hence disclosures in the General Information Document are made in respect of such members.

## SECTION 6

## SUMMARY OF TERMS

***Note*: *The summary of terms below is only indicative in nature and each condition below shall be subject to as further specified, modified, substituted or replaced in the Debenture Trust Deed once entered into. All the terms and conditions of the Debentures are subject to changes in Applicable Law.***

| Sr. No. | Terms | Details |
|---|---|---|
| 1. | **Security Name (Name of the debt securities/non-convertible redeemable preference shares which includes (Coupon/dividend, Issuer's name and maturity year) e.g. [·]% XXX [·].** | KIIFB Domestic Bonds – Series V 9.49% KERALA INFRASTRUCTURE INVESTMENT FUND BOARD 2035 |
| 2. | **ISINs** | [●] |
| 3. | **Issuer** | Kerala Infrastructure Investment Fund Board, a statutory body created by the Government of Kerala under the KIIF Act |
| 4. | **Type of Instrument** | Unsecured, rated, listed, redeemable, taxable, non-convertible bonds in the form of non-convertible debentures supported by unconditional and irrevocable guarantee by the GoK as the principal debtor and not merely as a surety. |
| 5. | **Nature of Instrument (secured or unsecured)** | Unsecured |
| 6. | **Seniority (Senior or subordinated)** | Senior |
| 7. | **Rating Agencies** | India Ratings and Research Private Limited and Acuite Ratings and Research Limited |
| 8. | **Eligible Investors** | The following categories of Investors may apply for the Debentures, subject to Applicable Laws and subject to fulfilling their respective investment norms/ rules by submitting all the relevant documents along with the Application Form<br>(a) resident individuals;<br>(b) HUF;<br>(c) trust;<br>(d) limited liability partnerships;<br>(e) partnership firm(s);<br>(f) portfolio managers registered with SEBI;<br>(g) association of persons;<br>(h) companies and bodies corporate including public sector undertakings;<br>(i) scheduled commercial banks; |

| Sr. No. | Terms | Details |
|---|---|---|
| | | (j) regional rural banks;<br>(k) financial institutions;<br>(l) insurance companies;<br>(m) mutual funds;<br>(n) foreign portfolio investors (if permitted under Applicable Law); and<br>(o) any other Investor eligible to invest in these Debentures in accordance with Applicable Law. |
| 9. | **Mode of Issue** | Private Placement |
| 10. | **Listing (name of stock Exchange(s) where it will be listed and timeline for listing**) | BSE<br>The Issuer shall ensure that the Debentures are listed on wholesale debt market segment of the Stock Exchange within 3 (three) Working Days from the Issue Closing Date.<br>Issue Opening Date: 24 March 2025 (T)<br>Issue Closing Date: 24 March 2025 (T)<br>Pay In Date: 25 March 2025<br>Deemed Date of Allotment: 25 March 2025<br>Listing of the Debentures: On or before T+3 (three) Working Days |
| 11. | **Rating of the Instrument** | The Debentures have been rated: (a) Provisional IND AA (CE) with stable outlook by India Ratings and Research Private Limited for an amount up to INR 499,94,90,000 (Indian Rupees Four Hundred and Ninety Nine Crores and Ninety four Lakhs and Ninety Thousand only) vide its rating letter dated 19 March 2025; and (b) Provisional ACUITE AA (CE) with stable outlook by Acuité Ratings & Research Limited for an amount up to INR 500,03,00,000 (Indian Rupees Five Hundred Crores and Three Lakhs only) vide its rating letter dated 19 March 2025. |
| 12. | **Base Issue Size** | Up to INR 199,99,00,000 (Indian Rupees One Hundred and Ninety Nine Lakhs only). |
| 13. | **Aggregate Issue size** | Up to INR 499,94,00,000 (Indian Rupees Nine Hundred Ninety Nine Crores and Ninety Four Lakhs only) |
| 14. | **Minimum Subscription** | Not applicable |
| 15. | **Option to retain oversubscription (Amount)** | Green shoe option to retain over-subscription up to INR 299,95,00,000 (Indian Rupees Two Hundred and Ninety Nine Crores and Ninety Five Lakhs only) |
| 16. | **Objects of the Issue / Purpose for which there is requirement of funds** | To augment the long-term resources of the Issuer. |
| 17. | **Details of the utilisation of the Proceeds** | The funds raised by the Issue shall be utilised by the Issuer in compliance with the Applicable Law and in accordance with the Debenture Trust Deed, for the purpose of:<br>(a) Providing financing to infrastructure projects in the State of Kerala as approved by the Issuer's board of members including but not limited |

<table>
<tr><th>Sr. No.</th><th>Terms</th><th>Details</th></tr>
<tr><td></td><td></td><td>to for acquisition of immoveable assets for setting up such infrastructure projects;<br>(b) Repayment of any financial indebtedness availed by Issuer; and<br>(c) Any other objectives of the Issuer pursuant to the KIIF Act.</td></tr>
<tr><td>18.</td><td>Coupon/Dividend Rate</td><td>9.49% per annum, payable quarterly</td></tr>
<tr><td>19.</td><td>Step Up / Step Down Coupon Rate</td><td>In case of any rating downgrade, the Issuer shall inform the Debenture Trustee of the rating downgrade on the immediately next calendar day.<br>25 basis points as step up coupon for rating downgrade (by any one of the rating agencies), from rating at the time of issuance, of every notch. For avoidance of doubt it is clarified that in case, credit rating available from each of the rating agencies are different, the lowest credit rating available shall be considered for the purpose of levying the step up coupon.<br>Any Critical Rating Downgrade Event, will give each Investor, the right to either exercise additional 25 bps step up coupon rate or exercise the put option for premature redemption subject to Applicable Laws and regulations.<br>In case of a Critical Rating Downgrade Event, each Investor can exercise the put option within 30 days from the date the Debenture Trustee informs the Debenture Holders of the rating downgrade in manner set out in Row 85 below.<br>Further, in respect of the Investors that do not exercise the put option as set out above, existing step-up coupon shall be enhanced by additional 25 basis points on the Debentures held by such Investors.<br>It is clarified that such higher coupon rates would be effective only from the date of downgrade.<br>In case post downgrade of rating, any upgrade in future will have rates reversed effective from the date of such upgrade, subject to minimum initial coupon rate.</td></tr>
<tr><td>20.</td><td>Coupon/Dividend Payment Frequency</td><td>Quarterly</td></tr>
<tr><td>21.</td><td>Coupon/Dividend Payment Date(s)</td><td><table><tr><th>Interest Payment Dates</th></tr><tr><td>25-06-2025</td></tr><tr><td>25-09-2025</td></tr><tr><td>25-12-2025</td></tr><tr><td>25-03-2026</td></tr><tr><td>25-06-2026</td></tr><tr><td>25-09-2026</td></tr><tr><td>25-12-2026</td></tr><tr><td>25-03-2027</td></tr><tr><td>25-06-2027</td></tr><tr><td>27-09-2027</td></tr></table></td></tr>
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| Sr. No. | Terms | Details |
|---|---|---|
| | | 27-12-2027 |
| | | 27-03-2028 |
| | | 23-06-2028 |
| | | 25-09-2028 |
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| | | 24-03-2034 |
| | | 23-06-2034 |
| | | 25-09-2034 |
| | | 25-12-2034 |
| | | 23-03-2035 |
| 22. | **Cumulative /Non-cumulative, in case of dividend** | Not applicable |
| 23. | **Coupon Type (fixed, floating or other structure)** | Fixed |

<table>
<tr><th>Sr. No.</th><th>Terms</th><th>Details</th></tr>
<tr><td>24.</td><td>Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).</td><td>Not applicable</td></tr>
<tr><td>25.</td><td>Day Count Basis (Actual/Actual)</td><td>Actual/Actual Interest shall be computed on an “actual/actual basis”, wherein the interest period (start date to end date) includes February 29, interest shall be computed on 366 days-a-year basis.</td></tr>
<tr><td>26.</td><td>Tenure and Tenor of this issuance of Debentures</td><td>Approximately 4 – 10 years under 7 different STRPPs/sub-series as below:<br><br>On considering the issue of the Debentures for an amount up to INR 199,99,00,000 (Indian Rupees One Hundred Ninety Nine Crores and Ninety Nine Lakhs only), with a green-shoe option to retain oversubscription of up to INR 299,95,00,000 (Indian Rupees Two Hundred Ninety Nine Crores and Ninety Five Lakhs only), such that the aggregate issue size of the Debentures does not exceed an amount of up to INR 499,94,00,000 (Indian Rupees Four Hundred Ninety Nine Crores and Ninety Four Lakhs only)
<table>
<tr><th>Sub-Series</th><th>As percentage of Issue</th><th>Amount as per base issue size (excluding green-shoe option to retain oversubscription) (INR in crore)</th><th>Redemption Dates</th></tr>
<tr><td>A</td><td>14.2857%</td><td>28.57</td><td>23-06-2028<br>25-09-2028<br>25-12-2028<br>23-03-2029</td></tr>
<tr><td>B</td><td>14.2857%</td><td>28.57</td><td>25-06-2029<br>25-09-2029<br>25-12-2029<br>25-03-2030</td></tr>
<tr><td>C</td><td>14.2857%</td><td>28.57</td><td>25-06-2030<br>25-09-2030<br>25-12-2030<br>25-03-2031</td></tr>
<tr><td>D</td><td>14.2857%</td><td>28.57</td><td>25-06-2031<br>25-09-2031<br>25-12-2031<br>25-03-2032</td></tr>
<tr><td>E</td><td>14.2857%</td><td>28.57</td><td>25-06-2032</td></tr>
</table>
</td></tr>
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<table>
<tr><th>Sr. No.</th><th>Terms</th><th>Details</th></tr>
<tr><td></td><td></td><td>
<table>
<tr><td></td><td></td><td></td><td>24-09-2032<br>24-12-2032<br>25-03-2033</td></tr>
<tr><td>F</td><td>14.2857%</td><td>28.57</td><td>24-06-2033<br>23-09-2033<br>23-12-2033<br>24-03-2034</td></tr>
<tr><td>G</td><td>14.2857%</td><td>28.57</td><td>23-06-2034<br>25-09-2034<br>25-12-2034<br>23-03-2035</td></tr>
<tr><td>Total</td><td>100%</td><td>199.99</td><td></td></tr>
</table>
</td></tr>
<tr><td>27.</td><td>Interest on Application Money</td><td>Not applicable</td></tr>
<tr><td>28.</td><td>Debt Service Reserve Account</td><td>The Issuer would be required to open a designated escrow account titled, “Debt Service Reserve Account” bearing account number 43922206971 with State Bank of India – “KERALA INFRSTRUCTURE INVETSMENT FUND BOARD” to maintain the Required DSRA Amount exclusively for the benefit and charged in favour of the Debenture Trustee (on behalf of the bond holders) (“DSRA”).<br><br>The DSRA would be in the form of cash or cash equivalent (investment in Permitted Investments).</td></tr>
<tr><td>29.</td><td>Required DSRA Amount</td><td>An amount equivalent to the interest obligation of one succeeding quarter and principal redemption amount of one quarter (“Required DSRA Amount”). The Issuer would need to maintain the Required DSRA Amount on rolling basis and the initial Required DSRA Amount so calculated would need to be deposited at least one day prior to the Pay In Date.<br><br>Although redemption shall start from the 13th quarter, the DSRA of one quarter principal redemption amount starting from 13th Quarter along with the interest obligation of one succeeding quarter shall be created upfront only.</td></tr>
<tr><td>30.</td><td>Re-issuance and consolidation</td><td>The Issuer shall have right to reissue and/or consolidate its debt securities (including the Debentures) in accordance with Applicable Law from time to time.</td></tr>
<tr><td>31.</td><td>Default Interest Rate</td><td>In the event of delay in the payment of interest amount and/ or principal amount on the due date(s), the Issuer shall pay additional interest of 2.00% per annum in addition to the respective Coupon Rate payable on the Debentures, on such amounts due, for the defaulting period.</td></tr>
<tr><td>32.</td><td>Redemption Date and Redemption Amount</td><td>The issue for an amount up to INR 199,99,00,000 (Indian Rupees One Hundred Ninety Nine Crores and Ninety Nine Lakhs only), with a green-shoe option to retain oversubscription of up to INR 299,95,00,000 (Indian</td></tr>
</table>

<table>
<tr><th>Sr. No.</th><th>Terms</th><th>Details</th></tr>
<tr><td></td><td></td><td>
Rupees Two Hundred and Ninety Nine Crores and Ninety Five Lakhs only), such that the aggregate issue size of the Debentures does not exceed an amount of up to INR 499,94,00,000 (Indian Rupees Four Hundred and Ninety Nine Crores and Ninety Four Lakhs only), would comprise of 7 (seven) STRPPs/Sub-Series (A to G) as mentioned above of sequentially, redeemable bonds in equal quarterly amount.<br><br>
Each of the STRPPs/Sub-Series ‘A’ to STRPPs/Sub-Series ‘G’ would be redeemed in 4 (four) equal quarterly installments of 14.2857% of the aggregate issue size (i.e. 3.5714% of each Sub-Series ‘A’ to Sub-Series ‘G’ of the Debentures), with redemption of STRPPs/Sub-Series ‘A’ commencing from the end of 13th quarter, STRPPs/Sub-Series ‘B’ commencing from the end of 17th quarter and so on.<br><br>
The Tenor for the Debentures shall approximately be 4 – 10 years under 7 different STRPPs/sub-series as below:
<table>
<tr><th>STRPPs/Sub-Series</th><th>As percentage of Issue</th><th>Amount as per base issue size (excluding green-shoe option to retain oversubscription) (INR in crore)</th><th>Redemption Dates</th></tr>
<tr><td rowspan="4">A</td><td rowspan="4">14.2857%</td><td rowspan="4">28.57</td><td>23-06-2028</td></tr>
<tr><td>25-09-2028</td></tr>
<tr><td>25-12-2028</td></tr>
<tr><td>23-03-2029</td></tr>
<tr><td rowspan="4">B</td><td rowspan="4">14.2857%</td><td rowspan="4">28.57</td><td>25-06-2029</td></tr>
<tr><td>25-09-2029</td></tr>
<tr><td>25-12-2029</td></tr>
<tr><td>25-03-2030</td></tr>
<tr><td rowspan="4">C</td><td rowspan="4">14.2857%</td><td rowspan="4">28.57</td><td>25-06-2030</td></tr>
<tr><td>25-09-2030</td></tr>
<tr><td>25-12-2030</td></tr>
<tr><td>25-03-2031</td></tr>
<tr><td rowspan="4">D</td><td rowspan="4">14.2857%</td><td rowspan="4">28.57</td><td>25-06-2031</td></tr>
<tr><td>25-09-2031</td></tr>
<tr><td>25-12-2031</td></tr>
<tr><td>25-03-2032</td></tr>
<tr><td rowspan="3">E</td><td rowspan="3">14.2857%</td><td rowspan="3">28.57</td><td>25-06-2032</td></tr>
<tr><td>24-09-2032</td></tr>
<tr><td>24-12-2032</td></tr>
</table>
</td></tr>
</table>

| Sr. No. | Terms | Details | | | |
|---|---|---|---|---|---|
| | | | | | 25-03-2033 |
| | | F | 14.2857% | 28.57 | 24-06-2033 |
| | | | | | 23-09-2033 |
| | | | | | 23-12-2033 |
| | | | | | 24-03-2034 |
| | | G | 14.2857% | 28.57 | 23-06-2034 |
| | | | | | 25-09-2034 |
| | | | | | 25-12-2034 |
| | | | | | 23-03-2035 |
| | | Total | 100% | 199.99 | |
| 33. | **Redemption Premium / Discount** | At par of INR 1 Lakh per Debenture under each STRPPs/Sub-Series | | | |
| 34. | **Issue Price** | Through BSE EBP | | | |
| 35. | **Discount at which security is issued and the effective yield as a result of such discount** | Not applicable | | | |
| 36. | **Premium/Discount at which security is redeemed and the effective yield as a result of such premium/ discount** | Not applicable | | | |
| 37. | **Put Date** | Applicable in case of a Put Option Event | | | |
| 38. | **Put Price** | Applicable in case of a Put Option Event | | | |
| 39. | **Call Date** | Not applicable | | | |
| 40. | **Call Price** | Not applicable | | | |
| 41. | **Put Notification Time (Timelines by which the investor need to intimate Issuer before exercising the put)** | Applicable in case of a Put Option Event | | | |
| 42. | **Call Notification Time (Timelines by which the Issuer need to intimate investor before exercising the call)** | Not applicable | | | |
| 43. | **Face Value** | 1,00,000 (Indian Rupees One Lakh only) per Debenture under each STRPPs/Sub-Series | | | |

| Sr. No. | Terms | Details |
|---|---|---|
| 44. | **Minimum Application and in multiples thereafter** | 1 Debenture, and in multiples of 1 Debenture thereafter |
| 45. | **Issue Timing** | 24 March 2025 to 25 March 2025 |
| 46. | **Issue / Bid Opening Date** | 24 March 2025 |
| 47. | **Issue / Bid Closing Date** | 24 March 2025 |
| 48. | **Date of earliest closing of the issue** | Not applicable |
| 49. | **Pay – in Date** | 25 March 2025 |
| 50. | **Deemed Date of Allotment** | 25 March 2025 |
| 51. | **Business Day Convention** | "Business Day"/ "Working Day" means all days on which commercial banks in Thiruvananthapuram and Mumbai are open for business.<br><br>If the coupon payment date falls on a Sunday or a holiday, the coupon payment shall be made on the next Working Day. However, the dates of the future payments would continue to be as per the schedule originally stipulated in this Key Information Document.<br><br>If the maturity date of the debentures, falls on a Sunday or a holiday, the redemption proceeds shall be paid on the previous Working Day along with interest accrued on the Debentures until but excluding the date of such payment.<br><br>If a leap year (i.e. February 29) falls during the Tenor of the debentures, then the number of days shall be reckoned as 366 days (actual/ actual day count convention) for the entire year. |
| 52. | **Issue Premium/ Discount** | Not applicable |
| 53. | **Settlement mode of the Instrument** | Dematerialised only. |
| 54. | **Trading mode of the Instrument** | Dematerialised only. |
| 55. | **Depository** | National Securities Depository Limited and Central Depository Services (India) Limited |
| 56. | **Disclosure of interest / Redemption Dates** | As per cash flow details provided in this Key Information Document |
| 57. | **Record Date** | 15 days prior to each Coupon Payment Date and Redemption Date.<br><br>In the event the Record Date falls on a day which is not a Business Day, the immediately succeeding Business Day will be considered as the Record Date. |
| 58. | **All covenants of the Issue (including side letters, accelerated payment clause etc.)** | Please refer to Annexure D (*Covenants*) to this Key Information Document. |

| Sr. No. | Terms | Details |
|---|---|---|
| 59. | **Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation** | The Debentures are not "secured debt securities" for the purposes of the SEBI Non-Convertible Securities Listing Regulations and corresponding provisions of Applicable Law. The Debentures are **not** secured by creation of a charge on the properties or assets of the Issuer or its subsidiaries or its holding companies or its associate companies having a value which is sufficient for the due repayment of principal and payment of interest thereon.<br><br>The Debentures shall be supported by unconditional and irrevocable guarantee by the GoK as a principal debtor and not merely as a surety. Additionally, the Debentures shall be secured by the following nominal security interest:<br><br>(a) Hypothecation over DSRA and all the amounts credited / to be credited therein<br><br>(b) Hypothecation over KIIFB Bond Servicing Account and all the amounts credited / to be credited therein<br><br>(c) Security interest over the Permitted Investments<br><br>(d) Hypothecation in the form of lien over the Fixed Deposit. |
| 60. | **Replacement of security, interest to the debenture holder over and above the coupon rate as specified in the Trust Deed and disclosed in the issue document** | Please see Row 59 (*Description regarding Security (where applicable) including type of security (movable / immovable / tangible etc.), type of charge (pledge/ hypothecation/ mortgage etc.), date of creation of security/ likely date of creation of security, minimum security cover, revaluation*) above. |
| 61. | **Transaction Documents** | (a) The Debenture Trust Deed;<br><br>(b) The Debenture Trustee Agreement;<br><br>(c) The General Information Document;<br><br>(d) This Key Information Document;<br><br>(e) The Deed of Guarantee issued by the Government of Kerala;<br><br>(f) The Accounts Agreement;<br><br>(g) The Deed of Hypothecation; and<br><br>(h) The Application Form. |
| 62. | **Conditions Precedent to Disbursement** | Please refer to Part A – Conditions Precedent of Annexure E (*Conditions*) to this Key Information Document. |
| 63. | **Conditions Subsequent to Disbursement** | Please refer to Part B – Conditions Subsequent of Annexure E (*Conditions*) to this Key Information Document. |
| 64. | **Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement ("ICA")** | As is set out in the Debenture Trust Deed, and shall include, without limitation, the following events (each an "Event of Default"):<br><br>(a) Security in jeopardy, nationalization, occurrence of an Account default and change in status of the Issuer.<br><br>(b) Non-payment of any Debenture servicing obligation on due date. |

| Sr. No. | Terms | Details |
|---|---|---|
| | | (c) Failure to adequately restore the DSRA/ Fixed Deposit within stipulated timelines.<br>(d) Failure to list or cessation of listing of the Debentures on the BSE.<br>(e) Insolvency, reorganization, liquidation, suspension of payment of debts, winding up, illegality, cessation of business by the Issuer.<br>(f) Non redemption of the outstanding Debentures by the Issuer on which the Put Option is exercised upon expiry of the stipulated timelines.<br>(g) Any insolvency, liquidation or dissolution petition filed against the Issuer which is not discharged or stayed or withdrawn within 5 calendar days.<br>(h) Breach of covenants and such breach is not cured within 7 Working Days.<br>(i) Breach of any of the terms of the Transaction Documents by the Issuer and such breach is not cured within 7 Working Days.<br>(j) Repudiation of any Transaction Document.<br>(k) Illegality for the Issuer to perform any of its obligations under the Transaction Document.<br>(l) Any material act of fraud, embezzlement, misstatement, misappropriation or siphoning off of Issuer funds or revenues or any other act having a similar effect being committed by the management or an officer of the Issuer.<br>(m) Representations or warranties are found to be untrue or misleading when made or at the time of repetition during the term of the Debentures, which representations or warranties are by nature required to be repeated at any time during the term and is not cured within 15 Working Days.<br>(n) Winding up of the Issuer, including initiation of any proceedings.<br>(o) In case the rating is withdrawn or suspended.<br>(p) Any material adverse event, as defined in the Transaction Documents and such default is not cured within 15 Working Days.<br>(q) If the guarantee obligations are not met by the GoK within 30 days of guarantee invocation, it would be construed as an Event of Default.<br>Conditions of joining an Inter Creditor Agreement: As per the Article III (*Requirement of an Inter Creditor Agreement*) of the Debenture Trust Deed. |
| 65. | **Creation of recovery expense fund** | As per the Chapter IV of the SEBI DT Master Circular, the Issuer has created the recovery expense fund ("**REF**") for an amount equivalent to 0.01% of the final issue size subject to a maximum amount of INR 25 Lakhs in the manner specified by SEBI and have informed the Debenture Trustee about the same.<br>An amount equal to 0.01% of the relevant issue size subject to a maximum amount of INR 25 lakhs shall be utilized towards the REF with the BSE as per the timeline prescribed by the SEBI. |

| Sr. No. | Terms | Details |
|---|---|---|
| 66. | **Conditions for breach of covenants (as specified in Debenture Trust Deed)** | Breach of any covenants other than those in respect of a payment default would have a cure period of 7 Working Days beyond which it would be construed as an Event of Default. |
| 67. | **Cross Default/Acceleration** | In case of an event wherein any financial indebtedness of the Issuer or its subsidiaries is not paid to a creditor when due or an Event of Default (however described) has occurred in relation to any credit facility and such facility has been accelerated (other than in respect of the Debentures) ("**Cross Default**"), each Investor can exercise the put option within 30 days from the date the Debenture Trustee informs the Debenture Holders of the Cross Default in manner set out in Row 85 below. |
| 68. | **Role and Responsibilities of Debenture Trustee** | As provided in the Transaction Documents and required under Applicable Law. |
| 69. | **Risk factors pertaining to the issue** | Please refer Section 1 of the General Information Document. |
| 70. | **Governing Law and Jurisdiction** | The Debentures are governed by and shall be construed in accordance with the existing laws of India. Any dispute arising thereof shall be subject to the jurisdiction of courts and tribunals of Thiruvananthapuram, Kerala. |
| 71. | **Registrar** | Cameo Corporate Services Limited |
| 72. | **Debenture Trustee** | Catalyst Trusteeship Limited |
| 73. | **Delay in execution of Debenture Trust Deed** | In case of delay in execution of Debenture Trust Deed and security documents, the Issuer will refund the subscription with agreed Interest Rate or will pay penal interest of at least 2% per annum to the Debenture Holders, over and above the agreed Interest Rate till these conditions are complied with at the option of the Debenture Holders. |
| 74. | **Delay in Listing** | ln case of delay in listing of the debt securities with the timelines of T+3 trading days as under the SEBI Master Circular, the Issuer shall pay penal interest of 1% per annum over the Coupon Rate for the period of delay to the Debenture Holder (i.e. from date of allotment to the date of listing). |
| 75. | **Remedies** | In the event of occurrence of the Event of Default mentioned above, the Debenture Trustee shall give a final notice to the Issuer and the GoK clearly stating its intention to invoke the Security Interest and enforce its rights under the Deed of Guarantee: (a) for Events of Default where cure period is provided as above and is not cured within the stipulated cure period; and (b) for all other Events of Default, a period of not more than 3 Working Days from the date of such notice.<br><br>Upon continuation of such event, beyond the time stipulated above, the Debenture Trustee shall invoke the Security Interest and the guarantee of the GoK on the next Working Day.<br><br>The invocation of security interest and the guarantee for any default would cover the entire liabilities remaining outstanding in these Debentures.<br><br>Further, the Debenture Trustee shall be able to exercise such other rights and remedies as set out in the Debenture Trust Deed. |
| 76. | **Financial Covenants** | The Issuer shall ensure that, in respect of any Relevant Period, the Liability Service Coverage Ratio for such Relevant Period shall not be less than 1.1 times. For the purposes of this Row 76 (*Financial Covenants*): |

| Sr. No. | Terms | Details |
|---|---|---|
| | | "**Liability Service Coverage Ratio**" means the ratio of FC Cash flow to Liability Service;<br><br>"**Relevant Period**" means the period ending 12 months from the end of each financial quarter;<br><br>"**FC Cash flow**" means, with respect to any Relevant Period, the aggregate of (a) share of Motor Vehicle Taxes and Cess levied on petroleum products received by the Issuer pursuant to KIIF Act; (b) any other amount appropriated by the GoK for the Issuer's sole usage; (c) any other payments to the Issuer other than proceeds from any Financial Indebtedness; and (d) the total amount of cash and cash equivalent investments controlled by the Issuer at the beginning of the Relevant Period, excluding any debt service reserve account and sinking fund or any other debt servicing account of similar intent (except those created towards the Financial Indebtedness of the Issuer payable during the Relevant Period); and<br><br>"**Liability Service**" means, with respect to the Relevant Period, the aggregate of (a) all scheduled payments (including balloon payments) on account of principal and interest and other charges on all Financial Indebtedness, as applicable; and (b) any payment made or required to be made to any debt service account under the terms of any agreement providing for any Financial Indebtedness. For the avoidance of doubt, it is clarified that, any payments (including for principal and / or interest and payments in relation to debt service reserve account or any other debt servicing account of similar intent) in respect of borrowings availed by the Issuer in the Relevant Period shall be excluded in computation of Liability Service. |
| 77. | **Guarantor** | State Government of Kerala |
| 78. | **Remedial Action Consequential to Impairment of DSRA** | In case of any impairment of DSRA, on any payout date (T) leading to the funds available in DSRA being lower than the Required DSRA Amount, a notice would be served to the Issuer by the Debenture Trustee on the next day (T + 1) to fully replenish the DSRA impairment within 5 days (T + 6) ("**DSRA Payment Date**").<br><br>In the event of DSRA not getting fully reinstated by the DSRA Payment Date, the Debenture Trustee would notify the GoK by the calendar day immediately succeeding the DSRA Payment Date (T+7) about its intention for invocation of the guarantee if the shortfall is not fully bridged within the next 21 days (T + 27).<br><br>If the irregularity continues beyond the above timeline, the Debenture Trustee shall invoke the Deed of Guarantee, from GoK on the next day (T + 28) to the extent of such shortfall in DSRA from the stipulated level.<br><br>The Deed of Guarantee would specifically provide obligation on the part of the GoK to fund the shortfall in DSRA when called upon by the Debenture Trustee, as per the above stipulated timeline. If the guarantee obligations are not met by GoK within 30 days of Guarantee invocation, it would be construed as an 'Event of Default' |
| 79. | **Structured Payment Mechanism** | The Issuer would be required to adequately fund the KIIFB Bond Servicing Account through periodic transfer of funds received by it from Motor Vehicles Tax and Cess allocation. The Issuer would, starting from the 1st day of each quarterly servicing cycle remit, by way of irrevocable standing |

| Sr. No. | Terms | Details |
|---|---|---|
| | | instruction to the collection bank, on every Working Day an amount equivalent to 2% of the aggregate servicing requirement for such quarterly servicing cycle of the outstanding Debentures to the KIIFB Bond Servicing Account until the required debt servicing amount for the said quarter is fully built in the KIIFB Bond Servicing Account. The Debenture Trustee shall independently monitor the amounts required for servicing of the Debentures (principal and/or interest as the case may be) in the KIIFB Bond Servicing Account, 7 days prior to the relevant servicing date (T-7).<br><br>The Debenture Trustee should independently monitor the adequacy of availability of such fund in the KIIFB Bond Servicing Account, 7 days prior to the relevant servicing date (T-7), and in case of any inadequacy, fund the same through liquidation of the Fixed Deposit to the extent of such shortfall.<br><br>However, if due to any reason, it is not possible to fully fund the KIIFB Bond Servicing Account by T-5th day, the Debenture Trustee should advise the Issuer to immediately bridge the shortfall, under intimation to the GoK.<br><br>In the event of shortfall still persisting on T-3rd day, the Debenture Trustee would transfer the requisite funds from the DSRA to bridge the gap.<br><br>This event of DSRA impairment should be immediately notified to the GoK by the Debenture Trustee on the next day.<br><br>In case any relevant event or date as set out above takes place or occurs on a day which is not a Working Day, then the immediately preceding Working Day shall be the deemed Working Day for complying with the provisions set out above in this Row 79. |
| 80. | **Collateral Support Structure** | The Debentures would have further collateral support by way of unconditional and irrevocable guarantee as a continuing obligation by the GoK. |
| 81. | **Permitted Investments** | The funds in the KIIFB Bond Servicing Account and DSRA till such time being utilized would be allowed to be invested in Permitted Investments in Fixed Deposits with Scheduled Commercial Banks and units of Debt Mutual Fund Schemes of highest possible investment grade rating as defined below:<br><br>(a) Fixed Deposits with nationalized/ public sector banks featuring in the top 10 public sector undertaking banks in terms of total asset size and having either short term rating of A1+ or a long-term rating of AAA;<br><br>(b) Fixed Deposits with private sector banks featuring in the top 10 private sector banks in terms of total asset size and having short term rating of A1+ and a long-term rating of AAA; and<br><br>(c) Investments in units of debt mutual funds schemes of highest possible investment grade rating.<br><br>These investments would be made and liquidated by the Debenture Trustee as per the instruction of the Issuer from time to time. |
| 82. | **KIIFB Bond Servicing Account** | The Issuer would be required to open a designated escrow account titled "KIIFB Bond Servicing Account" bearing account number 43922198244 with State Bank of India exclusively for the benefit and charged in favour of the Debenture Trustee (on behalf of the Investors). for remitting the |

| Sr. No. | Terms | Details |
|---|---|---|
| | | payments to be made by the Issuer to the Investors in respect of the Debentures. |
| 83. | **Daily Transfer of Funds to KIIFB Bond Servicing Account** | Daily allocation of Motor Vehicle Tax and Cess pursuant to section 7 of KIIF Act is being received by the Issuer into its "Collection Account" bearing account name Kerala Infrastructure Investment Fund Board and account number 39351427592 (IFSC Code: SBIN0070028) maintained with the collection bank i.e., State Bank of India, Trivandrum City branch (as on the date of this Key Information Document) during the 9 Months period commencing from 1st April till 31st December every year on a regular basis.<br><br>The Issuer would, starting from the 1st day of each quarterly servicing cycle remit, by way of irrevocable standing instruction to the collection bank, on every Working Day, an amount equivalent to 2% of the aggregate servicing requirement for such quarterly servicing cycle of the outstanding Debentures to the KIIFB Bond Servicing Account until the Required DSRA amount for the said quarter is fully built in the KIIFB Bond Servicing Account.<br><br>For the period of 1st January to 31st March the Issuer, by way of standing instruction, shall transfer an upfront amount on 1st January each year to the KIIFB Bond Servicing Account equivalent to the amount required towards the aggregate daily transfer amounts for the said period.<br><br>The said irrevocable standing instruction shall be given upfront by the Issuer to the bank for the entire tenure of the Debentures i.e. approximately 10 years.<br><br>On the first day of every quarterly payment cycle, Issuer shall also maintain a fixed deposit in a scheduled public commercial bank, at least to the extent of the interest obligation on immediately succeeding quarterly payout date and principal redemption amount of one quarter and create/maintain charge/lien on the same in favour of the Debenture Trustee at all the times ("**Fixed Deposit**").<br><br>Although redemption shall start from the 13th quarter, the Fixed Deposit of one quarter principal redemption amount starting from 13th Quarter along with the interest obligation of one succeeding quarter shall be created upfront only.<br><br>The initial Fixed Deposit shall be created one day before the Pay In Date. The Debenture Trustee would have an irrevocable authorization from the Issuer to liquidate an amount out of the said Fixed Deposit to the extent of any shortfall in the KIIFB Bond Servicing Account, 7 days prior to any quarterly servicing date i.e. T-7 day. The said Fixed Deposit shall be created by the Issuer from the receivables of the Issuer from allocation of Motor Vehicles Tax and Cess. |
| 84. | **Remedial Action Consequential to Impairment of Fixed Deposit** | In case of any impairment of Fixed Deposit on T-7th day to meet the servicing obligation on any payout date (T) resulting in the amount available in the Fixed Deposit less than the stipulated amount for the next Quarter, the Debenture Trustee shall give a notice to the KIIFB on T-6th day to create a new Fixed Deposit or replenish the Fixed Deposit within the next 5 calendar days i.e. T-1. |

| Sr. No. | Terms | Details |
|---|---|---|
| | | The Debenture Trustee shall monitor the amounts deposited in the Fixed Deposit on any payout date (T). In case the amounts deposited in the Fixed Deposit are less than the requisite amounts, a notice would be served to the Issuer by the Debenture Trustee on the next day (T + 1) to create a new Fixed Deposit or replenish the Fixed Deposit within 5 days (T + 6) ("**Fixed Deposit Payment Date**").<br><br>In the event the Fixed Deposit is not created or replenished by the Fixed Deposit Payment Date, the Debenture Trustee would notify the GoK by the calendar day immediately succeeding the Fixed Deposit Payment Date (T+7), about its intention for invocation of the guarantee if the Fixed Deposit is not created or replenished within the next 21 days (T + 27).<br><br>If the irregularity continues beyond the above timeline, the Debenture Trustee shall invoke the Deed of Guarantee, from GoK on the next day (T + 28) to the extent of such shortfall in the Fixed Deposit from the stipulated level.<br><br>The Deed of Guarantee would specifically provide obligation on the part of the GoK to create a new Fixed Deposit or replenish the Fixed Deposit when called upon by the Debenture Trustee, as per the above stipulated timeline. If the guarantee obligations are not met by GoK within 30 days of invocation of the guarantee, it would be construed as an 'Event of Default'. |
| 85. | **Redemption Procedure upon exercise of put option** | On occurrence of a Put Option Event, the Issuer shall within 1 calendar day from the date of the Put Option Event, notify the Debenture Trustee in writing of the occurrence of a Put Option Event.<br><br>The Debenture Trustee shall within 1 calendar day of receipt of the notice, issue a notice to the Debenture Holders informing them about the occurrence of a Put Option Event and request their instructions to redeem the relevant Debentures ("**Put Option**"). The Debenture Holders shall within 30 calendar days from such date, direct the Debenture Trustee in writing if they intend to exercise the Put Option ("**Put Option Exercise Period**"). The Debenture Trustee shall within 3 calendar days of expiry of the Put Option Exercise Period, issue a written notice to the Issuer on the outstanding Debenture payments to be paid to the relevant Debenture Holders and within 15 calendar days, from the date of such notice, the Issuer shall be required to redeem the relevant Debentures and pay the outstanding Debenture payments ("**Put Option Redemption Date**").<br><br>In the event the Issuer fails to redeem the relevant Debentures and pay the outstanding Debenture payments by the Put Option Redemption Date, the Debenture Trustee shall intimate the Guarantor to infuse or credit additional amounts into the KIIFB Bond Servicing Account within 5 calendar days from the Put Option Redemption Date.<br><br>In the event the Guarantor fails to infuse or credit the requisite amounts or any part thereof and the Issuer fails to redeem the relevant Debentures and pay the outstanding Debenture payments within 5 calendar days from the Put Option Redemption Date, the Debenture Trustee shall on the immediately succeeding calendar day issue a notice to invoke the Deed of Guarantee to infuse or credit the outstanding relevant Debenture Payments into the KIIFB Bond Servicing Account within 30 (thirty) calendar days from the date of the invocation of the Deed of Guarantee ("**Put Option** |

| Sr. No. | Terms | Details |
|---|---|---|
| | | **Final Notice**"). It is clarified that in the event the Guarantor infuses or credits the requisite amounts towards relevant Debenture payments to the Put Option Debenture Holders in accordance with the aforementioned timelines and the Issuer fails to redeem the relevant Debentures and pay the outstanding Debenture payments to the Put Option Debenture Holders within the aforementioned time period, the Guarantor shall not be liable to make any payments towards the settlement of the outstanding relevant Debenture payments payable to the Put Option Debenture Holders (including under the Put Option Final Notice, if any).<br><br>Failure of GoK to infuse or credit the outstanding relevant Debenture payments such that the Issuer redeems the relevant Debentures and pays the outstanding relevant Debenture payments within 30 calendar days from the date of the invocation of the Deed of Guarantee shall constitute an "Event of Default" under the Transaction Documents.<br><br>In the event that a Put Option Event occurs before the expiry of 1 (one) year from the Deemed Date of Allotment and continues to exist/subsist on the day immediately following the expiry of 1 (one) year from the Deemed Date of Allotment, the Debenture Holders shall have the right to exercise their put option within 30 calendar days from the expiry of 1 year from the Deemed Date of Allotment as if such Put Option Event occurred after expiry of one year from the Deemed Date of Allotment i.e., on the day immediately following the expiry of 1 (one) year from the Deemed Date of Allotment. |
| 86. | **Security free from encumbrance** | While the Debentures are not "secured debt securities" for the purposes of the SEBI Non-Convertible Securities Listing Regulations, they are to be secured and guaranteed as per the terms set out in Section 6 (*Summary of Terms*) of this Key Information Document, and such security is free from all encumbrances. |
| 87. | **Information on consents/permissions required for creation of further charges on assets.** | Not applicable |
| 88. | **Terms and conditions of the Debenture Trustee Agreement including fees charged by the Debenture Trustee, details of security to be created and process of due diligence carried out by the Debenture Trustee.** | Catalyst Trusteeship Limited has agreed to act as the debenture trustee for the Debenture Holders. The copy of the consent letter from Catalyst Trusteeship Limited to act as debenture trustee for and on behalf of the holders of Debentures is annexed as Schedule I (*Consent Letter of Debenture Trustee*) to this Key Information Document.<br><br>**Fees charged by the Debenture Trustee:** The Issuer entered into a Debenture Trustee Agreement with Catalyst Trusteeship Limited on 18 March 2025, for appointing Catalyst Trusteeship Limited as the Debenture Trustee for the Issue on such terms as contained therein. The details of agreed fees in this regard has been set out in consent letter from Catalyst Trusteeship Limited to act as debenture trustee for and on behalf of the holders of Debentures annexed as Schedule I (*Consent Letter of Debenture Trustee*) to this Key Information Document.<br><br>**Details of security to be created:** The Debentures are not "secured debt securities" for the purposes of the SEBI Non-Convertible Securities Listing Regulations, they are to be secured and guaranteed as per the terms set out |

| Sr. No. | Terms | Details |
|---|---|---|
| | | in Section 6 (*Summary of Terms*) of this Key Information Document, and such security is free from all encumbrances.<br><br>**Process of due diligence carried out by the Debenture Trustee:** The Debenture Trustee, either through itself or its agents /advisors/consultants, has/ shall carry out requisite diligence as per Applicable Laws. The Issuer shall provide all assistance to the Debenture Trustee as may be required in this regard.<br><br>**Role and Responsibilities of the Debenture Trustee:** As provided in the Transaction Documents and required under Applicable Law. |

*Notes*:

*If there is any change in Coupon Rate pursuant to any event including lapse of certain time period or downgrade in rating, then such new coupon rate and the events which lead to such change should be disclosed.*

## DECLARATION

The Issuer hereby declares that this Key Information Document contains full disclosure in accordance with SEBI Non-Convertible Securities Listing Regulations and provisions of Applicable Law.

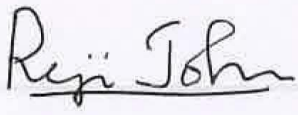
The Issuer also confirms that this Key Information Document does not omit disclosure of any material fact which may make the statements made therein, in the light of the circumstances under which they are made, misleading. The Key Information Document also does not contain any false or misleading statement. The Issuer accepts no responsibility for the statements made otherwise than in this Key Information Document or in any other material issued by or at the instance of the Issuer and that anyone placing reliance on any other source of information would be doing so at his own risk.

The Issuer declares that all the relevant provisions of the relevant regulations or guidelines issued by SEBI and other Applicable Laws have been complied with and no statement made in this Key Information Document is contrary to the provisions of the regulations or guidelines issued by SEBI and other Applicable Law, as the case may be.

**For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**



**Name**: Dr. K.M. Abraham
**Designation**: Chief Executive Officer
**DIN:** 05178826
**Dated:** 20 March 2025
**Place:** Thiruvananthapuram



**Name**: Mr. Reji John
**Designation**: Joint Fund Manager
**Dated:** 20 March 2025
**Place:** Thiruvananthapuram

## DECLARATION BY THE AUTHORISED PERSONS OF THE ISSUER

The persons authorised by the Issuer attest that:

(a) the Issuer has complied with the provisions of the Act (as applicable), the Securities Contracts (Regulation) Act, 1956 and the Securities and Exchange Board of India Act, 1992, the KIIF Act and the rules and regulations made thereunder;

(b) the compliance with the Act (as applicable) and the rules made thereunder does not imply that payment of Interest or repayment of the Debentures, is guaranteed by the Central Government;

(c) the monies received under the Issue shall be used only for the purposes and objects indicated in the Key Information Document;

(d) whatever is stated in this Key Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this form has been suppressed or concealed and is as per the original records maintained by the Promoter; and

(e) the contents of this Key Information Document have been perused by the Members and the final and ultimate responsibility of the contents mentioned herein shall also lie with the Members.

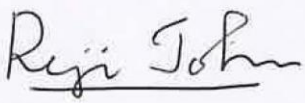
We are authorized by the board of members of the Issuer *vide* resolution passed by the board of members of the Issuer on 12 July 2024 and the investment management committee on 13 March 2025 to sign this Key Information Document, copies of which are disclosed in this Key Information Document and declare that all the requirements of the Act (as applicable) and the rules made thereunder in respect of the subject matter of this Key Information Document and matters incidental thereto have been complied with.

Whatever is stated in this Key Information Document and in the attachments thereto is true, correct and complete and no information material to the subject matter of this Key Information Document has been suppressed or concealed and is as per the original records maintained by the Promoter. It is further declared and verified that all the required attachments have been completely, correctly and legibly attached to this Key Information Document.

For **KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**



**Name**: Dr. K.M. Abraham
**Designation**: Chief Executive Officer
**DIN:** 05178826
**Dated:** 20 March 2025
**Place:** Thiruvananthapuram



**Name**: Mr. Reji John
**Designation**: Joint Fund Manager
**Dated:** 20 March 2025
**Place:** Thiruvananthapuram

**ANNEXURE A**

**(MATERIAL CHANGES TO INFORMATION PROVIDED IN THE GENERAL INFORMATION DOCUMENT)**

Following are the material changes since the issue of the General Information Document, which are required to be disclosed under this Key Information Document:

**1. Clause 11(a) of Section 2 of the General Information Document (*Details of the current directors of the Issuer*)**

As per the SEBI Non-Convertible Securities Listing Regulations (as applicable), particulars as identified therein are to be disclosed in respect of "current directors of the Company". However, the Issuer is a body corporate in the nature of a board constituted under the KIIF Act and as per its constitution and KIIF Act, it does not have any directors and the Issuer is governed by a board of members. Accordingly, we have provided the relevant details of the Issuer's members below:

| S. No. | Name, Designation, DIN | Age (in years) | Address | Date of Appointment |
|---|---|---|---|---|
| 1 | Shri. Pinarayi Vijayan Chairperson | 78 | 3rd Floor, North Block, Government Secretariat, Thiruvananthapuram. | 25/05/2016 |
| 2 | Shri. K. N. Balagopal Vice-Chairperson | 60 | 4th Floor, North Block, Government Secretariat, Thiruvananthapuram | 20/05/2021 |
| ~~3~~ | ~~Dr. V Venu IAS Member~~ | ~~59~~ | ~~Government Secretariat, Thiruvananthapuram~~ | ~~10/07/2023~~ |
| ~~4~~ 3 | Shri. KG Sanal Kumar Member | 56 | Government Secretariat, Thiruvananthapuram. | 03/08/2023 |
| ~~5~~ | ~~Shri. Rabindra Kumar Agarwal~~ | ~~54~~ | ~~Government Secretariat, Thiruvananthapuram~~ | ~~01/08/2023~~ |
| ~~6~~ 4 | Shri V.K. Ramachandran Member | 70 | Kerala State Planning Board, Thiruvananthapuram. | 19/08/2016 |
| ~~7~~ 5 | Prof. Sushil Khanna Independent Member | 72 | IIM Calcutta Hemant Mukhupadhyay Sarani Keyatala, Calcutta- 700029. | 19/09/2016 |
| ~~8~~ 6 | Shri. Salim Gangadharan Independent Member | 70 | C-26, RNP Lane, Near Jawahar Nagar, Vellayambalarn, Sasthmangalam P.O., Thiruvananthapuram-695010 | 19/09/2016 |
| ~~9~~ 7 | Shri. J.N. Gupta Independent Member | 69 | B 204, Muktangan, Upper Govind Nagar, Malad East, Mumbai 400097 | 19/09/2016 |
| ~~10~~ 8 | Shri. Radhakrishanan Nair \| Independent Member | 68 | J1403, Raheja Vistas, Raheja Vihar, Chandivali, Powai, Mumbai - 400072 | 31/10/2016 |
| ~~11~~ 9 | Dr. Ajay Kumar Independent Member | 61 | Bungalow No 7, New Moti Bag, Sarojini Nagar, South West Delhi 110023 | 08/06/2023 |

| S. No. | Name, Designation, DIN | Age (in years) | Address | Date of Appointment |
|---|---|---|---|---|
| ~~12~~ 10 | Shri T.S Vijayan<br>Independent Member | 70 | Sunnyvale, TC 8/725(1), Thirumala, Thiruvananthapuram-695 006. | 18/03/2020 |
| ~~13~~ 11 | Dr. K. M. Abraham CFA, IAS (Retd.),<br>CEO & Member Secretary | 66 | B 4 Lower, Millenium Apartments, Jagathy, Thycaud P O, Thiruvananthapuram, Kerala, 695014 | 19/08/2016 |
| 12 | Smt. Sarada Muraleedharan, IAS<br>Member | | Government Secretariat, Thiruvananthapuram. | 1/09/2024 |
| 13 | Dr. A Jayathilak, IAS<br>Member | | Finance Department, Government Secretariat, Thiruvananthapuram | 20/08/2024 |

**2. Paragraph 11(b) of Section 2 of the General Information Document (*Details of change in directors in the preceding three financial years and the current financial year*)**

As per the SEBI Non-Convertible Securities Listing Regulations (as applicable), particulars as identified therein are to be disclosed in respect of "change in directors". However, the Issuer is a body corporate in the nature of a board constituted under the KIIF Act and as per its constitution and KIIF Act, it does not have any directors and the Issuer is governed by a board of members. Accordingly, we have provided the relevant details of change in its members.

| Name and designation | Date of appointment | Date of resignation, if applicable | Date of cessation, if applicable | Remarks |
|---|---|---|---|---|
| Shri. CP Chandrasekhar<br>Independent Member | 19/09/2016 | 02/06/2021 | Not Applicable | Not Applicable |
| Dr. TM Thomas Isaac | 25/05/2016 | Not Applicable | 03/05/2021 | Former Minister for Finance |
| Dr. Vishwas Mehta | 31/05/2020 | Not Applicable | 28/02/2021 | Former Chief Secretary |
| Shri. Tom Jose | 01/07/2018 | Not Applicable | 31/05/2020 | Former Chief Secretary |
| Shri. Aravind Babu | 07/06/2019 | Not Applicable | 31/05/2021 | Former Law Secretary |
| Shri. Rajesh Kumar Singh, IAS | 14/01/2022 | Not Applicable | 22/09/2022 | Former Finance Secretary |
| Shri. K. N. Balagopal | 03/05/2021 | Not Applicable | Not Applicable | Current Finance Minister |
| Shri. V. Hari Nair | 01/06/2022 | Not Applicable | 31/07/2023 | Former Law Secretary |
| Shri. Bishwanath Sinha IAS | 23/09/2022 | Not Applicable | 30/06/2023 | Former Finance Secretary |

| Name and designation | Date of appointment | Date of resignation, if applicable | Date of cessation, if applicable | Remarks |
|---|---|---|---|---|
| Dr. V. P. Joy IAS | 01/03/2021 | Not Applicable | 31/06/2023 | Former Chief Secretary |
| Dr. Sudipto Mundle | 31/10/2016 | 26/08/2023 | Not Applicable | Not Applicable |
| KG Sanal Kumar | 03/08/2023 | Not Applicable | Not Applicable | Current Law Secretary |
| Dr. Rabindra Kumar Agarwal | 01/08/2023 | Not Applicable | ~~Not Applicable~~ 19/08/2024 | ~~Current Finance Secretary~~ Former Finance Secretary |
| Dr. Ajay Kumar | 08/06/2023 | Not Applicable | Not Applicable | Independent Member |
| Dr. V Venu, IAS | 01/07/2023 | Not Applicable | 31/08/2024 | Former Chief Secretary |
| Smt. Sarada Muraleedharan, IAS | 1/09/2024 | Not Applicable | Not Applicable | Current Chief Secretary |
| Dr. A Jayathilak, IAS | 20/08/2024 | Not Applicable | Not Applicable | Current Finance Secretary |

3. **Paragraph 12(b) of Section 2 of the General Information Document (*Details of change in auditor since last 3 (three) financial years and the current financial year*)**

**Details of the auditors of the Issuer**

| Name of the Auditors | Address | Date of appointment |
|---|---|---|
| M/S Suri & Co., Chartered Accountants | TC 25/434, 44 Santhi Nagar, Near Housing Board Junction, Thiruvananthapuram – 695 001 | 06/05/2024 |

**Details of change in auditor since last 3 (three) financial years and the current financial year**

As of the date of this General Information Document:

| Name of the auditor | Address | Date of Appointment | Date of cessation, if applicable | Date of Resignation, if applicable |
|---|---|---|---|---|
| M/S Varma & Varma, Chartered Accountants | Address: TC9/1504, Galaxy SMRA -14, Sasthamangalam PO Thiruvananthapuram, Kerala 695010 | 28/04/2020 | 31/03/2024 | Not Applicable |
| M/S Suri & Co., Chartered Accountants | TC 25/434, 44 Santhi Nagar, Near Housing Board Junction, Thiruvananthapuram – 695 001 | 06/05/2024 | Not Applicable | Not Applicable |

**4. Paragraph 13(b) of Section 2 of the General Information Document (*Details of outstanding unsecured loan facilities)***

| Name of the Lender | Type of Facility | Principal Amount Outstanding (INR Crores) | Original Sanctioned Amount | Repayment Date / Schedule | Credit rating, if applicable |
|---|---|---|---|---|---|
| NABARD-NIDA (Tranche 1) | Term Loan | 272.78~~287.14~~ | 565 | 12 Years including 2 years moratorium | Not applicable |
| State Bank of India | Term Loan | 531.07 | 1000 | 10 Years including 2 years moratorium | CRISIL A+ (CE) /Negative |
| Indian Bank | Term Loan | 302.60~~306.8~~ | 500 | 12 Years including 2 years moratorium | CRISIL A+ (CE) /Negative |
| Union Bank of India | Term Loan | 255.21~~260.419~~ | 500 | 10 Years including 2 years moratorium | CRISIL A+ (CE) /Negative |
| Syndicate Bank (Canara) | Term Loan | 135.00~~135~~ | 200 | 12 Years including 2 years moratorium | CRISIL A+ (CE) /Negative |
| Corporation Bank (UBI) | Term Loan | 179.17~~181.25~~ | 250 | 12 Years including 2 years moratorium | CRISIL A+ (CE) /Negative |
| Pravasi Dividend Scheme | Loan | 330.71~~330.69~~ | 330.57 | NA (Subject to conditions of the scheme) | Not applicable |
| NABARD-NIDA (Tranche 2) | Term Loan | 692.31~~707.71~~ | 1061.73 | 15 Years including 2 years moratorium | Not applicable |
| REC Ltd- I | Term Loan | 1362.39~~1429.76~~ | 2268.27 | 7 Years including 2 Year moratorium | Not applicable |
| Bank of Baroda (Tranche 1) | Term Loan | 609.38~~632.81~~ | 750 | 10 Years including 2 years moratorium | CRISIL A+ (CE) /Negative |
| Indian Bank (Tranche 2) | Term Loan | 424.40~~428.6~~ | 500 | 12 Years including | CRISIL A+ (CE) /Negative |

| Name of the Lender | Type of Facility | Principal Amount Outstanding (INR Crores) | Original Sanctioned Amount | Repayment Date / Schedule | Credit rating, if applicable |
|---|---|---|---|---|---|
| | | | | 2 years moratorium | |
| Bank of Maharashtra | Term Loan | 875.00~~900~~ | 1000 | 12 Years including 2 years moratorium | CRISIL A+ (CE) /Negative |
| Bank of Baroda (Tranche 2) | Term Loan | 1054.69~~1093.75~~ | 1250 | 10 Years including 2 years moratorium | CRISIL A+ (CE) /Negative |
| Bank of India | Term Loan | 630.00~~647.5~~ | 700 | 12 Years including 2 years moratorium | CRISIL A+ (CE) /Negative |
| Canara Bank | Term Loan | 450.00~~462.5~~ | 500 | 12 Years including 2 years moratorium | CRISIL A+ (CE) /Negative |
| HUDCO-I | Term Loan | 461.54 | 1000 | 15 Years including 2 years moratorium | Not applicable |
| ICICI Bank Ltd | Term loan | 125 | 300 | 5 years including 1 year moratorium | CRISIL A+ (CE) /Negative |
| Kerala Financial Corporation | Term Loan | 708.42~~750.068~~ | 1000 | 7 years including 1 year moratorium | CRISIL A+ (CE) /Negative |
| REC Ltd- II | Term Loan | 902.11 | 1248.88 | 7 years including 2 year moratorium | Not applicable |
| REC Ltd- III | Term Loan | 216.16 | 228.65 | 7 years including 2 year moratorium | Not applicable |
| REC Ltd- IV | Term Loan | 125.96 | 160.73 | 7 years including 2 year moratorium | Not applicable |
| REC Ltd- V | Term Loan | 769.75 | 807.19 | 7 years including 2 year moratorium | Not applicable |
| Kotak Mahindra Bank Ltd | Term Loan | 91.67~~94.44~~ | 100 | 5 years including 2 year moratorium | CRISIL A+ (CE) /Negative |

| Name of the Lender | Type of Facility | Principal Amount Outstanding (INR Crores) | Original Sanctioned Amount | Repayment Date / Schedule | Credit rating, if applicable |
|---|---|---|---|---|---|
| HUDCO-II | Term Loan | 1361.54 | 2000 | 15 Years including 2 years moratorium | Not applicable |
| HUDCO-III | Term Loan | 800 | 850 | 15 Years including 1 Year moratorium | Not applicable |
| REC Ltd VI | Term Loan | 675.51 | 675.51 | 7 years including 2 year moratorium | Not applicable |
| PFC | Term Loan | 755.72~~755.716~~ | 991.33 | 15 year including 2 year moratorium | Not applicable |
| NABARD- III | Term Loan | 630.39 | 1008.12 | 15 Years including 2 years moratorium | Not Applicable |
| HUDCO-IV | Term Loan | 880 | 930 | 15 Years including 1 years moratorium | Not Applicable |
| NABARD IV | Term Loan | 1510.06 | 3174.36 | 15 Years including 2 years moratorium | Not Applicable |
| **TOTAL** | | **18,118.55** | **25,350.48** | | |

**5. Paragraph 13(c) of Section 2 of the General Information Document (*Details of outstanding non-convertible securities*)**

| Sr. No. | Series of NCS | ISIN | Tenor/ Period of Maturity | Coupon | Amount outstanding | Date of allotment | Redemption Date/ Schedule | Credit Rating | Secured / unsecured | Security |
|---|---|---|---|---|---|---|---|---|---|---|
| 1 | KIIFB Green Bonds Series-I 8.49% KERALA INFRA | INE658F08011, INE658F08029, | 4-10 Years under 7 different STRPPs A | 8.49 | 300.02 Crore | 03/07/2023 | 02-10-2026 to 04/07/2033 | AA (CE) by India Ratings and Research Ltd | Unsecured | Unsecured, Rated, Listed, Redeemable, Taxable, Non- |

| Sr. No. | Series of NCS | ISIN | Tenor/ Period of Maturity | Coupon | Amount outstanding | Date of allotment | Redemption Date/ Schedule | Credit Rating | Secured / unsecured | Security |
|---|---|---|---|---|---|---|---|---|---|---|
| | STRUCTURE INVESTMENT FUND BOARD 2033 (“**Green Bonds**”) | INE658F08037, INE658F08045, INE658F08052, INE658F08060, INE658F08078 | though G | | | | | and Acuite Research Ltd | | Convertible Green Bonds in the form of non-convertible debentures supported by unconditional and irrevocable guarantee by the GoK as a principal debtor and not merely as a surety. |
| 2 | KIIFB Domestic Bonds 8.95% KERALA INFRASTRUCTURE INVESTMENT FUND BOARD 2033 (“**Domestic Bonds** | INE658F08086, INE658F08128, INE658F08110, INE658F08102, INE658F08094, INE658F08144 and INE658F08136 | 4-10 Years under 7 different STRPPs A though G | 8.95 | 1002.96 Crore | 22/12/2023 | 22/03/2027 to 22/12/2033 | AA (CE)/ Stable by India Ratings and Research Ltd and Acuite Research Ltd | Unsecured | Unsecured, Rated, Listed, Redeemable, Taxable, Non-Convertible bonds in the form of non-convertible debentures supported by uncondit |

| Sr. No. | Series of NCS | ISIN | Tenor/ Period of Maturity | Coupon | Amount outstanding | Date of allotment | Redemption Date/ Schedule | Credit Rating | Secured / unsecured | Security |
|---|---|---|---|---|---|---|---|---|---|---|
| | **Series I**") | | | | | | | | | ional and irrevocable guarantee by the GoK as a principal debtor and not merely as a surety. |
| 3 | KIIFB Domestic Bonds 8.95% KERALA INFRASTRUCTURE INVESTMENT FUND BOARD 2033 (re-issue under ISINs: INE658F08086, INE658F08128, INE658F08110, INE658F08102, INE658F08094, INE658F08144 and INE658F08136 | INE658F08086, INE658F08128, INE658F08110, INE658F08102, INE658F08094, INE658F08144 and INE658F08136 | Approximately 4-10 Years under 7 different STRPPs A though G | 8.95 | 497 Crore | 18/01/2024 | 22/03/2027 to 22/12/2033 | AA (CE)/ Stable by India Ratings and Research Ltd and Acuite Research Ltd | Unsecured | Unsecured, Rated, Listed, Redeemable, Taxable, Non-Convertible bonds in the form of non-convertible debentures supported by unconditional and irrevocable guarantee by the GoK as a principal debtor and not merely as a surety. |

| Sr. No. | Series of NCS | ISIN | Tenor/ Period of Maturity | Coupon | Amount outstanding | Date of allotment | Redemption Date/ Schedule | Credit Rating | Secured / unsecured | Security |
|---|---|---|---|---|---|---|---|---|---|---|
| | 8F08094, INE658F08144 and INE658F08136)<br>("**Re-issuance Bonds Series I**") | | | | | | | | | |
| 4 | KIIFB Domestic Bonds – Series II 9.10% KERALA INFRASTRUCTURE INVESTMENT FUND BOARD 2034<br>("**Domestic Bonds Series II**") | INE658F08151, INE658F08169, INE658F08177, INE658F08185, INE658F08193, INE658F08201, INE658F08219 | 4-10 Years under 7 different STRPPs A though G | 9.10 | 611.66 Crore | 26/03/2024 | 26/06/2028 to 26/03/2034 | AA (CE)/ Stable by India Ratings and Research Ltd and Acuite Research Ltd | Unsecured | Unsecured, Rated, Listed, Redeemable, Taxable, Non-Convertible Bonds in the form of non-convertible debentures supported by unconditional and irrevocable guarantee by the GoK as a principal debtor and not merely as a surety. |

| Sr. No. | Series of NCS | ISIN | Tenor/ Period of Maturity | Coupon | Amount outstanding | Date of allotment | Redemption Date/ Schedule | Credit Rating | Secured / unsecured | Security |
|---|---|---|---|---|---|---|---|---|---|---|
| 5 | KIIFB Domestic Bonds – Series II 9.10% KERALA INFRASTRUCTURE INVESTMENT FUND BOARD 2034 **("Re-issuance - Domestic Bonds Series II** | INE658F08151, INE658F08169, INE658F08177, INE658F08185, INE658F08193, INE658F08201, INE658F08219 | 4-10 Years under 7 different STRPPs A though G | 9.10 | 238.28 Crore | 26/03/2024 | 26/06/2028 to 26/03/2034 | AA (CE)/ Stable by India Ratings and Research Ltd and Acuite Research Ltd | Unsecured | Unsecured, Rated, Listed, Redeemable, Taxable, Non-Convertible Bonds in the form of non-convertible debentures supported by unconditional and irrevocable guarantee by the GoK as a principal debtor and not merely as a surety. |
| 6 | KIIFB Domestic Bonds – Series III KERALA INFRASTRUCTURE INVETSMEN | INE658F08227, INE658F08235, INE658F08284, INE658F08276, INE658F08268, | 4-10 Years under 7 different STRPPs A though G | 9.49 | 850.15 Crore | 08/10/2024 | 08/01/2028 to 08/10/2034 | AA (CE)/ Stable by India Ratings and Research private Limited and Acuite Rating | Unsecured | Unsecured, Rated, Listed, Redeemable, Taxable, Non-Convertible Bonds in the form of non-convertible |

| Sr. No. | Series of NCS | ISIN | Tenor/ Period of Maturity | Coupon | Amount outstanding | Date of allotment | Redemption Date/ Schedule | Credit Rating | Secured / unsecured | Security |
|---|---|---|---|---|---|---|---|---|---|---|
| | T FUND BOARD 2034 ("**Domestic Bonds Series III**") | INE658F08250, INE658F08243 | | | | | | s & Research Limited | | debentures supported by an unconditional and irrevocable guarantee by the GoK as a principal debtor and not merely as a surety. |
| 7 | KIIFB Domestic Bonds – Series III KERALA INFRASTRUCTURE INVETSMENT FUND BOARD 2034 ("**Re-issuance Domestic Bonds Series III**") | IN8658F08150 IN8658F08168 IN8658F08218 IN8658F08200 IN8658F08192 IN8658F08184 IN8658F08176 | 4-10 Years under 7 different STRPPs A though G | 9.49 | 149.87 Crores | 31/10/2024 | 08/01/2028 to 08/10/2034 | AA (CE)/ Stable by India Ratings and Research private Limited and Acuite Ratings & Research Limited | Unsecured | Unsecured, Rated, Listed, Redeemable, Taxable, Non-Convertible Bonds in the form of non-convertible debentures supported by an unconditional and irrevocable guarantee by the GoK as a principal debtor |

| Sr. No. | Series of NCS | ISIN | Tenor/ Period of Maturity | Coupon | Amount outstanding | Date of allotment | Redemption Date/ Schedule | Credit Rating | Secured / unsecured | Security |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | | | | and not merely as a surety. |
| 8 | KIIFB Domestic Bonds – Series IV KERALA INFRASTRUCTURE INVESTMENT FUND BOARD 2034 ("**Domestic Bonds Series IV**") | INE658F08292<br>INE658F08359<br>INE658F08300<br>INE658F08342<br>INE658F08334<br>INE658F08326<br>INE658F08318 | 4-10 Years under 7 different STRPPs A though G | 9.42 | 500.01 Crores | 30/12/2024 | 30/12/2028 to 30/12/2034 | AA (CE)/ Stable by India Ratings and Research private Limited and Acuite Ratings & Research Limited | Unsecured | Unsecured, Rated, Listed, Redeemable, Taxable, Non-Convertible Bonds in the form of non-convertible debentures supported by an unconditional and irrevocable guarantee by the GoK as a principal debtor and not merely as a surety. |
| 9 | KIIFB Domestic Bonds – Series IV 9.42% KERALA | IN8658F08226<br>IN8658F08234<br>IN8658F08242<br>IN8658F08259 | 4-10 Years under 7 different STRPPs A though G | 9.42 | 1000.02 Crore | 17/02/2024 | 30/12/2028 to 30/12/2034 | AA (CE)/ Stable by India Ratings and Research Ltd | Unsecured | Unsecured, Rated, Listed, Redeemable, Taxable, Non-Convertible |

| Sr. No. | Series of NCS | ISIN | Tenor/ Period of Maturity | Coupon | Amount outstanding | Date of allotment | Redemption Date/ Schedule | Credit Rating | Secured / unsecured | Security |
|---|---|---|---|---|---|---|---|---|---|---|
| | INFRASTRUCTURE INVESTMENT FUND BOARD 2034 (“**Re-issuance - Domestic Bonds Series IV**”) | IN8658F08267 IN8658F08275 IN8658F08283 | | | | | | and Acuite Research Ltd | | Bonds in the form of non-convertible debentures supported by unconditional and irrevocable guarantee by the GoK as a principal debtor and not merely as a surety. |

Additionally, the Issuer has issued unsecured and unlisted bonds in the form of promissory notes (7.50% redeemable non-convertible KIIFB bonds) to Kerala State Financial Enterprises Limited for outstanding principal amount of INR 1108.05 ~~1473.14~~ Crore (guaranteed by a guarantee provided by GoK), as of 31 December 2024 ~~31 March 2024~~ (“**Promissory Note Bonds**”).

**6. Paragraph 13(d) of Section 2 of the General Information Document (*List of top 10 holders of non-convertible securities in terms of value (on a cumulative basis)*)**

**(i) Green Bonds**

The Green Bonds are held by multiple investors and as they are listed securities, there are subject to frequent transfers on a daily basis, it is not possible to verify with any certainty the holder of the Green Bonds at any given point in time. Hence, we are unable to list the 10 holders of the Green Bonds.

**(ii) Domestic Bonds Series I and Re-issuance Bonds Series I**

The Domestic Bonds Series I and Re-issuance Bonds Series I are held by multiple investors and as they are listed securities, there are subject to frequent transfers on a daily basis, it is not possible to verify with any certainty the holder of the Domestic Bonds Series I and Re-issuance Bonds Series I at any given point in time. Hence, we are unable to list the 10 holders of the Domestic Bonds Series I and Re-issuance Bonds Series I.

**(iii) Domestic Bonds Series II**

The Domestic Bonds Series II are held by multiple investors and as they are listed securities, there are subject to frequent transfers on a daily basis, it is not possible to verify with any certainty the holder of the Domestic Bonds Series II at any given point in time. Hence, we are unable to list the 10 holders of the Domestic Bonds Series II.

**(iv) Domestic Bonds Series III**

The Domestic Bonds Series III are held by multiple investors and as they are listed securities, there are subject to frequent transfers on a daily basis, it is not possible to verify with any certainty the holder of the Domestic Bonds Series III at any given point in time. Hence, we are unable to list the 10 holders of the Domestic Bonds Series III.

**(v) Domestic Bonds Series IV**

The Domestic Bonds Series IV are held by multiple investors and as they are listed securities, there are subject to frequent transfers on a daily basis, it is not possible to verify with any certainty the holder of the Domestic Bonds Series IV at any given point in time. Hence, we are unable to list the 10 holders of the Domestic Bonds Series IV.

**(vi) Promissory Note Bonds**

As of, December 31, 2024~~March 31, 2024~~, the Promissory Note Bonds for outstanding principal amount of INR 1108.05~~1167.40~~ Crore are held by Kerala State Financial Enterprises Limited.

**7. Paragraph 13(j)(i) of Section 2 of the General Information Document**

**Enforcement Directorate Investigation**

In connection with the Masala Bonds, the Directorate of Enforcement ("**ED**") had issued several summons to the Issuer's officials from 3 February 2021 onwards ("**Summons**"). The Summons have been issued under Section 37 of the Foreign Exchange Management Act, 1999, read with Section 131(1) of the Income Tax Act, 1961 and Section 30 of the Civil Procedure Code, 1908. The Issuer and its officials have complied with the requirements under the Summons and have provided all information requisitioned by the ED. Till date, no formal complaint has been filed by the ED against the Issuer.

In this connection, the Issuer has filed a writ petition bearing number 26228 of 2022 before the Hon'ble High Court of Kerala for quashing the Summons and to restrict the ED from undertaking any action pursuant to the Summons. The Hon'ble High Court of Kerala by way of order dated 11 October 2022 in the writ petition has restricted ED from issuing further summons and the matter is currently sub-judice. The Hon'ble High Court of Kerala vide order dated 14 December 2023, partly allowed the writ petition and set aside the summons issued by ED to the officials of the Issuer.

Subsequently, ED has issued summons to the Issuer's officials on 5 January 2024 and 7 February 2024 and the Issuer has filed a writ petition bearing number 1377 of 2024 before the Hon'ble High Court of Kerala challenging such summons. Thereafter the matter was posted before the Hon'ble High Court of Kerala on various occasions. The Hon'ble High Court was pleased to pass an interim order in the writ petition bearing number 1377 of 2024 directing the ED to maintain status quo, which was extended on subsequent occasions.

The writ petition bearing number 1377 of 2024 was finally heard by the Hon'ble High Court of Kerala on 24 July 2024 and the Hon'ble High Court of Kerala was pleased to reserve the matter for judgment. The Judgment of the Hon'ble High Court of Kerala in writ petition bearing number 1377 of 2024 is still awaited as on date.

**8. Paragraph 13(j)(ii) of Section 2 of the General Information Document**

**Directorate General of GST Intelligence Investigation**

In connection with the Masala Bonds, the Directorate General of GST Intelligence has issued a show cause notice dated 18 May 2022 to the Issuer, requesting the Issuer to provide the reason for not paying service tax on the services received by it from foreign entities under Sections 73 and 50 of the Central Goods and Service Tax Act, 2017, Section 20 of the Integrated Goods and Service Tax Act, 2017 and corresponding provisions of the Kerala State Goods and Service Tax Act, 2017. The Issuer responded to the notice vide its letter dated 29 April 2023 and appeared in the personal hearing on 2 May 2023 conducted by the Additional Commissioner of Central Goods and Service Tax and Central Excise, Thiruvananthapuram ("**AC GST**") stating that the concerned services were non-taxable under Applicable Law. The orders from the AC GST passed an order on 23 November 2023 in which the proposals made vide the show cause notice dated 18 May 2022 were confirmed without considering the Issuer's arguments conclusively (in the Issuer's opinion). The order of the AC GST has been challenged by the Issuer in appeal before the Appellate Commissioner on 28 February 2024.

The appeal filed before the Appellate Commissioner was heard on 29 February 2024 and has been reserved for orders. The final order for the appeal is yet to be passed by the Appellate Authority.

**9. Paragraph 2 of Section 3 of the General Information Document**

*Brief Profile of key managerial personnel of the Issuer:*

KIIFB is headed by the Chief Executive Officer ("CEO") who also acts as the Fund Manager of KIIFB. The Board is the highest decision-making body of KIIFB and comprises the Chief Minister, the Finance Minister, the Chief Executive Officer, key bureaucrats and independent members. The Finance (Infrastructure) Department is the administrative department of KIIFB, which is directly under the control of the Additional Chief Secretary (Finance), with ~~an additional Secretary and Deputy Secretary~~ two Joint Secretaries, amongst others. The ~~Additional and Deputy Secretary~~ two Joint Secretaries also function as the Joint Fund Manager and Deputy Fund Manager of KIIFB, respectively.

KIIFB benefits from having the Fund Trustee Advisory Commission ("**FTAC**"), an independent committee constituted to ensure transparency in the functioning of KIIFB. It acts as the trustee of the Fund and is responsible for ensuring that all investments of the Fund serve the purpose and intent of the KIIF Act and that there are no diversions of the funds available to KIIFB. The FTAC comprises three to five members including a chairperson. The members of the FTAC are experts with experience at national or international levels in the fields of banking, financial regulation, financial markets, administration or economics.

KIIFB has the following operating divisions which report to CEO, KIIFB (i) the finance and administration division; (ii) the project appraisal division; (iii) the inspection authority; (iv) the ESG Wing and (v) the internal audit wing.

**ANNEXURE B**

**UPDATED FINANCIAL STATEMENTS**

(*Attached separately*)

**Independent Auditor's Review Report on standalone unaudited quarterly and year to date ended financial results of the Board Pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

The Board
Kerala Infrastructure Investment Fund Board (KIIFB)
Thiruvananthapuram.

1. We have reviewed the accompanying statements of unaudited financial results of Kerala Infrastructure Investment Fund Board (hereinafter referred to as 'KIIFB') for the quarter and year to date ended December 31, 2024 and notes to accounts (hereinafter referred to as 'interim financial information') being submitted by KIIFB pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, ('the Regulations') as amended..

2. This interim financial information, which is the responsibility of the KIIFB's Management and approved by its Board, has been prepared in accordance with the recognition and measurement principles laid down in Accounting Standard 25 'Interim Financial Reporting' ('AS 25') and other accounting principles generally accepted in India and in compliance with the Regulations.

   Our responsibility is to issue a report on this interim financial information based on our review.

3. We conducted our review of the interim financial information in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial information are free from material misstatement. A review is limited primarily to inquiries with management and analytical procedures applied to financial data and thus provides less assurance than an audit. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit.

   We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted and procedures performed as stated in paragraph 3 above , nothing has come to our attention that causes us to believe that the accompanying interim financial information prepared in accordance with applicable accounting standards and other recognized accounting practices and policies generally accepted in India has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, including the manner in which it is to be disclosed, or that it contains any material misstatement.

**Emphasis of Matter**

5. We draw attention to the following matters stated in notes to interim financial information:
    a. Note No: 5 to the interim financial information stating Promotional and advertisement expenses includes expense incurred towards media, promotional and advertisement of Rs 616.65 Lakhs incurred through parties to whom such works were outsourced. The selection of these parties were made on a nomination basis and subsequently ratified by Board in GB dated 04.03.2024 and the rates are considered competitive considering the nature and exigency of the work involved and also taking into account the prior experience with these parties. Out of the above, an amount of Rs 614.10 lakhs is incurred towards media and promotional campaign activities - KSFE Pravasi Chitty and KNRKWB Customers & Other Pravasi malayalis serving as one of the major funding source of KIIFB.
    b. Note No: 12 to interim financial information stating that Interest income recognised during the year to date ended December 31,2024 includes an amount of Rs 421.07 lakhs (Previous year to date Rs.404.69 Lakhs) on which 40% stage of disbursement has not been reached. Regarding the IND001-01 project, interest income amounting to Rs 15,683.39 lakhs has been recognised, even though the repayment agreement was executed prior to achieving 40 % of the disbursement milestone. The rate of interest chargeable is fixed only on reaching 40% disbursement as per the terms of tripartite agreement for the project. However, interest on such borrowing has been recognised based on rates agreed upon at the time of sanction of the loan/ ACDB (Average Cost Domestic Borrowing) rate as decided by the management.

c. Note No: 15 to the interim financial information' stating that Loan agreements are pending to be executed as on December 31,2024 with KSFDC for two project loans having loan outstanding aggregating to Rs 1584.18 lakhs (Previous year to date Rs 992.01 lakhs) although more than 40 % stage of disbursement as per the terms of the tripartite agreement between KIIFB, the SPV (Special Purpose Vehicle) and the concerned Government department had exceeded. We were informed that steps are in process for the execution of the loan agreement, which is pending requisite clearance from the concerned SPV.

d. Note No: 17 to the interim financial information' stating that KIIFB had incurred an expenditure of Rs 1816.81 Lakhs (Previous year to date Rs 685.44 lakhs) during the year to date ended December 31,2024 towards KSFE Software expenses which includes an amount of Rs.1476.85 lakhs (Previous year to date Rs 652.84 lakhs) incurred through external agency (a Government PSU - KSIE Limited) to which the activities for server hosting and licence renewal charges of KSFE Pravasi software have been outsourced by KIIFB on nomination basis (single quote). These expenses are supported by invoices of first level intermediary agencies. KSIE Limited has raised invoice on KIIFB ranging from 3% to 10% over cost incurred depending upon the nature of service provided through the intermediary agency to whom the services have been sub-contracted.

e. Note No: 18 to the interim financial information' stating that the aggregate operating cost (Server hosting and License renewal charges) paid to KSIE Ltd till date from the date of commencement amounts to Rs 6029.35 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.

Our conclusion is not modified in respect of the above matters.

**Other Matters**

6. The comparative financial information appearing in the statement, of the corresponding quarter and year to date ended 31st December 2023 was reviewed by the previous auditor whose report dated 07th February 2024, expressed a qualified conclusion. Further for the year to date financial results for the period 01st April 2023 to 31st March 2024 are audited by the previous statutory auditors whose report dated 25th May 2024 expressed a Qualified Opinion on the standalone financial statements on the authenticity of certain expenses.

Our conclusion is not modified in respect of the above matters for the current quarter and year to date ended 31, December 2024 considering the fact that these expenses are not incurred in the period.

Place: Trivandrum

Date:13-02-2025

For Suri and Co
Chartered Accountants
FRN:004283S

GOVINDARAJAN RENGARAJAN
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Date: 2025.02.13 16:53:05 +05'30'

G Rengarajan
Partner
Membership Number: 219922
UDIN: 25219922BMISRU2031

**Kerala Infrastructure Investment Fund Board**
**2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001**
**Unaudited Statement of Profit and Loss Account for the quarter and year to date ended 31.12.2024**

**Rs In Lakhs**

| Particulars | Three months ended | | | Year to date for current period ended 31.12.2024 (Unaudited) | Year to date for previous period ended 31.12.2023 (Unaudited) | For the Year Ended 31.03.2024 (Audited) |
|---|---|---|---|---|---|---|
| | 31.12.2024 (Unaudited) | 30.09.2024 (Unaudited) | 31.12.2023 (Unaudited) | | | |
| **I. Revenue:** | | | | | | |
| i) Recoupment of statutory contribution from Government of Kerala from Corpus Fund for financing of direct project cost as per Contra | 1,79,732 | 72,167 | 75,977 | 3,31,774 | 3,71,787 | 4,64,195 |
| ii) Interest income from financial assistance for revenue generating projects | 18,660 | 15,764 | 14,251 | 49,388 | 40,916 | 55,811 |
| iii) Interest income from deposits and investments | 6,052 | 4,446 | 2,764 | 16,219 | 9,951 | 17,188 |
| iv) Profit on Sale of Mutual Fund Investment | - | - | 12,567 | - | 12,567 | 17,103 |
| v) Other income | 83 | 85 | 87 | 237 | 106 | 8,634 |
| **Total Revenue (I)** | **2,04,526** | **92,462** | **1,05,647** | **3,97,617** | **4,35,327** | **5,62,930** |
| **II. Expenses:** | | | | | | |
| i) Financing of direct cost of projects -Out of Corpus Fund | 1,79,732 | 72,167 | 75,977 | 3,31,774 | 3,71,787 | 4,64,195 |
| ii) Employee benefits expense | 265 | 222 | 201 | 700 | 575 | 784 |
| iii) Finance costs | 58,856 | 49,673 | 46,085 | 1,56,789 | 1,31,764 | 1,83,464 |
| iv) Depreciation and amortisation expense | 62 | 60 | 258 | 180 | 770 | 989 |
| v) Other expenses | 2,164 | 2,671 | 1,112 | 6,143 | 7,031 | 10,638 |
| **Total expenses (II)** | **2,41,079** | **1,24,794** | **1,23,633** | **4,95,586** | **5,11,927** | **6,60,070** |
| **III. Profit / (Loss) (I- II)** | (36,553) | (32,332) | (17,986) | (97,969) | (76,600) | (97,140) |
| Prior Period Item | 223 | (5) | - | (379) | - | - |
| Profit / (Loss) after prior period item | (36,330) | (32,336) | (17,986) | (98,348) | (76,600) | (97,140) |
| **IV. Tax expense:** | | | | | | |
| (1) Current tax | - | - | 304 | - | 304 | - |
| (2) Tax for Earlier years | - | - | - | - | - | - |
| (3) Deferred tax(Expense)/Income | - | - | (4,314) | - | (4,000) | 369 |
| 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 | 36,330 | 32,336 | 13,976 | 98,348 | 72,905 | 96,771 |
| **V. Net Profit / (Loss) for the Year** | - | - | - | - | - | - |

Notes forming part of unaudited financial statements **1-20**

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

**Report on Limited Review**
As per our report of even date attached

**For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**

KANDATHIL MATHEW ABRAHAM
Digitally signed by KANDATHIL MATHEW ABRAHAM
Date: 2025.02.13 16:44:47 +05'30'

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

Thiruvananthapuram
Date : 13.02.2025

**for Suri & Co**
Chartered Accountants
FRN.004283S

GOVINDARAJA N RENGARAJAN
Digitally signed by GOVINDARAJAN RENGARAJAN
Date: 2025.02.13 16:55:19 +05'30'

**G Rengarajan**
(Partner)
M.No. 219922

Thiruvananthapuram
Date : 13.02.2025

**Notes forming part of Unaudited Standalone Financial results for the period ended December 31, 2024**

1 The above Standalone Unaudited Financial Results of Statement of Profit & Loss for the quarter ended year to date ended December 31, 2024 were approved by the Board at its meeting held on 13th February 2025 These financial results have been subjected to limited review by the Statutory Auditors of the Board and a Limited Review Report has been issued.

2 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. The unaudited financial results of KIIFB have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and Accounting Standard-25 Interim Financial Reporting issued by Institute of Chartered Accountants of India and as per Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Regulations'). KIIFB follows Mercantile System of Accounting and recognizes significant items of income and expenditure on accrual basis, except to the extent otherwise stated. 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.

3 The Board has applied significant accounting policies in the preparation of these financial results consistent with those followed in the annual financial statements for the year ended March 31, 2024.

4 Payments towards direct project cost are accounted on actual payment basis. 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. 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.

5 Promotional and advertisement expenses includes expense incurred towards media, promotional and advertisement of Rs 616.65 Lakhs incurred through parties to whom such works were outsourced. The selection of these parties were made on a nomination basis and subsequently ratified by Board in GB dated 04.03.2024 and the rates are considered competitive considering the nature and exigency of the work involved and also taking into account the prior experience with these parties. Out of the above, an amount of Rs 614.10 lakhs is incurred towards media and promotional campaign activities - KSFE Pravasi Chitty and KNRKWB Customers & Other Pravasi malayalis serving as one of the major funding source of KIIFB.

6 The balances under statutory contribution receivable from GoK of Rs 11,76,174 lakhs (Previous year to date Rs 9,39,408.54 lakhs) 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) since such amounts are expected to be recouped from the statutory contribution receivable from the State Government in future years. 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.

7 **a)Domestic Bond-III**

Domestic Bond Series III issued on 08-10-2024 amounting to Rs 85,015 lakhs at a coupon rate of 9.49 % 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.The aggregate issue size of the Domestic Bonds is Rs 1,00,002 lakhs out of this Rs 14,987 lakhs was issued during 29th October 2024.

**b)Domestic Bond-IV**

Domestic Bond Series IV issued on 31-12-2024 amounting to Rs 50,001 lakhs at a coupon rate of 9.42% 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.

8 KIIFB had received Rs 33,071.30 lakhs till 31.12.2024 from Pravasi Dividend Scheme implemented by Kerala Non-Resident Keralites Welfare Board(KNRKWB), a statutory body which came into existence under Kerala Non-Resident Keralites Welfare Act,2008. KIIFB is liable to pay interest at the rate specified in the agreement to the beneficiaries for three year from the date of deposit of funds. The Principal portion of the loan along with the accrued interest will be used by KIIFB for their operations. After three years KIIFB is liable to pay monthly dividend to the Member/ beneficiaries till end of their life. KIIFB had incurred interest expense of Rs 666.06 lakhs (Previous year to date Rs 1484.05 lakhs) for the period 01-04-2024 to 31-12-2024 against the fund received.

9 KIIFB has introduced revised prudential norms on Income recognition, asset classification and provisioning relevant and applicable for long term infrastructure projects i.e. 01-04-2023 as per the decision of general body through circular resolution dated on 13.04.2023 and the same has been revised in the 46th General Body meeting of KIIFB held on 02-09-2023.As per the said norms provisions for standard assets (for all revenue generating projects) at 0.4% on the outstanding loan balance and accrued interest amounting to Rs.3077.13 lakhs (Previous year to date Rs. 2550.05 lakhs) has been provided in the books of accounts as on December 31,2024. 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.

10 As per 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 Projects identified and categorised as Category 1 or 2 earlier but later recategorized as Category 3 projects ,entire interest accrued in the past period shall be reversed. Hence for such projects IRACP Norms are not applicable from the effective date of classification till the such repayment agreement are executed or project identified as loan in books of accounts whichever is earlier. 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 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 assets after 24 months from the date of 40% payment milestone has been reached or from the date of identification of the project as RGP in the books of accounts ,whichever is later.

b) Provisioning Norms

| Type of Asset | Provision Required (%)-Expected Credit Loss |
|---|---|
| Standard Asset | 0.40% |
| Substandard Asset | |
| Beyond 12 months and up to 18 months overduefor repayment agreements executed and beyond 24 months and upto 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% |
| Doubtful Assets | |
| Up To One year | 50% |
| One to three years | 75% |
| More than three years | 100% |
| Loss Assets | 100% |

11 Prudential norms on Income recognition and asset classification and provisioning 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.KIIFB has classified projects into four categories based on the viability of projects. The categorisation of loans is as follows:

| Category | Type of Category | No. of Projects | Loans(Rs in lakhs) | Interest Accrued(Rs in Lakhs) | Total (Rs in Lakhs) |
|---|---|---|---|---|---|
| I. | Projects which have high commercial viability | 7 | 7,39,407.79 | 18,108.41 | 7,57,516.20 |
| II. | Projects which have medium commercial viability | 7 | 22,354.41 | 263.10 | 22,617.51 |
| III. | Project which have low commercial viability | 2 | 40,458.12 | - | 40,458.12 |
| IV. | Projects which have no commercial viability | 0 | 0 | 0 | 0 |
| | **Total** | **16** | **8,02,220.31** | **18,371.52** | **8,20,591.83** |

11.1 On the 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 the confirmations from the borrowers including for land acquisition projects aggregating to Rs 5,17,604.81 lakhs (Previous year to date Rs. 413,331.87 Lakhs ) (Total Loan outstanding as on December 31,2024).

11.2 Interest income for Category 1 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 2 projects at discounted rate of interest as compared to category 1 and with respect to other two categories interest income is not recognised in the books of accounts.

12 Interest income recognised during the year to date ended December 31,2024 includes an amount of Rs 421.07 lakhs (Previous year to date Rs.404.69 Lakhs) on which 40% stage of disbursement has not been reached.Regarding the IND001-01 project,interest income amounting to Rs 15,683.39 lakhs has been recognised,even though the repayment agreement was executed prior to achieving 40 % of the disbursement milestone. The rate of interest chargeable is fixed only on reaching 40% disbursement as per the terms of tripartite agreement for the project. However, interest on such borrowing has been recognised based on rates agreed upon at the time of sanction of the loan/ ACDB rate as decided by the management.

13 Interest income has been recognised on loans given to SPV's revenue generating projects in cases where there has been certain delays on implementation of the projects financed by such loans. According to the management, payment of interest is not contingent on such projects earning revenue. The management have further asserted that certain inherent delays which have occurred during implementation stage of infrastructure projects does not have any adverse effect on the recoverability of loans granted considering the operational model of KIIFB. Hence, these loans are considered good and expected to be recovered from SPVs which are all government owned or controlled agencies.

14 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/ Board 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.

15 Loan agreements are pending to be executed as on December 31,2024 with KSFDC for two project loans having loan outstanding aggregating to Rs 1584.18 Lakhs (Previous year to date Rs.992.01 lakhs) although more than 40 % stage of disbursement as per the terms of the tripartite agreement between KIIFB, the SPV and the concerned Government department had exceeded.

16 KIIFB receives income from KIIFCON Private Limited, a 100% subsidiary, for rendering professional and consultancy services.The Chief Executive Officer approves the income computation and terms prior to issuing the invoice.During year to date ended December 31,2024 an income of Rs 174.30 lakhs has been accounted as consultancy charges in the Statement of profit and loss. The balance receivable as on 31-12-2024 is 308.01 lakhs (Previous year to date Rs.134.83 lakhs) which is confirmed by KIIFCON Private Limited.

17 KIIFB had incurred an expenditure of Rs 1816.81 Lakhs (Previous year to date 685.44 lakhs) during the year to date ended December 31,2024 towards KSFE Software expenses which includes an amount of Rs.1476.85 lakhs (Previous year to date Rs 652.84 lakhs) incurred through external agency (a Government PSU - KSIE Limited) to which the activities for server hosting and licence renewal charges of KSFE Pravasi software have been outsourced by KIIFB on nomination basis (single quote). These expenses are supported by invoices of first level intermediary agencies. KSIE Limited has raised invoice on KIIFB ranging from 3% to 10% over cost incurred depending upon the nature of service provided through the intermediary agency to whom the services have been sub-contracted.

18 The aggregate operating cost (Server hosting and License renewal charges) paid to KSIE Ltd till date from the date of commencement amounts to Rs 6029.35 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.

19 GST department has issued a demand amounting to Rs.1,633.19 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.

20 Previous period's figures have been regrouped / reclassified, wherever necessary to conform to current period's classification.

**For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**

KANDATHIL MATHEW ABRAHAM
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Date: 2025.02.13 16:45:16 +05'30'

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

Thiruvananthapuram
Date : 13.02.2025

**Report on Limited Review**
As per our report even date attached

For Suri and Co
Chartered Accountants
FRN:004283S

GOVINDARAJA N RENGARAJAN
Digitally signed by GOVINDARAJAN RENGARAJAN
Date: 2025.02.13 16:55:45 +05'30'

G Rengarajan
(Partner)
M.No. 219922
Thiruvananthapuram
Date : 13.02.2025

**Kerala Infrastructure Investment Fund Board**
**2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001**

**Additional disclosure as per clause 52(4) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015**

**Rs. In Lakhs**

| Particulars | | Quarter Ended | | | Year to date for current period ended | | Year Ended |
|---|---|---|---|---|---|---|---|
| | | 31-12-2024 | 30-09-2024 | 31-12-2023 | 31-12-2024 | 31-12-2023 | 31-03-2024 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| a. | Debt- Equity Ratio | 7.03 | 6.39 | 6.94 | 7.03 | 6.94 | 6.23 |
| b. | Debt Service Coverage Ratio | 0.12 | 0.13 | 0.29 | 0.15 | 0.12 | 0.18 |
| c. | Interest Service Coverage Ratio | 0.27 | 0.35 | 1.21 | 0.3 | 0.42 | 0.48 |
| d. | Outstanding Redeemable Preference Shares (Quantity And Value) | NA | NA | NA | NA | NA | NA |
| e. | Capital Redemption Reserve/Debenture Redemption Reserve | NA | NA | NA | NA | NA | NA |
| f. | Net Worth | 3,32,701.92 | 3,32,701.92 | 2,82,049.28 | 3,32,701.92 | 2,82,049.28 | 3,32,701.92 |
| g. | Net Profit After Tax | (36,329.61) | (32,336.44) | (13,976.14) | (98,347.61) | (72,904.60) | (96,771.09) |
| h. | Earnings Per Share | NA | NA | NA | NA | NA | NA |
| i. | Current Ratio | 4.74 | 3.22 | 2.59 | 4.74 | 2.59 | 3.67 |
| j. | Long Term Debt To Working Capital | 2 | 2.46 | 1.95 | 2 | 1.95 | 1.88 |
| k. | Bad Debts To Account Receivable Ratio | NA | NA | NA | NA | NA | NA |
| l. | Current Liability Ratio | 0.11 | 0.13 | 0.20 | 0.11 | 0.20 | 0.15 |
| m. | Total Debts To Total Assets | 0.87 | 0.86 | 0.86 | 0.87 | 0.86 | 0.85 |
| n. | Debtors Turnover | NA | NA | NA | NA | NA | NA |
| o. | Inventory Turnover | NA | NA | NA | NA | NA | NA |
| p. | Operating Margin (%) | NA | NA | NA | NA | NA | NA |
| q. | Net Profit Margin (%) | NA | NA | NA | NA | NA | NA |

* For the Purpose of Debt Equity Ratio, Initial Corpus Fund being in nature of fixed capital has been treated as equity since KIIFB has no share capital as per KIIF Act 1999 as amended in 2016.
* For the purpose of Current Ratio, Current Asset also includes Current portion of Statutory Contribution receivable from Govt. Of Kerala
* Certain ratios/line items with remarks "NA" are not applicable since KIIFB is a Non Corporate Entity.
* The figures for the previous year ended March 31, 2024, have been reclassified in the current period, resulting in minor deviations in the ratios repoerted for the respective dates.

**Items included in numerator and denominator for computing the ratios:**

**a) Debt-Equity Ratio**

Debt-Equity ratio compares an entity's total debt to Corpus Fund
Debt-Equity Ratio = Total Debt / Shareholder's Equity
For the Purpose of Debt Equity Ratio, Initial Corpus Fund being in nature of fixed capital has been treated as equity since KIIFB has no share capital as per KIIF Act 1999 as amended in 2016.

**b) Debt Service Coverage Ratio (DSCR)**

Debt Service coverage ratio is used to analyse the firm's ability to pay off current interest and instalments
Debt Service Coverage Ratio (DSCR) = Earning for Debt Service/ Debt service
Earning for Debt Service = Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations +
Interest + other adjustments like loss on sale of Fixed assets etc.
Debt service = Interest + Principal Repayments+ Lease payments

**c) Interest Service Coverage Ratio (DSCR)**

Interest Service Coverage Ratio (DSCR)= Earnings available for Interest Service/ Gross Interest
Earning for Interest Service= Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations +
Interest + other adjustments like loss on sale of Fixed assets etc.

**d) Networth**

Networth is used to measure the value of an entity
Networth = Total Asset - Total outside Liabilities which is equal to Initial Corpus Fund

**e) Current Ratio**

Current Ratio = Current Assets/ Current Liabilities
Current Assets include - Current investments, cash and bank balances (including interest accrued thereon) and short term loans and advances
Current Liabilities include - Accrued liabilities, statutory liabilities, income tax liabilities and other short term provisions

**f) Long Term Debt To Working Capital**

Long Term Debt To Working Capital shows the financial leverage of a firm.
Long Term Debt = Non current borrowing + Current maturity of long term debt
Net working capital = Current Asset - Current liability excluding current borrowing

**g) Current Liability Ratio**

Current Liability Ratio = Current liability / Total Liabilities

**h)Total Debts to Total Assets**

Total Debt to Total Asset ratio = Outstanding Debt/Total Assets
Outstanding Debt = Long term borrowings +Other long term liabilities+short term borrowings

# Kerala Infrastructure Investment Fund Board
## 2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001
## Balance Sheet as at 31.03.2022

(Figures in Rupees)

| | Particulars | Note No. | As at 31.03.2022 | As at 31.03.2021 |
|---|---|---|---|---|
| **I.** | **EQUITY AND LIABILITIES** | | | |
| 1 | Initial Corpus Fund | 1 | 28,20,49,27,844 | 24,98,42,27,844 |
| 2 | Corpus Fund - Revolving ( shown on the asset side ) | 2 | - | - |
| 3 | **Non-current liabilities** | | | |
| | (a) Long-term borrowings | 3 | 1,26,45,46,52,813 | 53,04,76,19,508 |
| | (b) Deferred tax liabilities (Net) | 9 | 3,63,43,554 | 2,28,84,402 |
| | (c) Other Long term liabilities | 4 | 35,09,28,839 | 12,32,48,223 |
| 4 | **Current liabilities** | | | |
| | (a) Short-term borrowings | 5 | 6,00,00,00,000 | 28,39,61,83,969 |
| | (b) Other current liabilities | 6 | 5,78,09,10,793 | 4,07,92,45,348 |
| | | | **1,66,82,77,63,843** | **1,10,65,34,09,294** |
| **II.** | **ASSETS** | | | |
| 1 | **Non-current assets** | | | |
| | (a) Property, plant and equipment | 7 | | |
| | (i)Tangible assets | | 4,54,71,773 | 5,57,12,391 |
| | (ii)Intangible assets | | 23,69,11,955 | 33,61,49,986 |
| | (b) Non-current investments | 8 | 1,67,44,940 | 1,67,44,940 |
| | (c) Deferred tax assets (net)- shown as liability | 9 | - | - |
| | (d) Long-term loans and advances | 10 | 44,12,30,82,445 | 25,66,04,59,545 |
| | (e) Statutory contribution receivable from GoK-Non current | 2 | 24,36,38,59,679 | - |
| | (f) Other Non Current Assets | 11 | 70,06,66,748 | 53,80,45,784 |
| 2 | **Current assets** | | | |
| | (a) Current investments | 12 | 6,00,00,00,000 | 6,00,00,00,000 |
| | (b) Cash and cash equivalents | 13 | 58,13,42,35,120 | 72,98,61,54,955 |
| | (c) Short term loans and advances | 14 | 9,89,95,73,193 | 53,35,12,589 |
| | (d) Statutory contribution receivable from GoK-Current | 2 | 22,85,34,00,000 | 2,86,38,29,402 |
| | (e) Other current assets | 15 | 45,38,17,990 | 1,66,27,99,702 |
| | | | **1,66,82,77,63,843** | **1,10,65,34,09,294** |

Notes forming part of financial statements **I , II & 1-33**

The accompanying notes form an integral part of the 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 : 07.07.2022

for Varma & Varma
Chartered Accountants
FRN.004532S

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

Thiruvananthapuram
Date : 11.07.2022

## Kerala Infrastructure Investment Fund Board
## 2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001
## Profit and Loss Account for the year ended 31.03.2022

(Figures in Rupees)

| Particulars | Note No. | For the Year Ended 31.03.2022 | For the Year Ended 31.03.2021 |
|---|---|---|---|
| **I. Revenue:** | | | |
| i) Recoupment of statutory contribution from Government of Kerala from Corpus Fund for financing of direct project cost as per Contra | 19 | 59,88,80,53,071 | 45,21,77,28,436 |
| ii) Interest income from financial assistance for revenue generating projects | 17 | 2,80,24,93,442 | 1,41,07,30,946 |
| iii) Interest income from deposits and investments | 16 | 1,29,70,80,169 | 1,45,63,91,695 |
| iv) Other income | 18 | 2,54,47,403 | 4,08,641 |
| **Total Revenue (I)** | | **64,01,30,74,085** | **48,08,52,59,718** |
| **II. Expenses:** | | | |
| i) Financing of direct cost of projects -Out of Corpus Fund | 19 | 59,88,80,53,071 | 45,21,77,28,436 |
| ii) Employee benefits expense | 20 | 7,26,95,697 | 5,63,90,190 |
| iii) Finance costs | 21 | 9,14,47,01,453 | 5,34,93,68,408 |
| iv) Depreciation and amortisation expense | 7 | 11,80,52,081 | 12,58,67,987 |
| v) Other expenses | 22 | 40,79,43,934 | 68,20,08,046 |
| **Total expenses (II)** | | **69,63,14,46,236** | **51,43,13,63,067** |
| **III. Profit / (Loss) (I- II)** | | (5,61,83,72,151) | (3,34,61,03,349) |
| Prior Period Item | 23 | (34,69,184) | (2,09,53,219) |
| Profit / (Loss) after prior period item | | (5,62,18,41,335) | (3,36,70,56,568) |
| **IV. Tax expense:** | | | |
| (1) Current tax | | - | - |
| (2) Tax for Earlier years | | - | (80,32,810) |
| (3) Deferred tax(Expense)/Income | 9 | (1,34,59,152) | (2,28,84,402) |
| 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 | | 5,63,53,00,487 | 3,39,79,73,780 |
| **V. Net Profit / (Loss) for the Year** | | - | - |

Notes forming part of financial statements **I , II & 1-33**
The accompanying notes form an integral part of the financial statements

**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

Thiruvananthapuram
Date : 11.07.2022

**For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**

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

Thiruvananthapuram
Date : 07.07.2022

## Kerala Infrastructure Investment Fund Board
## 2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001
## Cash Flow Statement for the year ended 31.03.2022

(Figures in Rupees)

| Particulars | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|---|---|---|
| **A. Cash flow from operating activities** | | |
| **Profit before income tax** | (5,62,18,41,335) | (3,36,70,56,568) |
| ***Adjustments for:*** | | |
| Depreciation and amortisation expense | 11,80,52,081 | 12,58,67,987 |
| Interest income | (4,09,95,73,610) | (2,86,71,22,641) |
| Finance Cost | 3,68,60,46,393 | 5,34,93,68,408 |
| Fixed Assets Written off | 11,73,398 | - |
| Sundry Balances written back | (2,54,03,660) | - |
| **Operating profit / (loss) before working capital changes** | (5,94,15,46,733) | (75,89,42,814) |
| **Changes in working capital:** | | |
| Adjustments for (increase) / Decrease in operating assets: | | |
| Loans and Advances | (9,36,60,60,604) | 22,84,725 |
| Financial assistance made to Revenue Generating Projects | (15,66,01,29,458) | (11,54,89,50,094) |
| Other Non Current and Current Assets | 1,19,58,22,803 | 33,48,40,933 |
| Adjustments for increase / (Decrease) in operating liabilities: | | |
| Other Current/Non current Liabilities | 67,62,49,720 | 45,37,03,012 |
| **Net Changes in working capital:** | (29,09,56,64,272) | (11,51,70,64,238) |
| **Cash generated from operations** | (29,09,56,64,272) | (11,51,70,64,238) |
| Net income tax (paid) / refunds | (14,94,62,055) | (15,21,80,813) |
| **Net cash from/ (used in) operating activities (A)** | **(29,24,51,26,327)** | **(11,66,92,45,051)** |
| **B. Cash flow from investing activities** | | |
| Purchase of PPE (including changes in CWIP) | (1,08,83,939) | (3,88,87,106) |
| (Purchase)/ disposal proceeds of Investments | - | (66,94,940) |
| Sale proceeds of PPE | 11,37,108 | - |
| Interest income received | 1,29,70,80,169 | 1,45,63,91,695 |
| **Net cash from/ (used in) investing activities (B)** | **1,28,73,33,338** | **1,41,08,09,649** |
| **C. Cash flow from financing activities** | | |
| Loans from :- | | |
| (i) Banks and Financial Institutions | 78,58,73,84,299 | 26,22,99,39,458 |
| (ii) Bonds | 2,86,48,20,000 | 2,39,89,00,000 |
| (iii) Pravasi Dividend Scheme | 1,07,37,60,684 | 1,23,76,56,860 |
| Loans repaid during the year | (30,23,66,15,647) | (65,84,00,000) |
| Statutory contribution from GoK | 20,57,97,11,681 | 21,72,85,50,000 |
| Additional Financial Support for Infrastructure Development | 3,22,07,00,000 | - |
| CSR and PTA fund | 17,56,81,024 | 41,24,88,064 |
| Recoupment by way of Statutory contribution from Govt of Kerala from Corpus Fund for direct project cost (other than NABARD) | (58,55,75,71,315) | (44,56,93,64,196) |
| Interest received during the period from Deposits made out of corpus fund | 41,45,30,576 | 1,42,80,41,956 |
| Finance cost paid | (3,68,60,46,393) | (5,15,03,61,649) |
| Fund utilised for NABARD Projects | (1,33,04,81,755) | (64,83,64,240) |
| **Net cash from/ (used in) financing activities (C)** | **13,10,58,73,154** | **2,40,90,86,253** |
| **Net increase (decrease) in cash and cash equivalents (A+B+C)** | (14,85,19,19,835) | (7,84,93,49,149) |
| Cash and cash equivalents at the beginning of the financial year | 72,98,61,54,955 | 80,83,55,04,104 |
| **Cash and cash equivalents at end of the year** | **58,13,42,35,120** | **72,98,61,54,955** |

**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

| **Balances with banks** | | |
|---|---|---|
| Cash in Hand | 504 | 5,654 |
| Balance with Treasury | 9,50,841 | 22,07,62,564 |
| Term Deposits/Sweep | 16,32,03,61,986 | 47,23,30,91,536 |
| Other deposit, savings and current accounts | 11,45,79,93,945 | 54,80,67,357 |
| Other Bank balance in Treasury Accounts | 28,20,49,27,844 | 24,98,42,27,844 |
| In Masala Bond Sinking Fund Account | 2,15,00,00,000 | - |
| | **58,13,42,35,120** | **72,98,61,54,955** |

Notes forming part of financial statements **I , II & 1-33**

The accompanying notes form an integral part of the financial statements

**For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**

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

Thiruvananthapuram
Date : 07.07.2022

**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

Thiruvananthapuram
Date : 11.07.2022

All amounts in Rs. 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 (KIIFB 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.

The rupee denominated Masala Bond of KIIFB backed by the Guarantee of Govt of Kerala is listed in the London Stock Exchange and Singapore Stock Exchange.

## NOTE-II
## SIGNIFICANT ACCOUNTING POLICIES

### A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a. The 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. 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.

### 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.

### 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.

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 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 corpus fund-revolving also includes funds received under LAC/ADS scheme and PTA/CSR Fund as per Govt.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**

Amounts shown under long term loans represents finance assistance to revenue generating projects.

The Income Recognition and Asset Classification (IRAC) norms issued by RBI and applicable to Banks/ NBFCs which fact has been disclosed in significant accounting policies of the previous year . However, since KIIFB is engaged in financing infrastructure projects with long gestation period and the revenue generation is contingent on factors beyond the control of the entity, strict adoption of the IRAC norms is considered to be impracticable and not feasible. Hence the above decision taken by the General Body has been reversed at the meeting held on 07.07.2022 to discontinue the implementation of the IRAC Norms with effect from 01.04.2021. The financial impact on the accounts on account of the above is nil. Steps are being taken for defining and implementing suitable norms for classification of loans, provisioning and recognition of income appropriate and relevant to the unique nature of activities being undertaken, for financing of infrastructure projects with long gestation period, with focused social commitment to meet the objectives in the KIIF Act 1999( as amended by Act of 2016).

**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

(i) 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.

(ii) 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** | **As at 31.03.2022** | **As at 31.03.2021** |
|---|---|---|
| Initial corpus fund for Major Infrastructural Development Projects | 24,98,42,27,844 | 24,98,42,27,844 |
| Add: Addition to Initial Corpus Fund | 3,22,07,00,000 | - |
| | **28,20,49,27,844** | **24,98,42,27,844** |

1.1 The initial Corpus fund of Rs 24,98,42,27,844/- 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. The amount is kept separately in government treasury account (interest free).

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Thiruvananthapuram Chartered Accountants

1.2 During the year, in addition to statutory contribution received, financial support for infrastructure development amounting to Rs 3,22,07,00,000/- as per G.O(Rt)No. 389/2022/Fin dated 17.01.2022 was received which has been credited under Initial Corpus fund. The amount is kept separately in government treasury account, (interest free). The additional contribution is to provide funds required over and above the mandatory entitlement of tax devolution for the year 2021-22 to KIIFB 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, in the opinion of the management the same is to be treated as part of the initial corpus fund.

**Note - 2**
**Corpus Fund - Revolving**

| | As at 31.03.2022 | As at 31.03.2021 |
|---|---|---|
| A. Fund from Contingency Fund of Government of Kerala | 75,00,000 | 75,00,000 |
| **Total -(A)** | **75,00,000** | **75,00,000** |
| **B. Corpus fund by way of statutory contribution from GoK** | | |
| **Opening Balance** | 82,70,16,50,800 | 59,13,25,70,780 |
| Add: Statutory contribution received during the year | 20,68,07,62,000 | 21,72,85,50,000 |
| Add: Allotment of funds under LAC-ADS | 15,05,80,554 | 40,41,00,000 |
| Add: Allotment of funds under PTA & CSR Fund | 2,51,00,470 | 83,88,064 |
| Add : Interest received during the period from Deposits made out of corpus fund (Refer Note 2.2) | 41,45,30,576 | 1,42,80,41,956 |
| Less : Corpus fund resumed by the Govt .during the year (Refer note 2.6) | (10,10,50,319) | - |
| **Closing Balance of funds available for utilisation** | **1,03,87,15,74,081** | **82,70,16,50,800** |
| **Utilisation of Corpus Fund** | | |
| i) Funds Utilised for financing of direct project cost as at year end (see Note 2.4 below) | (1,40,35,20,92,867) | (80,46,40,39,796) |
| 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) | (48,69,41,56,631) | (23,69,28,03,795) |
| iii) Deficit from operations in P & L a/c recouped (see Note 2.3 below) | (10,74,42,40,893) | (5,10,89,40,406) |
| **Subtotal** | **(1,99,79,04,90,391)** | **(1,09,26,57,83,997)** |
| **Total-(B)** | **(95,91,89,16,309)** | **(26,56,41,33,197)** |
| **C. Reserve for financial assistance to revenue generating projects** | | |
| Financial assistance for revenue generating projects adjusted as per contra | 48,69,41,56,630 | 23,69,28,03,795 |
| **Total-(C)** | **48,69,41,56,630** | **23,69,28,03,795** |
| **Total (A)+(B)+( C )** | **(47,21,72,59,679)** | **(2,86,38,29,402)** |
| **Less:** Transferred to statutory contribution receivable from GoK (see Note 2.7 below) | **(47,21,72,59,679)** | **(2,86,38,29,402)** |
| | - | - |

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 KIIFB 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.41,45,30,576/- are credited to the corpus fund based on resolution of the board taken in the preceding year is in line with the provisions of KIIFB 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 **Deficit in operations in P & L a/c recouped**

| | As at 31.03.2022 | As at 31.03.2021 |
|---|---|---|
| Accumulated deficit as at beginning of the year | (5,10,89,40,406) | (1,71,09,66,626) |
| Current Year profit/(Loss) | (5,63,53,00,487) | (3,39,79,73,780) |
| **Closing Balance** | **(10,74,42,40,893)** | **(5,10,89,40,406)** |

The net loss in Profit and Loss account for the year of Rs.5,63,53,00,487/- 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.

VARMA & VARMA Trivandrum Chartered Accountants

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

| | As at 31.03.2022 | As at 31.03.2021 |
|---|---|---|
| Opening Balance | 80,46,40,39,796 | 35,24,63,11,360 |
| Add: Utilised during the year for financing of direct project cost (See Note 19) | 59,88,80,53,071 | 45,21,77,28,436 |
| **Closing Balance** | **1,40,35,20,92,867** | **80,46,40,39,796** |

2.4.1 KIIFB received an amount of Rs.13,65,00,00,000/-(CY-8,00,00,00,000) as loan funds sanctioned by NABARD for various specific projects. Out of the above loan funds, an amount of Rs.389,28,75,230/- has been incurred towards the project cost upto the year end and an amount of Rs.265,90,06,787/- has been disbursed as finance assistance loan to revenue generating projects upto the year end and funds utilised have been set off against statutory contribution since the repayment of the loan would be made out of statutory contribution as per agreed repayment schedule.

2.5 **Particulars of Fund Utilised out of Corpus Fund / statutory contribution for financial assistance to revenue generating projects**

| | As at 31.03.2022 | As at 31.03.2021 |
|---|---|---|
| Opening Balance | 23,69,28,03,795 | 12,14,38,53,701 |
| Add : Financial assistance given during the year | 25,00,13,52,836 | 11,54,89,50,094 |
| Closing Balance | **48,69,41,56,631** | **23,69,28,03,795** |

2.6 Corpus amount of Rs.10,10,50,319/- has been resumed by government during the year based on the G.O (p) No.35/2022/Fin dated 24-03-2022 and recredited back to the treasury account subsequently on 06-04-2022.

2.7 **Particulars of Fund transferred to statutory contribution receivable from GoK**

| | As at 31.03.2022 | As at 31.03.2021 |
|---|---|---|
| Current portion of statutory contribution receivable | 22,85,34,00,000 | 2,86,38,29,402 |
| Non Current portion of statutory contribution receivable | 24,36,38,59,679 | - |
| | **47,21,72,59,679** | **2,86,38,29,402** |

**Note - 3**

| **Long Term Borrowings** | As at 31.03.2022 | As at 31.03.2021 |
|---|---|---|
| **Unsecured Loans** | | |
| (a) KSFE Pravasi Bond (Note 3.1) | 6,46,80,00,000 | 3,60,31,80,000 |
| (b) Masala Bond (Note 3.2) | 21,50,00,00,000 | 21,50,00,00,000 |
| (c) KNRKWB under Pravasi dividend scheme (Note 3.3 & 3.4) | 2,87,72,17,544 | 1,80,34,56,860 |
| (d) Loan From Banks and Financial Institutions (Note 3.4) | | |
| i. Loan From NABARD | 12,30,74,00,000 | 4,88,18,00,000 |
| ii. Loan From SBI | 8,80,54,01,656 | 10,00,00,00,000 |
| iii. Loan From Union Bank | 6,75,00,00,000 | 7,39,58,33,333 |
| iv. Loan From Indian Bank | 9,47,28,53,655 | 4,91,60,00,000 |
| v. Loan From Canara Bank | 6,91,21,83,425 | 2,01,32,49,315 |
| vi. Loan from Bank of Maharashtra | 8,94,50,12,554 | - |
| vii. Loan from Bank of Baroda | 16,50,00,00,000 | - |
| viii. Loan from Bank of India | 5,25,00,00,000 | - |
| ix. Loan from REC | 20,01,09,83,979 | - |
| x. Loan from HUDCO | 5,00,00,00,000 | - |
| **Total A** | **1,30,79,90,52,813** | **56,11,35,19,508** |
| **Less:** Current Maturity of loan shown under Other Current Liabilities: | | |
| i. Loan From NABARD | 57,44,00,000 | 57,44,00,000 |
| ii. Loan From Union Bank | 87,50,00,000 | 63,75,00,000 |
| iii. Loan From Indian Bank | 50,40,00,000 | 50,40,00,000 |
| iv. Loan from SBI | 1,25,00,00,000 | 1,25,00,00,000 |
| v. Loan from Canara Bank | 20,00,00,000 | 10,00,00,000 |
| vi. KSFE Pravasi Bond | 94,10,00,000 | - |
| **Total B** | **4,34,44,00,000** | **3,06,59,00,000** |
| **Total (A-B)** | **1,26,45,46,52,813** | **53,04,76,19,508** |

**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.

**Note - 3.2**

**Masala Bond @ 9.723%**

KIIFB had raised an amount of Rs. 2150 crore 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 .The interest has to be serviced on semi-annual basis and the principal amount at the end of the Bond period. This bond offering is also backed by guarantee given by Government of Kerala for the repayment of its interest and principal amount.

**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.

**Note - 3.4**

**Loan From Banks and Financial Institution and other lenders**

i. KIIFB has availed Loan from various Public Sector 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 Crores) | Tenure and Interest Rate (%) | Repayment Terms |
|---|---|---|---|---|---|
| 1 | State Bank of India | 15.12.2018 | 1000 | 10 Years with 2 years moratorium Interest Rate of 7.7% | 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 | 500 | 12 Years with 2 years moratorium Interest Rate of 7.7% | 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. |
| | | 30.06.2021 | 500 | 12 Years with 2 years moratorium Interest Rate of 7.5% | |
| 3 | Union Bank of India | 15.02.2020 | 250 | 12 Years with 2 years moratorium Interest Rate of 7.55% | 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 | 500 | 10 Years with 2 years moratorium Interest Rate of 7.55% | 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. |

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| | | | | | |
|---|---|---|---|---|---|
| 4 | NABARD | 24.03.2017 | 200.8 | 12 Years including 2 Years moratorium Interest Rate of 9% | 12 Years including 2 Years moratorium. Principal to be repaid in 40 quarters. |
| | | | 364.2 | 12 Years including 2 Years moratorium Interest Rate of 8.8% | |
| | | 27.04.2021 | 800 | 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 | 200 | 12 Years with 2 years moratorium Interest Rate of 7.55% | 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 | 500 | 12 Years with 2 years moratorium Interest Rate of 7.45% | |
| 6 | KNRKWB under Pravasi dividend scheme | 19.12.2019 | 181.1 | Interest rate @9% | Repayment in accordance with the terms of the pravasi dividend scheme. |
| | | | 110.2 | Interest rate @8.3% | |
| 7 | Bank of India | 21.12.2021 | 700 | 12 Years with 2 years moratorium Interest Rate of 7.45% | 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 | 1000 | 12 Years with 2 years moratorium Interest Rate of 7.50% | 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 | 750 | 10 Years with 2 years moratorium Interest Rate of 7.55% | 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 | 1250 | | |
| 10 | Rural Electrification Corporation Limited | 06.06.2021 | 4000 | 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. |
| 11 | Housing and Urban Development Corporation Ltd.(HUDCO) | 01.09.2021 | 1000 | 15 Years with 2 years moratorium Interest Rate of 7.45% | 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. |

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**Note - 4**

| **Other Long term liabilities** | **As at 31.03.2022** | **As at 31.03.2021** |
|---|---|---|
| Interest Accrued on Loan From KNRKWB under Pravasi dividend scheme | 35,09,28,839 | 12,32,48,223 |
| | **35,09,28,839** | **12,32,48,223** |

**Note - 5**

| **Short Term Borrowings** | **As at 31.03.2022** | **As at 31.03.2021** |
|---|---|---|
| **Secured, Repayable on Demand** | | |
| Short Term Loan from Kotak Mahindra Bank | 6,00,00,00,000 | - |
| *(Secured by pledge over Debt/Gilt Mutual Fund)* | | |
| *(Maximum tenor of 180 days ,repayable on demand)* | | |
| Overdraft from Banks | - | 28,39,61,83,969 |
| *(on the security by Lien on Fixed Deposits)* | | |
| | **6,00,00,00,000** | **28,39,61,83,969** |

Note 5.1 -All overdraft accounts from banks were closed during the year.

**Note - 6**

| **Other Current Liabilities** | **As at 31.03.2022** | **As at 31.03.2021** |
|---|---|---|
| Current maturity of long term borrowing : | | |
| i. Loan From NABARD | 57,44,00,000 | 57,44,00,000 |
| ii. Loan From Union Bank | 87,50,00,000 | 63,75,00,000 |
| iii. Loan From Indian Bank | 50,40,00,000 | 50,40,00,000 |
| iv. Loan from SBI | 1,25,00,00,000 | 1,25,00,00,000 |
| v. Loan from Canara Bank | 20,00,00,000 | 10,00,00,000 |
| vi. KSFE Pravasi Bond | 94,10,00,000 | - |
| Sundry Creditors for Expenses (Note 6.1 ) | 10,34,84,665 | 33,23,78,380 |
| Guarantee Commission Payable | 95,91,54,195 | 40,78,27,721 |
| Statutory Liabilities | 11,80,86,862 | 3,65,55,808 |
| Centage Payable (Note 6.2) | 10,06,88,544 | 5,10,67,436 |
| Interest on Masala Bond Payable | 1,71,81,740 | 1,71,81,740 |
| Interest on KSFE Bond Payable | 11,09,82,780 | 6,30,82,365 |
| Interest on Term Loan Payable | 1,98,28,460 | 9,76,03,182 |
| Interest on OD payable | - | 28,91,000 |
| Salary Payable | 60,27,527 | 39,37,716 |
| Audit Fee Payable | 10,76,020 | 8,20,000 |
| **Total** | **5,78,09,10,793** | **4,07,92,45,348** |

6.1 Sundry creditors for expenses does not include bills raised by Rail India Technical and Economic Services (RITES) for work done up to 31/03/2022 amounting to Rs.10,30,27,859/- which are pending to be approved by the Board (Details disclosed in Note 28.3 relating to Invoices pending approval).

6.2 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 the claim by the management.

**Note - 7**

| **Written down balance of Property, Plant and Equipment** | **As at 31.03.2022** | **As at 31.03.2021** |
|---|---|---|
| Tangible assets | 4,54,71,773 | 5,57,12,391 |
| Intangible assets | 23,69,11,955 | 33,61,49,986 |
| | **28,23,83,728** | **39,18,62,377** |

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

**Note - 8**

| **Non-current investments** | **As at 31.03.2022** | **As at 31.03.2021** |
|---|---|---|
| Investment in Kerala Infrastructure Fund Management Limited (unquoted) | 1,67,44,940 | 1,00,50,000 |
| Shares Pending Allotment- Kerala Infrastructure Fund Management Limited | - | 66,94,940 |
| **Total** | **1,67,44,940** | **1,67,44,940** |

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

## Note 7

## Property, Plant and Equipment and Depreciation Statement For the period 01-04-2021 to 31-03-2022

| PARTICULARS | | GROSS BLOCK | | | | | DEPRECIATION/AMORTISATION | | | | | NET BLOCK | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SL. No. | ITEM | As on 01.04.2021 | Additions | | Sale/ Adjustment during the period | Total As on 31.03.2022 | Rate % | As on 01.04.2021 | For the Period | Sale/ Adjustment during the period | Up to 31.03.22 | WDV As On 31.03.2022 | WDV As On 31.03.2021 |
| | | | Before 01.10.2021 | on/After 01.10.2021 | | | | | | | | | |
| A | **Tangible Asset** | | | | | | | | | | | | |
| 1 | Air Cooler | 5,430 | | | - | 5,430 | 10 | 5,407 | 2 | - | 5,409 | 21 | 23 |
| | *(Previous Year)* | *(5,430)* | | | - | *(5,430)* | | *(5,404)* | *(3)* | - | *(5,407)* | *(23)* | *(26)* |
| 2 | Computer | 2,05,33,428 | - | 7,86,368 | 34,575 | 2,12,85,221 | 40 | 1,20,93,841 | 35,33,109 | - | 1,56,26,950 | 56,58,271 | 84,39,587 |
| | *(Previous Year)* | *(1,49,55,571)* | *(7,88,610)* | *(47,89,247)* | - | *(2,05,33,428)* | | *(80,63,865)* | *(40,29,976)* | - | *(1,20,93,841)* | *(84,39,587)* | *(68,91,706)* |
| 3 | Communication Equipme | 3,77,559 | | | - | 3,77,559 | 40 | 3,35,138 | 16,968 | - | 3,52,106 | 25,453 | 42,421 |
| | *(Previous Year)* | *(3,77,559)* | | | - | *(3,77,559)* | | *(3,06,858)* | *(28,280)* | - | *(3,35,138)* | *(42,421)* | *(70,701)* |
| 4 | Furniture & Fittings | 53,22,017 | 11,69,224 | 5,08,292 | 5,24,678 | 64,74,855 | 10 | 13,52,783 | 5,39,260 | - | 18,92,043 | 45,82,812 | 39,69,234 |
| | *(Previous Year)* | *(50,74,689)* | *(1,10,802)* | *(1,36,526)* | - | *(53,22,017)* | | *(9,19,342)* | *(4,33,441)* | - | *(13,52,783)* | *(39,69,234)* | *(41,55,347)* |
| 5 | Photostat Machine | 1,72,409 | | | - | 1,72,409 | 40 | 1,52,720 | 7,876 | - | 1,60,596 | 11,813 | 19,690 |
| | *(Previous Year)* | *(1,72,409)* | | | - | *(1,72,409)* | | *(1,39,593)* | *(13,126)* | - | *(1,52,720)* | *(19,690)* | *(32,816)* |
| 6 | Printer | 3,33,652 | 14,250 | 1,81,412 | 48,422 | 4,80,892 | 40 | 2,32,576 | 82,413 | - | 3,14,989 | 1,65,903 | 1,01,076 |
| | *(Previous Year)* | *(2,96,354)* | - | *(37,298)* | - | *(3,33,652)* | | *(1,77,625)* | *(54,951)* | - | *(2,32,576)* | *(1,01,076)* | *(1,18,729)* |
| 7 | Plant & Machinery | 2,58,76,084 | - | - | - | 2,58,76,084 | 15 | 62,49,143 | 29,44,041 | - | 91,93,184 | 1,66,82,900 | 1,96,26,941 |
| | *(Previous Year)* | *(2,24,94,368)* | *(32,41,721)* | *(1,39,995)* | - | *(2,58,76,084)* | | *(27,97,918)* | *(34,51,225)* | - | *(62,49,143)* | *(1,96,26,941)* | *(1,96,96,450)* |
| 8 | Electrical Equipment | 21,93,027 | 2,23,547 | - | 5,65,722 | 18,50,852 | 10 | 4,53,629 | 1,96,295 | - | 6,49,924 | 12,00,928 | 17,39,398 |
| | *(Previous Year)* | *(21,78,631)* | - | *(14,396)* | - | *(21,93,027)* | | *(2,61,162)* | *(1,92,467)* | - | *(4,53,629)* | *(17,39,398)* | *(19,17,469)* |
| 9 | Vehicle | 69,61,005 | | | - | 69,61,005 | 15 | 22,07,794 | 7,12,982 | - | 29,20,776 | 40,40,229 | 47,53,211 |
| | *(Previous Year)* | *(69,61,005)* | | | - | *(69,61,005)* | | *(13,68,992)* | *(8,38,802)* | - | *(22,07,794)* | *(47,53,211)* | *(55,92,013)* |
| 10 | Computer & Accessories | 1,28,69,517 | 24,93,065 | - | - | 1,53,62,582 | 40 | 42,89,465 | 44,29,247 | - | 87,18,712 | 66,43,870 | 85,80,053 |
| | *(Previous Year)* | *(38,32,909)* | *(1,45,404)* | *(88,91,204)* | - | *(1,28,69,517)* | | *(15,33,164)* | *(27,56,301)* | - | *(42,89,465)* | *(85,80,053)* | *(22,99,745)* |
| 11 | Interior Decoration | 1,02,03,333 | - | - | 11,37,109 | 90,66,224 | 10 | 17,62,576 | 8,44,076 | - | 26,06,652 | 64,59,572 | 84,40,757 |
| | *(Previous Year)* | *(90,06,376)* | - | *(11,96,957)* | - | *(1,02,03,333)* | | *(8,91,212)* | *(8,71,364)* | - | *(17,62,576)* | *(84,40,757)* | *(81,15,164)* |
| | **TOTAL** | **8,48,47,461** | **39,00,086** | **14,76,072** | **23,10,506** | **8,79,13,113** | | **2,91,35,071** | **1,33,06,268** | - | **4,24,41,340** | **4,54,71,773** | **5,57,12,391** |
| | | *(6,53,55,301)* | *(42,86,537)* | *(1,52,05,623)* | - | *(8,48,47,461)* | | *(1,64,65,135)* | *(1,26,69,936)* | - | *(2,91,35,071)* | *(5,57,12,391)* | *(4,88,90,167)* |

| PARTICULARS | | GROSS BLOCK | | | | | DEPRECIATION/AMORTISATION | | | | NET BLOCK | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SL. No. | ITEM | As on 01.04.2021 | Additions | | Sale/ Adjustment during the period | Total As on 31.03.2022 | Rate % | As on 01.04.2021 | For the Period | Sale/ Adjustment during the period | Up to 31.03.22 | WDV As On 31.03.2022 | WDV As On 31.03.2021 |
| | | | Before 01.10.2021 | on/After 01.10.2021 | | | | | | | | | |
| B | **Intangible Asset** | | | | | | | | | | | | |
| 1 | Software for KSFE Pravasi Chit | 18,47,51,211 | - | - | - | 18,47,51,211 | 25 | 7,77,75,252 | 2,67,43,989 | - | 10,45,19,242 | 8,02,31,970 | 10,69,75,958 |
| | *(Previous Year)* | *(16,97,89,586)* | *(1,37,41,690)* | *(12,19,935)* | - | *(18,47,51,211)* | | *(4,23,19,922)* | *(3,54,55,330)* | - | *(7,77,75,252)* | *(10,69,75,958)* | *(12,74,69,663)* |
| 2 | Software TRC | 1,30,23,191 | 55,07,781 | - | - | 1,85,30,972 | 25 | 42,54,526 | 35,69,112 | - | 78,23,638 | 1,07,07,334 | 87,68,665 |
| | *(Previous Year)* | *(85,89,870)* | *(44,33,321)* | - | - | *(1,30,23,191)* | | *(13,31,637)* | *(29,22,888)* | - | *(42,54,526)* | *(87,68,665)* | *(72,58,233)* |
| 3 | Other Software | 92,75,961 | | - | - | 92,75,961 | 25 | 46,30,518 | 11,61,361 | - | 57,91,879 | 34,84,082 | 46,45,443 |
| | *(Previous Year)* | *(92,75,961)* | | - | - | *(92,75,961)* | | *(30,82,037)* | *(15,48,481)* | - | *(46,30,518)* | *(46,45,443)* | *(61,93,924)* |
| 4 | Expenses on Issuance of Masala Bond | 24,73,13,909 | | - | - | 24,73,13,909 | | 9,93,32,107 | 4,94,62,782 | - | 14,87,94,889 | 9,85,19,020 | 14,79,81,802 |
| | *(Previous Year)* | *(24,73,13,909)* | | - | - | *(24,73,13,909)* | | *(4,98,69,325)* | *(4,94,62,782)* | - | *(9,93,32,107)* | *(14,79,81,802)* | *(19,74,44,584)* |
| 5 | Expenses on issue of KSFE Bond | 11,90,42,844 | - | - | - | 11,90,42,844 | | 5,12,64,727 | 2,38,08,569 | - | 7,50,73,296 | 4,39,69,548 | 6,77,78,117 |
| | *(Previous Year)* | *(11,90,42,844)* | - | - | - | *(11,90,42,844)* | | *(2,74,56,158)* | *(2,38,08,569)* | - | *(5,12,64,727)* | *(6,77,78,117)* | *(9,15,86,686)* |
| | **TOTAL** | **57,34,07,116** | **55,07,781** | - | - | **57,89,14,897** | | **23,72,57,130** | **10,47,45,813** | - | **34,20,02,943** | **23,69,11,955** | **33,61,49,986** |
| | | ***(55,40,12,170)*** | ***(1,81,75,011)*** | ***(12,19,935)*** | - | ***(57,34,07,116)*** | | ***(12,40,59,080)*** | ***(11,31,98,050)*** | - | ***(23,72,57,130)*** | ***(33,61,49,986)*** | ***(42,99,53,090)*** |
| | | | | | | | | | | | | | |
| | **TOTAL** | **65,82,54,577** | **94,07,867** | **14,76,072** | **23,10,506** | **66,68,28,010** | - | **26,63,92,201** | **11,80,52,081** | - | **38,44,44,283** | **28,23,83,728** | **39,18,62,377** |
| | | ***(61,93,67,471)*** | ***(2,24,61,548)*** | ***(1,64,25,558)*** | - | ***(65,82,54,577)*** | - | ***(14,05,24,215)*** | ***(12,58,67,987)*** | - | ***(26,63,92,201)*** | ***(39,18,62,377)*** | ***(47,88,43,257)*** |

**Note** 7.1 The management estimates that the future economic benefit from the expenditure towards issue of Masala Bond and issue of KSFE Bond will accrue to the Board over the period of the Bond being 5 years. Accordingly, such expenditure are treated as Intangible Asset and amortised over 5 years.

7.2 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.

7.3 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.

7.4 The Net carrying value of intangible asset towards software for KSFE pravasi Chitty and expense on issue of KSFE bond amounts to Rs. 12,42,01,517/- and expenses towards software maintenance charges during the year amounting to Rs 9,86,16,057/-.The actual borrowing infused is Rs. 646.80 crores 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 KIIFB and KSFE.Accordingly the value in use as per management is sufficient to cover the net carrying value of asset.

**Note - 9**

**Deferred Tax Asset**

| Particulars | As at 31.03.2022 | As at 31.03.2021 |
|---|---|---|
| **Opening Balance** | (2,28,84,402) | - |
| Add : Deferred Tax Asset \(Liability) for the year | (1,34,59,152) | (2,28,84,402) |
| **Closing Deferred Tax Asset /(liability)** | **(3,63,43,554)** | **(2,28,84,402)** |

| **Components of Deferred Tax** | **As at 31.03.2022** | **As at 31.03.2021** |
|---|---|---|
| **Deferred Tax Liability : A** | | |
| On ICDS adjustment on revenue recognition | 1,15,26,92,780 | 57,86,72,166 |
| On excess of net book value over Income Tax Written Down Value of Property, Plant & Equipment | 5,01,16,699 | 7,17,58,886 |
| | **1,20,28,09,479** | **65,04,31,052** |
| **Deferred Tax Asset : B** | | |
| On business loss and unabsorbed depreciation | **1,16,64,65,925** | **62,75,46,650** |
| **Net Deferred tax liability (A-B)** | **3,63,43,554** | **2,28,84,402** |

**Note - 10**

| **Long Term Loans & Advances (Unsecured considered good)** | **As at 31.03.2022** | **As at 31.03.2021** |
|---|---|---|
| Financial assistance made to Revenue Generating Projects (contra by credit to Financial assistance Reserve for revenue) | 38,89,29,57,485 | 23,28,15,98,143 |
| Accrued Interest on Loans for projects | 5,23,01,24,960 | 2,37,88,61,402 |
| **Total** | **44,12,30,82,445** | **25,66,04,59,545** |

**Note - 11**

| **Other Non Current Assets** | **As at 31.03.2022** | **As at 31.03.2021** |
|---|---|---|
| TDS Credit (F.Y. 2021-22) (Refer Note 27.1) | 11,39,44,033 | - |
| Income Tax Refund Due (F.Y. 2018-19) | 1,18,78,974 | 1,18,78,974 |
| TDS Credit (F.Y. 2019-20)(Refer Note 27.2) | 39,40,57,824 | 38,08,98,915 |
| TDS Credit (F.Y. 2020-21) | 18,07,85,917 | 14,52,67,895 |
| **Total** | **70,06,66,748** | **53,80,45,784** |

**Note - 12**

| **Current Investments at cost** | **As at 31.03.2022** | **As at 31.03.2021** |
|---|---|---|
| SBI Mutual Funds (Growth Fund) | 6,00,00,00,000 | 6,00,00,00,000 |
| **Total** | **6,00,00,00,000** | **6,00,00,00,000** |

12.1 Net Asset Value as at year end is : Rs 689,80,30,049/-( PY : Rs 663,06,82,439/-)

**Note - 13**

| **Cash and Cash Equivalents** | **As at 31.03.2022** | **As at 31.03.2021** |
|---|---|---|
| Cash on Hand | 504 | 5,654 |
| Balance with Treasury | 9,50,841 | 22,07,62,564 |
| Balance with Banks | | |
| in Term Deposits | 16,31,82,99,995 | 24,18,31,54,878 |
| in Sweep Accounts | 20,61,991 | 23,04,99,36,658 |
| in Savings account and current account | 11,45,79,93,945 | 54,80,67,357 |
| | **27,77,93,07,276** | **48,00,19,27,111** |
| Other bank balance | | |
| Balance with Treasury (Refer Note 13.1) | 28,20,49,27,844 | 24,98,42,27,844 |
| In Masala Bond Sinking Fund Account with Axis Bank (Refer Note 13.2) | 2,15,00,00,000 | - |
| **Total** | **58,13,42,35,120** | **72,98,61,54,955** |

13.1 Balance with treasury under other bank balances represents initial Corpus fund and additional financial support to infrastructure development of Rs 28,20,49,27,844/- kept separately in government treasury account.

13.2 Represents balance earmarked as per terms of issue of Masala Bond

13.3 Balance of Rs.42,705 in treasury account No. Escrow 14014 has been written off to profit & loss account under interest and finance charges during the year since the amount was transferred to revenue deposit as per confirmation from Treasury.

KIIFB

VARMA & VARMA Chartered Accountants Trivandrum

**Note - 14**

| **Short Term Loans and Advances** | **As at 31.03.2022** | **As at 31.03.2021** |
|---|---|---|
| Deposits | 85,32,369 | 50,61,226 |
| Advances and other Receivables (refer note 14.1 ,14.2 & 14.3) | 8,98,41,678 | 6,84,75,594 |
| Current maturity of Financial assistance made to Revenue Generating Projects '(contra by credit to Financial assistance Reserve for revenue) | 9,80,11,99,146 | 45,99,75,769 |
| **Total** | **9,89,95,73,193** | **53,35,12,589** |

14.1 Advance and other receivables include an amount of Rs.1,19,99,473 receivable from SPV (Kerala Road Fund Board) for the purchase of vehicle. As per the GO Rt. No.4511/2020/fin dated 06.08.2020 it was directed to recoup the said advance from the centage payable to SPV. The same is pending to be adjusted as at the year end.

14.2 Advance and receivable also includes an amount of Rs.50,43,016/- receivable from KIFML as disclosed in Note No. 29.

14.3 Balance in advances and receivable includes an amount of Rs.1,48,32,879/- due from vendors for goods/services which are subject to confirmation /reconciliation out of which an amount of Rs.1,40,95,746/- is outstanding for over three years. Steps would be taken to effect reconciliation/adjustments of these balances in the succeeding years.

**Note - 15**

| **Other Current Assets** | **As at 31.03.2022** | **As at 31.03.2021** |
|---|---|---|
| Prepaid Expenses | 1,40,53,978 | 29,37,473 |
| Accrued Interest on Deposits | 43,97,64,012 | 1,65,98,62,229 |
| **Total** | **45,38,17,990** | **1,66,27,99,702** |

| **Note - 16** | **For the year ended 31.03.2022** | **For the year ended 31.03.2021** |
|---|---|---|
| **Interest income from deposits and investments** | | |
| Interest earned during the year | 1,71,16,10,745 | 2,88,44,33,651 |
| Less : Interest received during the period from Deposits made out of corpus fund (Refer note 2.2) | (41,45,30,576) | (1,42,80,41,956) |
| | **1,29,70,80,169** | **1,45,63,91,695** |

| **Note - 17** | **For the year ended 31.03.2022** | **For the year ended 31.03.2021** |
|---|---|---|
| Interest Income from Financial Assistance for revenue generating project | 2,80,24,93,442 | 1,41,07,30,946 |
| | **2,80,24,93,442** | **1,41,07,30,946** |

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 KIIFB, the SPV and the concerned Govt department. In case of loans granted for which the loan agreement is pending to be executed, interest is recognised on accrual basis at interest rates as per comparable loan agreements entered into with other parties or at the interest rates agreed upon at the time of sanction of loan, as the case may be, as per the estimate of the management on simple interest basis till previous year. During the year, KIIFB has decided to charge interest income at the rate of Average Cost of Domestic Borrowing (ACDB) of KIIFB reset every six months in a calendar year with monthly compounding for entire revenue generating projects (other than loan given to KSFDC Rs .9,94,29,168/-) which was earlier accounted at a fixed rate under simple interest method. Terms of loan agreement (loan amount aggregating to Rs.19,30,28,21,727) executed in prior years with fixed interest rate are pending to be amended by changing interest rate to floating method at ACDB rate as above due to procedural formalities to be completed.

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 and it is not contingent on the project earning any revenue. There have been certain significant time overrun on some of the projects due to the impact of covid 19 but interest is payable on completion of moratorium period regardless of project completion or whether project is earning revenue or not.

17.3 As at the end of the year, loan agreements are pending to be executed with four parties for loan outstanding aggregating to Rs.22,56,54,47,448/- 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 completed.

17.4 The interest income recognised includes an amount of Rs.1,71,99,06,910/- for which original loan agreement is not executed and the revenue recognition is based on comparable loan agreements with other borrowers or at the interest rates agreed upon at the time of sanction of loan. Due to the change in the method of charging of interest income for projects where loan agreement is entered into, such similar changes in the revenue recognition of projects for which no agreement is entered constitutes a revision in the method of making estimate by the management. As a result, the income recognised during the year is higher by Rs.19,38,56,268/- compared to previous year where interest income was recognised at a fixed rate with simple interest.

17.5 The Balance in the loan account of KSIDC Ltd as at 31/03/22 amounting to Rs 3,93,84,83,787/- (including interest of Rs.92,67,79,726/- taken credit for upto 31.03.2021) for the Project Bio 360 Life science Park-Phase II land acquisition Trivandrum is subject to confirmation. At the Board meeting held on 07.07.2022, decision was taken to work out a resolution plan for facilitating recovery of the loan and interest charged by restructuring the project implementation suitably. Due to complexities involved and consequential delay anticipated in the implementation of the resolution plan, interest income for the year amounting to Rs.65,24,79,378/- has not been taken credit for as matter of prudence.

VARMA & VARMA Trivandrum Chartered Accountants

| Note - 18 | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|---|---|---|
| **Other Income** | | |
| Sundry Balances Written Back* | 2,54,03,660 | - |
| Miscellaneous Income | 42,609 | 4,07,863 |
| Right to Information | 1,134 | 778 |
| **Total** | **2,54,47,403** | **4,08,641** |

* Represents old outstanding credit balances without any claims.

| Note - 19<br>**Financing of direct cost of projects -Out of Corpus Fund** | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|---|---|---|
| General Education | 3,33,21,01,130 | 2,89,39,35,918 |
| Public Works | 40,37,84,53,981 | 33,20,31,60,268 |
| Water Resources | 6,33,41,67,983 | 2,89,61,63,120 |
| Medical | 2,22,51,60,530 | 1,17,85,57,982 |
| Higher Education | 1,08,17,37,637 | 40,32,32,295 |
| Other Projects | 3,41,36,77,825 | 2,06,06,02,155 |
| NABARD Project | 1,33,04,81,755 | 64,83,64,240 |
| Centage/ Additional Centage | 1,10,20,46,033 | 1,24,89,99,544 |
| Allocation of Expenses towards Projects | 69,02,26,197 | 68,47,12,914 |
| | **59,88,80,53,071** | **45,21,77,28,436** |

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 includes 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 equipments 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 31.03.2022.

| Note - 20<br>**Employee Benefit Expenses** | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|---|---|---|
| Salary, Wages & Allowances | 6,46,85,169 | 5,31,23,853 |
| Employers Contribution to various Fund | 8,54,470 | 6,90,969 |
| Other Employee Expenses | 71,56,058 | 25,75,368 |
| **Total** | **7,26,95,697** | **5,63,90,190** |

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<br>**Finance Cost** | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|---|---|---|
| Guarantee Commission (GOK) | 95,91,54,554 | 40,78,28,081 |
| Interest on Loan from Banks and Financial Institution | 5,43,91,43,183 | 2,52,65,86,002 |
| Interest on Masala Bond | 2,09,04,78,400 | 2,09,04,79,700 |
| Interest on KSFE Bond | 41,48,53,201 | 19,35,97,901 |
| Interest on Loan from KNRKWB | 22,64,34,831 | 11,71,48,179 |
| Other Interest and Finance Charge | 1,46,37,284 | 1,37,28,545 |
| **Total** | **9,14,47,01,453** | **5,34,93,68,408** |

| Note - 22<br>**Other Expenses** | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|---|---|---|
| Technical & Consultancy Charges | 11,26,12,974 | 10,82,50,974 |
| Professional Fee | 2,04,82,568 | 1,55,52,799 |
| Promotional Expenses (Refer Note 22.1) | 9,07,90,098 | 42,37,50,172 |
| Meeting and Conference Expense | 6,76,978 | 10,15,018 |
| Repairs and Maintenance | 4,40,747 | 15,91,624 |
| Electricity & Water Charges | 12,61,198 | 5,79,978 |
| Rent and Utility Charges | 2,28,03,051 | 1,57,22,932 |
| Telephone & Internet Charges | 5,21,137 | 3,61,387 |
| Vehicle Hire Charges | 1,01,55,589 | 84,79,658 |
| Printing and Stationery | 15,33,779 | 17,74,977 |
| Miscellaneous Expense | 49,70,969 | 30,87,769 |
| Fixed Assets Written Off | 11,73,398 | - |
| Payments to the auditor (Refer Note 22.3 below) | 12,69,000 | 10,26,500 |
| GST on Reverse charge mechanism | 2,90,48,195 | - |
| Rates and Taxes | 4,15,028 | 1,96,439 |
| Software Charges | 1,11,73,168 | 1,77,98,990 |
| KSFE Software maintenance Charges | 9,86,16,057 | 8,28,18,829 |
| **Total** | **40,79,43,934** | **68,20,08,046** |

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA
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22.1 During the year KIIFB has incurred promotional expenses amounting to Rs.12,38,31,049/- in the course of administration of fund for building up public awareness about KIIFB's Projects based on powers vested on it under KIIFB Act 1999 as amended by amendment Act of 2016 which has been duly approved in the 42nd General Body of KIIFB. The details of promotional expenditure incurred during the year debited to P&L a/c duly verified with invoices, work orders and proof of receipt of supply/ services by the nodal officer, media cell of KIIFB is as under.

Amount in Rs.

| Nature of Expenditure | 2021-22 | 2020-21 |
|---|---|---|
| Kerala Nirmithi Program | 6,24,370 | 80,08,898 |
| TV ad programmes, Newspaper ads, Railway Jingles and digital | 34,72,802 | 32,17,29,468 |
| Social Media activities | 8,90,71,191 | 9,53,49,133 |
| Advertisement in publications, pull outs, FM Radio & Others | 3,06,62,686 | 1,72,84,613 |
| Net expenses charged in P&L(incl.prior period expenses in Note 23) | **12,38,31,049** | **44,23,72,112** |
| Less: Prior period Expense included above | 3,30,40,951 | 1,86,21,940 |
| Net amount charged to P&L during the year | **9,07,90,098** | **42,37,50,172** |

22.2 Expenditure incurred under various expenses heads includes an amount aggregating to Rs.19,82,72,729 /- being the actual expenditure incurred in excess of the operational budget, which are duly approved in the General Body of KIIFB at its meeting held on 07.07.2022 along with accounts. The details are given below.

| Head of Account | Actual | Prior period Expenses | Total (incl prior period)-(I) | Budget- (II) |
|---|---|---|---|---|
| Salaries & Allowance | 7,26,95,696 | 9,86,392 | 7,36,82,088 | 6,20,29,209 |
| TRC Expense | 19,76,65,026 | - | 19,76,65,026 | 8,44,74,715 |
| Utility Charge | 2,28,03,051 | 22,46,892 | 2,50,49,943 | 1,83,30,727 |
| Misc. Admin expense including LA unit expense | 15,95,45,495 | 8,12,726 | 16,03,58,221 | 12,66,88,849 |
| Promotional and advertisement expenses(shown under prior period expenses) | - | 3,30,40,951 | 3,30,40,951 | - |
| **Total** | 45,27,09,268 | 3,70,86,961 | 48,97,96,229 | 29,15,23,500 |
| **Excess expenditure (I)-(II)** | | | **19,82,72,729** | |

**22.3 Details of Payments to the Auditor** **Amount in Rs.**

| Particulars | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|---|---|---|
| Statutory Audit fees | 8,64,000 | 7,20,000 |
| Tax Audit fees | 1,00,000 | 2,18,000 |
| Other taxation services | 3,05,000 | 88,500 |
| **Total** | **12,69,000** | **10,26,500** |

**Note - 23**

| **Prior Period Item** | **For the year ended 31.03.2022** | **For the year ended 31.03.2021** |
|---|---|---|
| **Prior Period Income -** | | |
| Reimbursement of Expenses incurred on behalf of KIFML | 46,89,016 | - |
| Rent Deposit | 8,36,000 | - |
| Interest income on TDS credit reconciliation | 3,22,43,045 | - |
| Interest income from Project Loans | - | - |
| **Prior Period Expenditure -** | | |
| Advertisement & Promotion Expenses | 3,30,40,951 | 1,86,21,940 |
| Software Subscription and Manpower Cost | - | 23,31,279 |
| Rental Charges | 22,46,892 | - |
| Salaries and Allowances | 9,86,392 | - |
| Professional & Consultancy Expenses | 41,50,284 | - |
| Other Administrative Expenses | 8,12,726 | - |
| **Total** | **(34,69,184)** | **(2,09,53,219)** |

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA
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**Note - 24**

24.1 During the year, KIIFB had incurred an expenditure of Rs.9,86,16,057/- for maintenance, hosting and value adding charges of KSFE Pravasi chitty software. In accordance with the Memorandum of Agreement (MoA) entered into between KIIFB and KSFE, the parties shall enter into a separate agreement covering the terms of repayment of the expenses incurred by KIIFB towards development of the Pravasi Chitty software and incidental charges. According to the management, though the software is being used by KSFE, the ownership is vested with KIIFB and entire economic benefits of the scheme are shared by KIIFB also, as envisaged in MoA. Due to the on going development activity, the separate agreement for recovery is pending to be executed. At this stage, the cost for development of software is treated as intangible asset based on consideration and approval of proposal by KIIFB and other maintenance, hosting and value adding charges are charged to P&L. The effective control of the above software vests with KIIFB. The management does not expect any impairment loss in the value of software considering the pendency of execution of agreement with KSFE for recovery of cost. Management intends to take up the matter regarding recovery of capital cost and operating/maintenance cost of software incurred from inception with KSFE at the time of finalisation and entering into agreement as noted above.

24.2 Other expenses includes an amount of Rs.19,41,52,291/- being payment towards KSIE Ltd (an intermediary agency engaged by KIIFB for procuring multiple supply of goods and services from third parties ) which comprises of payment towards KSFE software maintenance charges, technical support charges, promotional expenses etc. Further an amount of Rs. 4,37,01,734/- incurred towards technical support charges and paid to KSIE Ltd has been charged to direct project cost. Above expenses are incurred as per the terms of work order issued by KIIFB from time to time based on prices quoted by KSIE Ltd on competitive basis for such goods and services. The payments for services/supplies from the third parties through KSIE have been settled on the basis of invoices submitted by KSIE relating to the above services arranged by KSIE Ltd from third party service providers.

**Note - 25**

KIIFB has put in place a system/process of computation of Asset Liability Management, the beta version of which has been released and is in the process of being further reviewed, tested and stabilised to be sound and fully effective. During the year, 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. 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.

**Note - 26**

Commitments - KIIFB sponsored the Kerala Infrastructure Fund (KIF) as AIF (Alternate Investment Fund) registered with SEBI in April 2019. As per SEBI regulations, the sponsor of the fund must commit a minimum of 2.5% or Rs. 5 crores of the fund size and maintain the said minimum amount as continuing interest of the sponsor towards sponsor's commitment, as required under Regulation 10(d) of the AIF regulations, during the term of the Fund. As per the draft PPM submitted to SEBI, the Fund size of KIF is indicated as Rs 3000 Cr (Rs. 1500 crore with green shoe option of Rs. 1500 crore).

The General Body has decided the capital commitment as 10% of the fund size subject to a maximum of Rs 300 crores.

**Note - 27**

27.1 Reconciliation of Form 26 AS (as per Income Tax Act,1961) and Book of accounts - Reconciliation of Income for the year F.Y. 21-22 and TDS credit as per Form 26AS with books of accounts is pending to be conducted since Form 26AS in the Income tax web portal is yet to be updated with the entries for the quarter ended 31.3.2022. During the year 2020-21, interest income relatable to that year amounting to Rs 3,22,43,045 was detected on such reconciliation and this has been credited to prior period income as detailed in Note 23 to the accounts.

27.2 The TDS Credit in books of account amounting to Rs.3,75,77,143 relating to interest income from a bank for the FY 2019-20 is yet to be credited in Form 26AS and necessary steps to obtain credit will be taken in succeeding year by carrying out a detailed reconciliation of entries in books of accounts with the entries in 26AS.Due to non credit of the amount in 26AS ,the same could not be claimed in the return of income filed for AY 2020-21 relevant to FY 19-20.

**Note - 28**

**Contingent Liability**

28.1 During the previous year Income tax demand of Rs 1,12,57,446 was raised for AY 2018-19 under limited scrutiny assessment against which appeal has been filed with higher authorities and is pending disposal. The demand amount of Rs 32,24,636 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 80,32,810 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.1,12,57,446/-) against the Refund due for AY 2019-20 which has resulted in double payment to the extent of Rs 80,32,810 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.

28.2 Income tax demand of Rs.1,90,30,459/- ( including interest for delayed payment ) has been raised by the DCIT -TDS u/s.201 of the Act on KIIFB by treating it 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 awarder of the work (SPV) and contractor and hence TDS provisions under Chapter XVIIB 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.

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28.3 Invoices raised by the Vendor pending approval by the management : M/s RITES, the consultant engaged during the year for independent quality review, design review, consultancy and providing assistance in empanelment of supervision consultants has raised a total claim of Rs.10,30,27,859/- which is pending to be approved/accepted by KIIFB as on date and hence represent claims not acknowledged as debt by KIIFB.and hence not provided for . The amount is reckoned as contingent liability at this stage and would be accounted for as and when approved /accepted by KIIFB.

**Note - 29**

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

| Name of the Related Party | Nature of relationship | Nature of Transaction | For the year ended 31.03.2022 | For the year ended 31.03.2021 |
|---|---|---|---|---|
| Dr. K.M. Abraham, CFA, IAS | CEO and Member Secretary | Salary | 40,17,750 | 39,60,000 |
| Shri. Vikramjit Singh, IPS | Deputy Managing Director | Salary | 28,21,937 | 23,63,626 |
| Shri. K.P.Purushothaman | Executive Director | Salary | 16,50,000 | - |
| Shri. Satyajit Rajan, IAS | Additional CEO (w.e.f May 2021) | Salary | 26,37,097 | - |
| Kerala Infrastructure Fund Management Limited (KIFML) | Associate company | Reimbursement of Expense (including prior period expense of Rs.46,89,016) | 50,43,016 | - |
| | | Balance outstanding | 50,43,016 | - |
| | | Share application pending allotment | - | 66,94,940 |
| | | Carrying Value of Investment | 1,67,44,940 | 1,00,50,000 |

**Note - 30**

**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 - 31**

Impact of Covid - 19 on the Accounts - Serious disruptions to trade, business and industry have been caused by the adverse impact of Covid-19 pandemic from March 2020 onward and this is still continuing. There are several projects which are now time over run as at the year end . Though this could result in consequential delays in the financing and implementation of major infrastructure projects being financed by KIIFB, this does not have any material impact in the financial position i.e., on the assets and liabilities position as at 31.03.2022, as per assessment of the management.

**Note - 32**

Internal Audit System / standard operating procedures - During the year 2021-22, an internal audit wing and an Internal audit management committee(IAMC) as approved by the general body was constituted. Concurrent Audit and Risk based Internal Audit (RBIA) was conducted by an independent chartered accountant firm. The Concurrent and RBIA has commenced from 01.08.2021. The concurrent audit and RBIA for the FY 2021-22 has been successfully completed. The concurrent audit reports till Q3 and RBIA of 9 out of 15 areas has been approved by the IAMC and the report for the quarter ended March 2022 is pending to be approved. This 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**

Thiruvananthapuram
Date : 07.07.2022

**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

Thiruvananthapuram
Date : 11.07.2022

## Kerala Infrastructure Investment Fund Board
## 2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001
## Standalone Balance Sheet as at 31.03.2023

(Figures in Lakhs)

| | Particulars | Note No. | As at 31.03.2023 | As at 31.03.2022 |
|---|---|---|---|---|
| **I.** | **EQUITY AND LIABILITIES** | | | |
| 1 | Initial Corpus Fund | 1 | 2,82,049.28 | 2,82,049.28 |
| 2 | Corpus Fund - Revolving ( shown on the asset side ) | 2 | - | |
| 3 | **Non-current liabilities** | | | |
| | (a) Long-term borrowings | 3 | 14,32,257.88 | 12,64,546.52 |
| | (b) Deferred tax liabilities (Net) | 9 | 368.79 | 363.44 |
| | (c) Other Long term liabilities | 4 | 5,401.25 | 3,509.29 |
| 4 | **Current liabilities** | | | |
| | (a) Short-term borrowings | 5 | 3,44,923.44 | 1,03,444.00 |
| | (b) Other current liabilities | 6 | 17,058.86 | 14,365.10 |
| | | | **20,82,059.50** | **16,68,277.63** |
| **II.** | **ASSETS** | | | |
| 1 | **Non-current assets** | | | |
| | (a) Property, plant and equipment and Intangible Asset | 7 | | |
| | (i)Tangible assets | | 485.21 | 454.70 |
| | (ii)Intangible assets | | 1,473.66 | 2,369.11 |
| | (b) Non-current investments | 8 | 425.52 | 167.45 |
| | (c) Deferred tax assets (net)- shown as liability | 9 | - | - |
| | (d) Long-term loans and advances | 10 | 4,86,946.01 | 4,41,230.82 |
| | (e) Statutory contribution receivable from GoK -Non current | 2 | 4,97,106.59 | 2,43,638.58 |
| | (f) Other Non Current Assets | 11 | 5,981.87 | 7,091.99 |
| 2 | **Current assets** | | | |
| | (a) Current investments | 12 | 1,05,175.02 | 60,000.00 |
| | (b) Cash and cash equivalents | 13 | 5,92,470.47 | 5,81,342.36 |
| | (c) Short term loans and advances | 14 | 1,05,791.71 | 98,910.41 |
| | (d) Statutory contribution receivable from GoK -Current | 2 | 2,80,900.00 | 2,28,534.00 |
| | (e) Other current assets | 15 | 5,303.44 | 4,538.21 |
| | | | **20,82,059.50** | **16,68,277.63** |

Notes forming part of standalone financial statements **I , II & 1-32**

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 :

for Varma & Varma
Chartered Accountants
FRN.004532S

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

Thiruvananthapuram
Date : 2/9/2023

## Kerala Infrastructure Investment Fund Board
## 2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001
## Standalone Profit and Loss Account for the year ended 31.03.2023

(Figures in Lakhs)

| Particulars | Note No. | For the Year Ended 31.03.2023 | For the Year Ended 31.03.2022 |
|---|---|---|---|
| **I. Revenue:** | | | |
| i) Recoupment of statutory contribution from Government of Kerala from Corpus Fund for financing of direct project cost as per Contra | 19 | 4,69,977.35 | 5,98,880.54 |
| ii) Interest income from financial assistance for revenue generating projects | 17 | 46,541.05 | 28,024.93 |
| iii) Interest income from deposits and investments | 16 | 16,518.73 | 12,970.80 |
| iv) Other income | 18 | 328.30 | 254.48 |
| **Total Revenue (I)** | | **5,33,365.43** | **6,40,130.75** |
| **II. Expenses:** | | | |
| i) Financing of direct cost of projects -Out of Corpus Fund | 19 | 4,69,977.35 | 5,98,880.54 |
| ii) Employee benefits expense | 20 | 755.79 | 726.95 |
| iii) Finance costs | 21 | 1,41,696.48 | 91,447.01 |
| iv) Depreciation and amortisation expense | 7 | 1,100.04 | 1,180.51 |
| v) Other expenses | 22 | 5,137.11 | 4,079.44 |
| **Total expenses (II)** | | **6,18,666.77** | **6,96,314.45** |
| **III. Profit / (Loss) (I- II)** | | (85,301.34) | (56,183.70) |
| Prior Period Item | 23 | (26.33) | (34.69) |
| Profit / (Loss) after prior period item | | (85,327.67) | (56,218.39) |
| **IV. Tax expense:** | | | |
| (1) Current tax | | | |
| (2) Tax for Earlier years | | | |
| (3) Deferred tax(Expense)/Income | 9 | (5.35) | (134.60) |
| 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 | | 85,333.02 | 56,352.99 |
| **V. Net Profit / (Loss) for the Year** | | - | - |

Notes forming part of standalone financial statements — **I , II & 1-32**

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

**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

Thiruvananthapuram
Date : 21/9/2023

**For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**

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

Thiruvananthapuram
Date :

**Kerala Infrastructure Investment Fund Board**
**2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001**
**Standalone Cash Flow Statement for the year ended 31.03.2023**

(Figures in Lakhs)

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|
| **A. Cash flow from operating activities** | | |
| **Profit before income tax** | (85,327.67) | (56,218.39) |
| ***Adjustments for:*** | | |
| Depreciation and amortisation expense | 1,100.04 | 1,180.51 |
| Interest income | (63,059.78) | (40,995.73) |
| Finance Cost | 1,41,696.48 | 91,447.01 |
| Fixed Assets Written off | - | 11.73 |
| Provision for conversion of loan into Non income generating project(incl accrue | 39,384.84 | - |
| 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 | |
| Sundry Balances written back | - | (254.04) |
| **Operating profit / (loss) before working capital changes** | 38,389.88 | (4,828.91) |
| **Changes in working capital:** | | |
| Adjustments for (increase) / Decrease in operating assets: | | |
| Loans and Advances | 17.98 | (248.37) |
| Financial assistance made to Revenue Generating Projects | (45,998.59) | (2,50,013.53) |
| Other Non Current and Current Assets | (368.67) | 11,958.23 |
| Adjustments for increase / (Decrease) in operating liabilities: | | |
| Other Current/Non current Liabilities | (2,148.61) | (1,68,681.57) |
| **Net Changes in working capital:** | (10,108.01) | (4,11,814.15) |
| **Cash generated from operations** | (10,108.01) | (4,11,814.15) |
| Net income tax (paid) / refunds | 713.56 | (1,494.62) |
| **Net cash from/ (used in) operating activities (A)** | **(9,394.45)** | **(4,13,308.77)** |
| **B. Cash flow from investing activities** | | |
| Purchase of PPE (including changes in CWIP) | (235.10) | (108.84) |
| (Purchase)/ disposal proceeds of Investments | (258.07) | - |
| Sale proceeds of PPE | - | 11.37 |
| Interest income received out of fixed deposit | 16,518.73 | 12,970.80 |
| Investment in Govt Securities | (45,175.02) | - |
| **Net cash from/ (used in) investing activities (B)** | **(29,149.46)** | **12,873.33** |
| **C. Cash flow from financing activities** | | |
| Loans from :- | | |
| (i) Banks and Financial Institutions | 4,73,204.78 | 7,85,873.84 |
| (ii) Bonds | 26,433.00 | 28,648.20 |
| (iii) Pravasi Dividend Scheme | 3,520.62 | 10,737.61 |
| Loans repaid during the year | (93,967.60) | (3,02,366.16) |
| Statutory contribution from GoK | 2,47,876.35 | 2,05,797.12 |
| Additional Financial Support for Infrastructure Development | - | 32,207.00 |
| CSR and PTA fund | 436.30 | 1,756.81 |
| Recoupment by way of Statutory contribution from Govt of Kerala from Corpus Fund for direct project cost (other than NABARD) | (4,61,291.31) | (5,85,575.71) |
| Interest received during the period from Deposits made out of corpus fund | 1,163.71 | 4,145.31 |
| Finance cost paid | (1,34,962.15) | 83,997.05 |
| Fund utilised for NABARD Projects | (12,741.68) | (13,304.82) |
| **Net cash from/ (used in) financing activities (C)** | **49,672.02** | **2,51,916.25** |
| **Net increase (decrease) in cash and cash equivalents (A+B+C)** | 11,128.11 | (1,48,519.19) |
| Cash and cash equivalents at the beginning of the financial year | 5,81,342.36 | 7,29,861.55 |
| **Cash and cash equivalents at end of the year** | **5,92,470.47** | **5,81,342.36** |

**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

| **Balances with banks** | | |
|---|---|---|
| Cash in Hand | 0.02 | 0.01 |
| Balance with Treasury | 0.01 | 9.51 |
| Term Deposits/Sweep | 2,86,156.72 | 1,63,203.62 |
| Other deposit, savings and current accounts | 24,241.38 | 1,14,579.94 |
| Other Bank balance in Treasury Accounts | 2,82,049.28 | 2,82,049.28 |
| In Masala Bond Sinking Fund Account | 23.06 | 21,500.00 |
| | **5,92,470.47** | **5,81,342.36** |

Notes forming part of standalone financial statements **I , II & 1-32**

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

**For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**

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

Thiruvananthapuram
Date :

Thiruvananthapuram
Date : 2/9/2023

**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**
**Notes to Standalone Financial Statements for the year ended 31.03.2023**
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.

The rupee denominated Masala Bond of KIIFB backed by the Guarantee of Govt of Kerala is listed in the London Stock Exchange and Singapore Stock Exchange.

**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.

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.

**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.

VARMA & VARMA Chartered Accountants Trivandrum

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

**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.

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 Govt.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**

Income recognition and asset classification norms prepared by an external agency relevant and applicable for long term infrastructure projects would be introduced w.e.f 01.04.2023 as per the decision of general body through circular resolution dated on 13.04.2023.

**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.

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KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

## M. EMPLOYEE BENEFITS

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

(i) 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.

(ii) 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** | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| Initial corpus fund for Major Infrastructural Development Projects | 2,82,049.28 | 2,49,842.28 |
| Add: Addition to Initial Corpus Fund | - | 32,207.00 |
| | **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. The amount is kept separately in government treasury account (interest free).

1.2 During the financial year 2021-22, in addition to statutory contribution received, financial support for infrastructure development amounting to Rs 32,207/- Lakhs as per G.O(Rt)No. 389/2022/Fin dated 17.01.2022 was received which has been credited under Initial Corpus fund. The amount is kept separately in government treasury account, (interest free). The additional contribution is to provide funds required over and above the mandatory entitlement of tax devolution for the year 2021-22 to KIIFB 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 fund.

**Note - 2**

**Corpus Fund - Revolving**

| | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| 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** | 10,38,715.75 | 8,27,016.51 |
| Add: Statutory contribution received during the year | 2,46,969.00 | 2,06,807.62 |
| Add: Allotment of funds under LAC-ADS | 30.00 | 1,505.81 |
| Add: Allotment of funds under PTA & CSR Fund | 406.30 | 251.00 |
| Add : Interest received during the period from Deposits made out of corpus fund (Refer Note 2.2) | 1,163.71 | 4,145.31 |
| Add : Corpus fund resumed by the Govt returned during the year | 1,010.50 | - |
| Less : Corpus fund resumed by the Govt .during the year (Refer note 2.6) | (103.15) | (1,010.50) |
| **Closing Balance of funds available for utilisation** | **12,88,192.11** | **10,38,715.75** |
| **Utilisation of Corpus Fund** | | |
| i) Funds Utilised for financing of direct project cost as at year end (see Note 2.4 below) | (18,73,498.29) | (14,03,520.94) |
| 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) | (5,02,823.11) | (4,86,941.57) |
| iii) Deficit from operations in P & L a/c recouped (see Note 2.3 below) | (1,92,775.41) | (1,07,442.39) |
| **Subtotal** | **(25,69,096.81)** | **(19,97,904.90)** |
| **Total-(B)** | **(12,80,904.70)** | **(9,59,189.15)** |
| **C. Reserve for financial assistance to revenue generating projects** | | |
| Financial assistance for revenue generating projects adjusted as per contra | 5,02,823.11 | 4,86,941.57 |
| **Total-(C)** | **5,02,823.11** | **4,86,941.57** |
| **Total (A)+(B)+( C )** | **(7,78,006.59)** | **(4,72,172.58)** |
| **Less:** Transferred to statutory contribution receivable from GoK (see Note 2.7 below) | **(7,78,006.59)** | **(4,72,172.58)** |
| | - | - |

VARMA & VARMA Trivandrum Chartered Accountants

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

| | | |
|---|---|---|
| Current portion of statutory contribution receivable | 2,80,900.00 | 2,28,534.00 |
| Non Current portion of statutory contribution receivable | 4,97,106.59 | 2,43,638.58 |
| | **7,78,006.59** | **4,72,172.58** |

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.1,163.71 Lakhs are 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 **Deficit in operations in P & L a/c recouped**

| | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| Accumulated deficit as at beginning of the year | (1,07,442.39) | (51,089.40) |
| Current Year profit/(Loss) | (85,333.02) | (56,352.99) |
| **Closing Balance** | **(1,92,775.41)** | **(1,07,442.39)** |

The net loss in Profit and Loss account for the year of Rs.85,333.02 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 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| Opening Balance | 14,03,520.94 | 8,04,640.40 |
| Add: Utilised during the year for financing of direct project cost (See Note 19) | 4,69,977.35 | 5,98,880.54 |
| **Closing Balance** | **18,73,498.29** | **14,03,520.94** |

2.4.1 KIIFB received an amount of Rs.1,36,500 Lakhs as loan funds sanctioned by NABARD for various specific projects. An amount of Rs. 87,259.77 Lakhs has been paid upto the reporting period of which Rs.51,670.43 Lakhs has been incurred towards the project cost and included in the above utilisation. Balance Rs 35,589.34 Lakhs has been given by way of loan for revenue generating projects.

2.5 **Particulars of Fund Utilised out of Corpus Fund / statutory contribution for financial assistance to revenue generating projects**

| | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| Opening Balance | 4,86,941.57 | 2,36,928.04 |
| Add : Financial assistance given during the year(net of repayment) | 15,881.54 | 2,50,013.53 |
| Closing Balance | **5,02,823.11** | **4,86,941.57** |

2.6 Corpus amount of Rs.103.15 Lakhs has been resumed by government during the year based on the Government Direction Number 1458/2023/F2 dt 30.03.2023 and recredited back to the treasury account subsequently on 04-04-2023.

2.7 **Particulars of Fund transferred to statutory contribution receivable from GoK**

| | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| Current portion of statutory contribution receivable | 2,80,900.00 | 2,28,534.00 |
| Non Current portion of statutory contribution receivable | 4,97,106.59 | 2,43,638.58 |
| | **7,78,006.59** | **4,72,172.58** |

2.7.1 The balances under statutory contribution receivable from GoK of Rs.7,78,006.59 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.

VARMA & VARMA Chartered Accountants Trivandrum

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

2.7.2 Current portion of statutory contribution receivable has been ascertained on the basis of Budgetary allotment of statutory contribution as per annual Finance Act 2023 of GoK and balance amount has been shown under Non Current Asset.

**Note - 3**

| **Long Term Borrowings** | | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|---|
| **Unsecured Loans** | | | |
| (a) Loan from KNRKWB | 30,645.48 | | |
| Add: Transfer of accrued interest on maturity | 1,647.31 | | |
| KNRKWB under Pravasi dividend scheme (Note 3.3, 3.4) | | 32,292.79 | 28,772.17 |
| (b) KSFE Pravasi Bond (Note 3.1) | | 91,113.00 | 64,680.00 |
| (c) Masala Bond (Note 3.2) | | 2,15,000.00 | 2,15,000.00 |
| (d) Loan From Banks and Financial Institutions (Note 3.4) | | | |
| i. Loan From NABARD | | 1,17,330.00 | 1,23,074.00 |
| ii. Loan From SBI | | 75,558.49 | 88,054.02 |
| iii. Loan From Union Bank | | 58,750.00 | 67,500.00 |
| iv. Loan From Indian Bank | | 89,758.96 | 94,728.54 |
| v. Loan From Canara Bank | | 67,113.34 | 69,121.83 |
| vi. Loan from Bank of Maharashtra | | 1,00,662.47 | 89,450.12 |
| vii. Loan from Bank of Baroda | | 2,00,000.00 | 1,65,000.00 |
| viii. Loan from Bank of India | | 70,000.00 | 52,500.00 |
| ix. Loan from ICICI | | 20,000.00 | - |
| x. Loan from Kotak Mahindra Bank | | 10,000.00 | - |
| xi. Loan from REC | | 3,79,602.27 | 2,00,109.84 |
| xii. Loan from KFC | | 1,00,000.00 | - |
| xiii. Loan from HUDCO | | 1,50,000.00 | 50,000.00 |
| **Total A** | | **17,77,181.32** | **13,07,990.52** |
| **Less:** Current Maturity of loan shown under Short Term Borrowings: | | | |
| i. Loan From NABARD | | 10,359.38 | 5,744.00 |
| ii. Loan From REC | | 25,893.51 | - |
| iii. Loan from KFC | | 12,500.00 | - |
| iv. Loan From Union Bank | | 8,750.00 | 8,750.00 |
| v. Loan From Indian Bank | | 8,820.00 | 5,040.00 |
| vi. Loan from SBI | | 12,500.00 | 12,500.00 |
| vii. Loan from Canara Bank | | 3,250.00 | 2,000.00 |
| viii. Loan from Bank of Baroda | | 14,843.75 | - |
| ix. Loan from Bank of India | | 1,750.00 | - |
| x. Loan from Bank of Maharashtra | | 5,000.00 | - |
| xi. KSFE Pravasi Bond | | 21,256.80 | 9,410.00 |
| xiii. Masala Bond | | 2,15,000.00 | - |
| xiv.Loan from ICICI | | 5,000.00 | - |
| **Total B** | | **3,44,923.44** | **43,444.00** |
| **Total (A-B)** | | **14,32,257.88** | **12,64,546.52** |

**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.

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**Note - 3.2**

**Masala Bond @ 9.723%**

KIIFB had raised an amount of Rs. 2150 crore 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 .The interest has to be serviced on semi-annual basis and the principal amount at the end of the Bond period. This bond offering is also backed by guarantee given by Government of Kerala for the repayment of its interest and principal amount.

For the purpose of repayment of Masala Bond, the management has made investment in sinking fund and government securities as per terms of the issue. The value of such investment made is referred to in Note No 12 being Investment in Government Securities and referred to in Note No 13 being Sinking Fund Account with Axis Bank.

**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.

**Note - 3.4**

**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 Crores) | Tenure and Interest Rate (%) | Repayment Terms |
|---|---|---|---|---|---|
| 1 | State Bank of India | 15.12.2018 | 1000 | 10 Years with 2 years moratorium Interest Rate of 7.7% 8.2% (w.e.f 31/07/2022) 9.05% (w.e.f 31.01.2023) | 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 | 500 | 12 Years with 2 years moratorium Interest Rate of 7.7% 8.3%(w.e.f 9/11/2022) 9.3% (w.e.f 31/1/2023) | 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. |

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| | | | | | |
|---|---|---|---|---|---|
| 2 | Indian Bank | 30.06.2021 | 500 | 12 Years with 2 years moratorium Interest Rate of 7.5% 8.4%(w.e.f 9/11/2022) | 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 | 250 | 12 Years with 2 years moratorium Interest Rate of 7.55% 8.95% (w.e.f 26.02.2023) | 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 | 500 | 10 Years with 2 years moratorium Interest Rate of 7.55% 8.7% (w.e.f 04.02.2023) | 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 | 200.8 | 12 Years including 2 Years moratorium Interest Rate of 9% | 12 Years including 2 Years moratorium. Principal to be repaid in 40 quarters. |
| | | | 364.2 | 12 Years including 2 Years moratorium Interest Rate of 8.8% | |
| | | 27.04.2021 | 800 | 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 | 200 | 12 Years with 2 years moratorium Interest Rate of 7.55% 7.85%(w.e.f | 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 | 500 | 12 Years with 2 years moratorium Interest Rate of 7.45% 8.35%(w.e.f 31/12/2022) | |
| 6 | KNRKWB under Pravasi dividend scheme | 19.12.2019 | 181.1 | Interest rate @9% | Repayment in accordance with the terms of the pravasi dividend scheme. |
| | | | 132.8 | Interest rate @8.3% | |

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| | | | | | |
|---|---|---|---|---|---|
| 7 | Bank of India | 21.12.2021 | 700 | 12 Years with 2 years moratorium Interest Rate of 7.45% 8.35%(w.e.f 24/12/2022) | 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 | 1000 | 12 Years with 2 years moratorium Interest Rate of 7.50% 7.8%(w.e.f 23/09/2022) | 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 | 750 | 10 Years with 2 years moratorium Interest Rate of 7.55% 8%(w.e.f 30/09/2022) | 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 | 1250 | | |
| 10 | Rural Electrification Corporation Limited | 06.06.2021 | 4000 | 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. |
| 11 | Housing and Urban Development Corporation Ltd.(HUDCO) | 01.09.2021 | 1000 | 15 Years with 2 years moratorium Interest Rate of 7.45% 8.8% (w.e.f 22.03.2023) | 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 | 2000 | 15 Years with 2 years moratorium Interest Rate of 8.8% | The Term loan to be repaid in 2 quarterly instalments after initial moratorium of 2 years. In the moratorium period interest has to be serviced quarterly. |

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| | | | | | |
|---|---|---|---|---|---|
| 12 | ICICI Bank | 28-01-2022 | 300 | 5 Years with 1 Year moratorium Interest Rate 7.45% | 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 | 100 | 5 year including moratorium of 2 years Interest Rate 8.4% | 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<br>Interest shall be paid on monthly basis. |
| 14 | Kerala Financial Corporation (KFC) | 28-06-2022 | 1000 | 7 years with 12 months moratorium Interest Rate of 7.95% | The Term loan to be repaid in 24 equal quarterly instalment commencing after a moratorium of 12 months from the date of first instalment |

**Note - 4**

| **Other Long term liabilities** | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| Interest Accrued on Loan From KNRKWB under Pravasi dividend scheme | 6,374.54 | 3,509.29 |
| Less: Transfer of accrued Interest to principal upon maturity | (1,647.31) | - |
| Retention Money Payable | 674.02 | - |
| | **5,401.25** | **3,509.29** |

**Note - 5**

| **Short Term Borrowings** | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| **Secured, Repayable on Demand** | | |
| Short Term Loan from Kotak Mahindra Bank | - | 60,000.00 |
| *(Secured by pledge over Debt/Gilt Mutual Fund)* | | |
| *(Maximum tenor of 180 days ,repayable on demand)* | | |
| **Total-(A)** | **-** | **60,000.00** |
| Current maturity of long term borrowing : | | |
| i. Loan From NABARD | 10,359.38 | 5,744.00 |
| ii. Loan From REC | 25,893.51 | - |
| iii. Loan from KFC | 12,500.00 | - |
| iv. Loan From Union Bank | 8,750.00 | 8,750.00 |
| v. Loan From Indian Bank | 8,820.00 | 5,040.00 |
| vi. Loan from SBI | 12,500.00 | 12,500.00 |
| vii. Loan from Canara Bank | 3,250.00 | 2,000.00 |
| viii. Loan from Bank of Baroda | 14,843.75 | - |
| ix. Loan from Bank of India | 1,750.00 | - |
| x. Loan from Bank of Maharashtra | 5,000.00 | - |
| xi. KSFE Pravasi Bond | 21,256.80 | 9,410.00 |
| xii.Masala Bond | 2,15,000.00 | - |
| xiv.Loan from ICICI | 5,000.00 | |
| | **3,44,923.44** | **43,444.00** |
| **Total (A)+(B)** | **3,44,923.44** | **1,03,444.00** |

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**Note - 6**

| **Other Current Liabilities** | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| Sundry Creditors for Expenses (Note 6.1) | 706.50 | 1,034.84 |
| Guarantee Commission Payable | 13,085.45 | 9,591.54 |
| Statutory Liabilities | 907.02 | 1,180.87 |
| Centage Payable | 410.68 | 1,006.88 |
| Interest on Masala Bond Payable | 171.82 | 171.82 |
| Interest on KSFE Bond Payable | 1,515.86 | 1,109.83 |
| Interest on Term Loan Payable | 180.89 | 198.28 |
| Interest on KNRKWB Loans | 16.28 | - |
| Salary Payable | 53.70 | 60.28 |
| Audit Fee Payable | 10.66 | 10.76 |
| **Total** | **17,058.86** | **14,365.10** |

6.1 Sundry creditors for expenses does not include bills raised by Rail India Technical and Economic Services (RITES) for work done up to 31/03/2023 amounting to Rs.1,060.69 Lakhs which are pending to be approved by the Board .In addition to the above, an amount of Rs 211.17 Lakhs (including an amount of Rs.135.30 Lakhs more than one year) for which claims were not accepted by KIIFB which credit note has not been raised by the party.(Details disclosed in Note 28.4 relating to Invoices pending approval).

**Note - 7**

| **Written down balance of Property, Plant and Equipment & Intangible Asset** | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| Tangible assets | 485.21 | 454.70 |
| Intangible assets | 1,473.66 | 2,369.11 |
| | **1,958.87** | **2,823.81** |

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

**Note - 8**

| **Non-current investments** | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| Investment in Associate Company - Kerala Infrastructure Fund Management Limited (unquoted) | 167.45 | 167.45 |
| Investment in wholly owned subsidiary company - KIIFCON Pvt Ltd (unquoted) | 258.07 | - |
| **Total** | **425.52** | **167.45** |

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. Specific general body approval is to be taken in ensuing meeting for additional investment in KIIFCON, as per section 6(h) of KIIF Act. 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.

**Note - 9**

**Deferred Tax Asset**

| **Particulars** | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| **Opening Balance** | (363.44) | (228.84) |
| Add : Deferred Tax Asset \(Liability) for the year | (5.35) | (134.60) |
| **Closing Deferred Tax Asset /(liability)** | **(368.79)** | **(363.44)** |

| **Components of Deferred Tax** | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| **Deferred Tax Liability : A** | | |
| On ICDS adjustment on revenue recognition | 12,865.41 | 11,526.93 |
| On excess of net book value over Income Tax Written Down Value of Property, Plant & Equipment | 247.93 | 501.17 |
| | **13,113.34** | **12,028.10** |
| **Deferred Tax Asset : B** | | |
| On business loss and unabsorbed depreciation | **12,744.55** | **11,664.66** |
| **Net Deferred tax liability (A-B)** | **368.79** | **363.44** |

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**Note - 10**

| **Long Term Loans & Advances** | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| **(Considered good)** | | |
| Financial assistance made to Revenue Generating Projects | 3,99,373.48 | 3,88,929.57 |
| (contra by credit to Financial assistance Reserve for revenue) | | |
| Accrued Interest on Loans for projects | 87,572.53 | 52,301.25 |
| Total-(A) | **4,86,946.01** | **4,41,230.82** |
| **(Considered doubtful)** | | |
| Financial assistance made to Revenue Generating Projects | 30,117.04 | - |
| Accrued Interest on Loans for projects | 9,267.80 | - |
| Less : Provision for conversion of Loan into Non income generating project | (39,384.84) | - |
| Total-(B) | - | - |
| **Total(A+B)** | **4,86,946.01** | **4,41,230.82** |

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. The General Body has decided to reinstate the norms w.e.f 1st April 2023 with modifications suggested to the norms which were in force upto 31.03.2021.

10.2 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 finance 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. 2,92,019.44 Lakhs

10.3 Out of the financial assistance to revenue generating projects an amount of Rs.44,679.68 Lakhs is secured by way of mortgage by deposit of title deed.

**Note - 11**

| **Other Non Current Assets** | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| **Considered Good** | | |
| TDS Credit (F.Y. 2022-23) Refer Note 27.1 | 1,094.30 | - |
| TDS Credit (F.Y. 2021-22) | 1,139.44 | 1,139.44 |
| TDS Credit (F.Y. 2020-21) | - | 1,807.86 |
| TDS Credit (F.Y. 2019-20) | 3,564.81 | 3,940.58 |
| Income Tax Refund Due (F.Y. 2018-19) | 118.79 | 118.79 |
| Deposits | 64.53 | 85.32 |
| **Total-(A)** | **5,981.87** | **7,091.99** |
| **Considered Doubtful** | | |
| TDS Credit (F.Y. 2019-20) | 375.77 | - |
| Less: Provision for TDS Asset (refer Note 22.4) | 375.77 | - |
| **Total-(B)** | - | |
| **Total (A)+(B)** | **5,981.87** | **7,091.99** |

**Note - 12**

| **Current Investments at cost** | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| SBI Mutual Funds (Growth Fund) refer note 12.1 | 60,000.00 | 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** | **60,000.00** |

12.1 Net Asset Value of SBI Mutual Funds as at year end is : Rs 72,787.89 Lakhs ( PY : Rs 68,980.30 Lakhs-)

12.2 The market value of Investment in Government Securities and Government Strips as at reporting date is Rs.44,825.94 Lakhs Investment in Government securities are made as stipulated in the terms of Masala Bond issue. Face value/redemption value of securities at the time of maturity amounts to Rs.45,551.50 Lakhs

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**Note - 13**

| **Cash and Cash Equivalents** | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| Cash on Hand | 0.02 | 0.01 |
| Balance with Treasury | 0.01 | 9.51 |
| Balance with Banks | - | - |
| in Term Deposits | 2,86,156.72 | 1,63,183.00 |
| in Sweep Accounts | - | 20.62 |
| in Savings account and current account | 24,241.38 | 1,14,579.94 |
| | **3,10,398.13** | **2,77,793.08** |
| Other bank balance | | |
| Balance with Treasury (Refer Note 13.1) | 2,82,049.28 | 2,82,049.28 |
| In Masala Bond Sinking Fund Account with Axis Bank (Refer Note 13.2) | 23.06 | 21,500.00 |
| **Total** | **5,92,470.47** | **5,81,342.36** |

13.1 Balance with treasury under other bank balances represents initial Corpus fund and additional financial support to infrastructure development of Rs 2,82,049.28 Lakhs kept separately in government treasury account.

13.2 Represents balance earmarked as per terms of issue of Masala Bond

**Note - 14**

| **Short Term Loans and Advances** | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| Advances and other Receivables (refer note 14.1 ,14.2) | 2,342.08 | 898.42 |
| Current maturity of Financial assistance made to Revenue Generating Projects '(contra by credit to Financial assistance Reserve for revenue) | 1,03,449.63 | 98,011.99 |
| **Total** | **1,05,791.71** | **98,910.41** |

14.1 Advance and receivable includes an amount of Rs.63.68 Lakhs receivable from KIFML and Rs. 72.48 Lakhs receivable from KIIFCON as disclosed in Note No. 29.

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.

**Note - 15**

| **Other Current Assets** | **As at 31.03.2023** | **As at 31.03.2022** |
|---|---|---|
| Prepaid Expenses | 92.04 | 140.57 |
| Accrued Interest on Deposits | 5,211.40 | 4,397.64 |
| **Total** | **5,303.44** | **4,538.21** |

| **Note - 16** | **For the year ended 31.03.2023** | **For the year ended 31.03.2022** |
|---|---|---|
| **Interest income from deposits and investments** | | |
| Interest earned during the year | 17,682.44 | 17,116.11 |
| Less : Interest received during the period from Deposits made out of corpus fund (Refer note 2.2) | (1,163.71) | (4,145.31) |
| | **16,518.73** | **12,970.80** |

| **Note - 17** | **For the year ended 31.03.2023** | **For the year ended 31.03.2022** |
|---|---|---|
| Interest Income from Financial Assistance for revenue generating project | 46,541.05 | 28,024.93 |
| | **46,541.05** | **28,024.93** |

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 KIIFB, the SPV and the concerned Govt department. In case of loans granted for which the loan agreement is pending to be executed, interest is recognised on accrual basis at interest rates as per comparable loan agreements entered into with other parties or at the interest rates agreed upon at the time of sanction of loan, as the case may be, as per the estimate of the management. Based on the above terms, KIIFB charges interest income at the rate of Average Cost of Domestic Borrowing (ACDB) of KIIFB reset every six months in a calendar year with monthly compounding for entire revenue generating projects (other than loan given to KSFDC of Rs. 1,551.59 Lakhs ,KSRTC of Rs.3,697.59 Lakhs and KTDC of Rs.800.24 Lakhs).

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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 and it is not contingent on the project earning any revenue. There have been certain significant time overrun on some of the projects due to the impact of covid 19 but interest is payable on completion of moratorium period regardless of project completion or whether project is earning revenue or not.

17.3 Loan agreements are pending to be executed with one SPV as at 31.03.2023 for loan outstanding aggregating to Rs.1,47,366.90 Lakhs(which includes loan amount more than one year of Rs.1,18,211.37 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. Steps are under process for execution of loan agreements 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. 18,837.23 Lakhs (which represents cases dealt with in Para 17.3 above and loans with progress/ disbursements which is below 40%) for which original loan agreement is pending to be executed as at 31.03.2023. This includes interest amounting to Rs. 13,812.97 Lakhs which have exceeded 40% stage of disbursement.

| **Note - 18** | **For the year ended 31.03.2023** | **For the year ended 31.03.2022** |
|---|---|---|
| **Other Income** | | |
| Sundry Balances Written Back | - | 254.04 |
| Miscellaneous Income | 1.52 | 0.43 |
| Interest on Income Tax refund | 119.87 | - |
| Income from Consultancy Division | 206.91 | - |
| Right to Information | - | 0.01 |
| **Total** | **328.30** | **254.48** |

| **Note - 19**<br>**Financing of direct cost of projects -Out of Corpus Fund** | **For the year ended 31.03.2023** | **For the year ended 31.03.2022** |
|---|---|---|
| General Education | 23,172.82 | 33,321.01 |
| Public Works | 1,86,043.19 | 4,03,784.54 |
| Water Resources | 74,987.55 | 63,341.68 |
| Medical | 45,624.37 | 22,251.61 |
| Higher Education | 12,258.91 | 10,817.38 |
| Other Projects | 52,261.01 | 34,136.78 |
| NABARD Project | 12,741.68 | 13,304.82 |
| Loan to KINFRA written off Direct project cost (Refer Note 19.4) | 4,055.64 | - |
| Provision for conversion of loan into Non income generating project(incl accrued interest) (Refer Note 19.5) | 39,384.84 | - |
| Centage/ Additional Centage | 7,535.74 | 11,020.46 |
| Allocation of Expenses towards Projects | 11,911.60 | 6,902.26 |
| | **4,69,977.35** | **5,98,880.54** |

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 includes 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 31.03.2023 from the inception.

19.3 Government of Kerala has entrusted KIIFB the work of providing the entire cost of infrastructure facility to the programmes in connection with the first anniversary celebrations of the Government 'Ente Keralam' being arranged by The Information & Public Relations Department vide GO No.4/2022/I&PRD dated 18.02.2022.

Allocation of Expenses towards Projects includes cost incurred towards 'Ente Keralam' program during the period is Rs.5,203.37 Lakhs , which consists of payments made to Indian Institute of Infrastructure & Construction (IIIC) of Rs.2,572.09 Lakhs ( which is government owned institution as per GO ), Kerala State Industrial Enterprise Ltd of Rs.1,380.74 Lakhs, Global Kerala Initiative of Rs.1,030.29 Lakhs and Other Parties Rs.220.25 Lakhs which are direct expenses to be capitalised.

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The above agencies (including IIIC which is a government owned institute as per GO 95/2019/LBR dt.24.10.2019) have been appointed on nomination basis by the CEO pending to be ratified by the general body. Payments for each activity has been preapproved by the media cell and such payments are duly authenticated by media cell based on requisite documentation authenticating supply / service received. Due to practical difficulties arising out of urgency of works, issue of work orders to the nominated agencies has been done after completion of work and receipt of invoices in many cases. The expenditure incurred aggregating to Rs.5,203.37 Lakhs is therefore proposed to be approved by the board in ensuing meeting, being not covered by the budget.

19.4 Loan converted to project cost referred to an amount of Rs.4,055.64 Lakhs as per approval of GoK vide Order no.8/2023/ID dated 09.02.2023 which relates to loan given to State Government controlled entity - M/s Kerala Industrial Infrastructure Development Corporation.

19.5 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, in respect of the cost incurred on project Bio 360 life science park-Phase I of Rs. 30,117.04 Lakhs and accrued interest Rs.9,267.80 Lakhs related to the said loan upto 31.03.2021, a proposal for conversion of this project which was hitherto treated as revenue generating, into non -revenue generating project. Consequent to this the cost incurred as above would turn out to be irrecoverable. The total cost of Rs.39,384.84 Lakhs has been fully provided for and transferred to project cost in the accounts in anticipation and subject to approval of the general body of KIIFB and GoK Order. No interest has been recognised on the project subsequent to 31.03.2021 pending implementation of a resolution plan. As per the minutes of the said meeting, if any commercial consideration is received on disposal of land, such sums shall be remitted to KIIFB towards the above loan and on receipt basis such sum shall be treated as revenue.

**Note - 20**

| **Employee Benefit Expenses** | **For the year ended 31.03.2023** | **For the year ended 31.03.2022** |
|---|---|---|
| Salary, Wages & Allowances | 647.76 | 646.85 |
| Employers Contribution to various Fund | 4.11 | 8.54 |
| Other Employee Expenses | 103.92 | 71.56 |
| **Total** | **755.79** | **726.95** |

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 31.03.2023** | **For the year ended 31.03.2022** |
|---|---|---|
| Guarantee Commission (GOK) | 13,085.44 | 9,591.55 |
| Interest on Loan from Banks and Financial Institution | 98,442.76 | 54,391.43 |
| Interest on Masala Bond | 20,904.78 | 20,904.78 |
| Interest on KSFE Bond | 6,202.47 | 4,148.53 |
| Interest on Loan from KNRKWB | 2,907.73 | 2,264.35 |
| Other Interest and Finance Charge | 153.30 | 146.37 |
| **Total** | **1,41,696.48** | **91,447.01** |

**Note - 22**

| **Other Expenses** | **For the year ended 31.03.2023** | **For the year ended 31.03.2022** |
|---|---|---|
| Technical & Consultancy Charges | 1,403.11 | 1,127.23 |
| Professional Fee | 252.70 | 204.83 |
| Promotional Expenses | 661.03 | 907.90 |
| Meeting and Conference Expense | 24.58 | 6.77 |
| Repairs and Maintenance | 41.28 | 4.41 |
| Electricity & Water Charges | 19.99 | 12.61 |
| Rent and Utility Charges | 261.67 | 228.03 |
| Telephone & Internet Charges | 4.46 | 5.21 |
| Vehicle Hire Charges | 145.06 | 101.56 |
| Printing and Stationery | 16.66 | 15.34 |
| Miscellaneous Expense | 22.86 | 48.61 |
| Provision for TDS Asset FY 2019-20 (refer Note 22.4 below) | 375.77 | |
| Fixed Assets Written Off | - | 11.73 |

| | | |
|---|---|---|
| Receivable Written Off (refer Note 22.3 below) | 164.56 | - |
| Payments to the auditor (Refer Note 22.1 below) | 18.17 | 12.69 |
| GST on Reverse charge mechanism | 311.35 | 290.48 |
| Rates and Taxes | - | 4.15 |
| Software Charges | 124.62 | 111.73 |
| KSFE Software operating and hosting charges | 1,289.24 | 986.16 |
| **Total** | **5,137.11** | **4,079.44** |

**22.1 Details of Payments to the Auditor** **Amount in Rs.**

| Particulars | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|
| Statutory Audit fees | 11.87 | 8.64 |
| Special Purpose Audit Fee | 1.50 | - |
| Tax Audit fees | 0.50 | 1.00 |
| Other taxation services | 4.00 | 3.05 |
| Other certification services | 0.30 | - |
| **Total** | **18.17** | **12.69** |

**22.2** Expenditure incurred under various expenses heads includes an amount aggregating to Rs.7,041.70 Lakhs being the actual expenditure incurred in excess of the operational budget approved in the general body for the FY 2022-23 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.

| Head of Account | Actual (I) | Budget- (II) | Excess-(III) |
|---|---|---|---|
| Salary & allowances | 739.68 | 726.50 | 13.18 |
| TRC Expenses | 3,564.98 | 2,250.17 | 1,314.81 |
| Repairs & maintenance | 41.28 | 4.26 | 37.02 |
| Training expenses | 2.13 | - | 2.13 |
| Misc administrative expe | 6,734.42 | 1,059.86 | 5,674.56 |
| **Total** | **11,082.49** | **4,040.79** | **7,041.70** |

22.3 Receivable written off includes an amount of Rs.140.96 Lakhs related to C-DIT ( GoK Body) which was pending reconciliation for long period has been written off to P&L A/c of the period, since efforts put in for such reconciliation did not yield any positive outcome.

22.4 TDS amount on the Interest income from bankers of Rs.375.77 Lakhs being difference noted in prior years between the books of accounts and Form 26AS(being higher amount in books) has been provided for since the efforts put in does not yield any positive outcome.

**Note - 23**

| **Prior Period Item** | **For the year ended 31.03.2023** | **For the year ended 31.03.2022** |
|---|---|---|
| **Prior Period Income -** | | |
| Reimbursement of Expenses incurred on behalf of KIFML | - | 46.89 |
| Rent Deposit | - | 8.36 |
| Interest income on TDS credit reconciliation | - | 322.43 |
| **Prior Period Expenditure -** | | |
| Advertisement & Promotion Expenses | - | 330.41 |
| Software Subscription and Manpower Cost | 25.78 | - |
| Rental Charges | 0.55 | 22.47 |
| Salaries and Allowances | - | 9.86 |
| Professional & Consultancy Expenses | - | 41.50 |
| Other Administrative Expenses | - | 8.13 |
| **Total** | **(26.33)** | **(34.69)** |

VARMA & VARMA Trivandrum Chartered Accountants

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

**Note - 24**

During the year, KIIFB had incurred an expenditure of Rs.1,289.24 Lakhs for operating, hosting and value adding charges of KSFE Pravasi chitty software which includes mostly payments made to outsourced agency which are supported by invoices of intermediaries and invoices of end service providers have been furnished to KIIFB on sample basis. The aggregate maintenance expenditure for a period of 3 years from 2020-21 to 2022-23 amounts to Rs.3,103.59 Lakhs against the original cost of Rs.3,037.94 Lakhs(Gross carrying value). In accordance with the Memorandum of Agreement (MoA) entered into between KIIFB and KSFE, the parties shall enter into a separate agreement covering the terms of repayment of the expenses incurred by KIIFB towards development of the Pravasi Chitty software and incidental charges. According to the management, though the software is being used by KSFE, the ownership is vested with KIIFB and entire economic benefits of the scheme are shared by KIIFB also, as envisaged in MoA. Due to the on going development activity, the separate agreement for recovery is pending to be executed. At this stage, the cost for development of software is treated as intangible asset based on consideration and approval of proposal by KIIFB and other operating, hosting and value adding charges are charged to P&L. The effective control of the above software vests with KIIFB. The management does not expect any impairment loss in the value of software considering the pendency of execution of agreement with KSFE for recovery of cost. Management intends to take up the matter regarding recovery of capital cost and operating cost of software incurred from inception with KSFE at the time of finalisation and entering into agreement as noted above.

**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. 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 has found to be properly in place to safeguard the best interest of KIIFB.

**Note - 26**

Commitments - KIIFB sponsored the Kerala Infrastructure Fund (KIF) as AIF (Alternate Investment Fund) registered with SEBI in April 2019. As per SEBI regulations, the sponsor of the fund must commit a minimum of 2.5% or Rs. 5 crores of the fund size and maintain the said minimum amount as continuing interest of the sponsor towards sponsor's commitment, as required under Regulation 10(d) of the AIF regulations, during the term of the Fund. As per the draft PPM submitted to SEBI, the Fund size of KIF is indicated as Rs 3000 Cr (Rs. 1500 crore with green shoe option of Rs. 1500 crore).

The General Body has decided the capital commitment as 10% of the fund size subject to a maximum of Rs 300 crores.

**Note - 27**

27.1 Reconciliation of Form 26 AS (as per Income Tax Act,1961) and Book of accounts - Interest income as per Form 26 AS is higher by Rs.277.32 Lakhs with respect to a particular bank which is primafacie noted to be duplication of entry in Form 26 AS which is subject to reconciliation. TDS portion of the same was also not taken credit for in books of accounts due to above mismatch.

**Note - 28**

**Contingent Liability**

28.1 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.

28.2 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 it 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 awarder of the work (SPV) and contractor and hence TDS provisions under Chapter XVIIB 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.

28.3 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 quite hopeful of favourable outcome of the appeal filed.

28.4 Invoices raised by the Vendor pending approval by the management : M/s RITES, the consultant engaged during the year for independent quality review, design review, consultancy and providing assistance in empanelment of supervision consultants has raised a total claim of Rs.1,060.69 Lakhs which is pending to be approved/accepted by KIIFB as on date and hence represent claims not acknowledged as debt by KIIFB and hence not provided for. The amount is reckoned as contingent liability at this stage and would be accounted for as and when approved /accepted by KIIFB. In addition to the above, an amount of Rs 211.17 Lakhs for which claims were not accepted by KIIFB in respect of which credit note is not raised by the party. Out of the above an amount of Rs.135.30 Lakhs is more than one year for which credit note is pending to be raised by the party.

**Note - 29**

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

| Name of the Related Party | Nature of relationship | Nature of Transaction | For the year ended 31.03.2023 | For the year ended 31.03.2022 |
|---|---|---|---|---|
| Dr. K.M. Abraham, CFA, IAS | CEO and Member Secretary | Salary | 42.49 | 40.18 |
| Shri. Vikramjit Singh, IPS (upto May 2022) | Deputy Managing Director | Salary | 2.88 | 28.22 |
| Shri. K.P.Purushothaman | Executive Director | Salary | 31.16 | 16.5 |
| Shri. Satyajit Rajan, IAS | Additional CEO | Salary | 34.97 | 26.37 |
| KIIFCON | Wholly owned Subsidiary Company | Carrying value of Investment | 258.07 | 0 |
| | | Balance outstanding (Receivable) | 72.48 | 0 |
| Kerala Infrastructure Fund Management Limited (KIFML) | Associate company | Reimbursement of Expense | 3.54 | 50.43 |
| | | Balance outstanding (Receivable) | 63.68 | 50.43 |
| | | Carrying Value of Investment | 167.45 | 167.45 |

**Note - 30**

**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 - 31**

Internal Audit System - During the current reporting year, concurrent internal audit has been completed up to Q4. Risk Based Internal Audit: 14 out of 15 areas in multiple frequencies has been completed as per the Audit Plan. Final Internal Audit Report up to Concurrent Audit Q2 and 7 Reports of RBIA has 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 - 32**

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 :

Thiruvananthapuram
Date : 2/9/2023

**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

## Note 7

## Property, Plant and Equipment and Depreciation Statement For the period 01-04-2022 to 31-03-2023

| PARTICULARS | | GROSS BLOCK | | | | | DEPRECIATION/AMORTISATION | | | | | NET BLOCK | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| SL. No. | ITEM | As on 01.04.2022 | Additions | | Sale/ Adjustment during the period | Total As on 31.03.2023 | Rate % | As on 01.04.2022 | For the Period | Sale/ Adjustment during the period | Up to 31.03.23 | WDV As On 31.03.2023 | WDV As On 31.03.2022 |
| | | | Before 03.10.2022 | on/After 03.10.2022 | | | | | | | | | |
| A | **Tangible Asset** | | | | | | | | | | | | |
| 1 | Air Cooler | 0.05 | - | - | - | 0.05 | 10.00 | 0.05 | - | - | 0.05 | - | - |
| | *(Previous Year)* | *(00.05)* | - | - | - | *(00.05)* | | *(00.05)* | - | - | *(00.05)* | - | - |
| 2 | Computer | 212.84 | 25.10 | 12.74 | - | 250.68 | 10.00 | 156.27 | 35.22 | - | 191.49 | 59.19 | 56.57 |
| | *(Previous Year)* | *(205.33)* | - | *(07.86)* | *(00.35)* | *(212.84)* | | *(120.94)* | *(35.33)* | - | *(156.27)* | *(56.57)* | *(84.39)* |
| 3 | Communication Equipme | 3.78 | - | 0.28 | - | 4.06 | 10.00 | 3.52 | 0.16 | - | 3.68 | 0.38 | 0.26 |
| | *(Previous Year)* | *(03.78)* | - | - | - | *(03.78)* | | *(03.35)* | *(00.17)* | - | *(03.52)* | *(00.26)* | *(00.43)* |
| 4 | Furniture & Fittings | 64.74 | 9.28 | 3.21 | - | 77.23 | 10.00 | 18.92 | 5.67 | - | 24.59 | 52.64 | 45.82 |
| | *(Previous Year)* | *(53.22)* | *(11.69)* | *(05.08)* | *(05.25)* | *(64.74)* | | *(13.53)* | *(05.39)* | - | *(18.92)* | *(45.82)* | *(39.69)* |
| 5 | Photostat Machine | 1.72 | - | - | - | 1.72 | 10.00 | 1.61 | 0.05 | - | 1.66 | 0.06 | 0.11 |
| | *(Previous Year)* | *(01.72)* | - | - | - | *(01.72)* | | *(01.53)* | *(00.08)* | - | *(01.61)* | *(00.11)* | *(00.19)* |
| 6 | Printer | 4.81 | 0.64 | 1.31 | - | 6.76 | 10.00 | 3.15 | 1.18 | - | 4.33 | 2.43 | 1.66 |
| | *(Previous Year)* | *(03.34)* | *(00.14)* | *(01.81)* | *(00.48)* | *(04.81)* | | *(02.33)* | *(00.82)* | - | *(03.15)* | *(01.66)* | *(01.01)* |
| 7 | Plant & Machinery | 258.76 | 20.28 | 0.68 | - | 279.72 | 10.00 | 91.93 | 28.12 | - | 120.05 | 159.67 | 166.83 |
| | *(Previous Year)* | *(258.76)* | - | - | - | *(258.76)* | | *(62.49)* | *(29.44)* | - | *(91.93)* | *(166.83)* | *(196.27)* |
| 8 | Electrical Equipment | 18.51 | - | 1.52 | - | 20.03 | 10.00 | 6.50 | 1.28 | - | 7.78 | 12.25 | 12.01 |
| | *(Previous Year)* | *(21.93)* | *(02.24)* | - | *(05.66)* | *(18.51)* | | *(04.54)* | *(01.96)* | - | *(06.50)* | *(12.01)* | *(17.39)* |
| 9 | Vehicle | 69.61 | - | - | - | 69.61 | 10.00 | 29.21 | 6.06 | - | 35.27 | 34.34 | 40.40 |
| | *(Previous Year)* | *(69.61)* | - | - | - | *(69.61)* | | *(22.08)* | *(07.13)* | - | *(29.21)* | *(40.40)* | *(47.53)* |
| 10 | Computer & Accessories | 153.63 | 2.55 | 15.75 | - | 171.93 | 10.00 | 87.18 | 30.74 | - | 117.92 | 54.01 | 66.45 |
| | *(Previous Year)* | *(128.70)* | *(24.93)* | - | - | *(153.63)* | | *(42.89)* | *(44.29)* | - | *(87.18)* | *(66.45)* | *(85.81)* |
| 11 | Interior Decoration | 90.66 | 26.98 | 29.29 | - | 146.93 | 10.00 | 26.07 | 10.62 | - | 36.69 | 110.24 | 64.59 |
| | *(Previous Year)* | *(102.03)* | - | - | *(11.37)* | *(90.66)* | | *(17.63)* | *(08.44)* | - | *(26.07)* | *(64.59)* | *(84.40)* |
| | **TOTAL** | **879.11** | **84.83** | **64.78** | **-** | **1,028.72** | | **424.41** | **119.10** | **-** | **543.51** | **485.21** | **454.70** |
| | | *(848.47)* | *(39.00)* | *(14.75)* | *(23.11)* | *(879.11)* | | *(291.36)* | *(133.05)* | - | *(424.41)* | *(454.70)* | *(557.11)* |
| B | **Intangible Asset** | | | | | | | | | | | | |
| 1 | Software for KSFE Pravasi Chit | 1,847.51 | - | - | - | 1,847.51 | 10.00 | 1,045.19 | 200.58 | - | 1,245.77 | 601.74 | 802.32 |
| | *(Previous Year)* | *(1847.51)* | - | - | - | *(1847.51)* | | *(777.75)* | *(267.44)* | - | *(1045.19)* | *(802.32)* | *(1069.76)* |



VARMA & VARMA Chartered Accountants Trivandrum

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

| | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2 | Software TRC | 185.31 | - | 73.71 | - | 259.02 | 10.00 | 78.24 | 35.98 | - | 114.22 | 144.80 | 107.07 |
| | *(Previous Year)* | *(130.23)* | *(55.08)* | - | - | *(185.31)* | | *(42.55)* | *(35.69)* | - | *(78.24)* | *(107.07)* | *(87.68)* |
| 3 | Other Software | 92.76 | 11.78 | - | - | 104.54 | 10.00 | 57.92 | 11.66 | - | 69.58 | 34.96 | 34.84 |
| | *(Previous Year)* | *(92.76)* | - | - | - | *(92.76)* | | *(46.31)* | *(11.61)* | - | *(57.92)* | *(34.84)* | *(46.45)* |
| 4 | Expenses on Issuance of Masala Bond | 2,473.14 | - | - | - | 2,473.14 | 10.00 | 1,487.95 | 494.63 | - | 1,982.58 | 490.56 | 985.19 |
| | *(Previous Year)* | *(2473.14)* | - | - | - | *(2473.14)* | | *(993.32)* | *(494.63)* | - | *(1487.95)* | *(985.19)* | *(1479.82)* |
| 5 | Expenses on issue of KSFE Bond | 1,190.43 | - | - | - | 1,190.43 | 10.00 | 750.74 | 238.09 | - | 988.83 | 201.60 | 439.69 |
| | *(Previous Year)* | *(1190.43)* | - | - | - | *(1190.43)* | | *(512.65)* | *(238.09)* | - | *(750.74)* | *(439.69)* | *(677.78)* |
| | **TOTAL** | **5,789.15** | **11.78** | **73.71** | **-** | **5,874.64** | | **3,420.04** | **980.94** | **-** | **4,400.98** | **1,473.66** | **2,369.11** |
| | | *(5734.07)* | *(55.08)* | - | - | *(5789.15)* | | *(2372.58)* | *(1047.46)* | - | *(3420.04)* | *(2369.11)* | *(3361.49)* |
| | | | | | | | | | | | | | |
| | **TOTAL** | **6,668.26** | **96.61** | **138.49** | **-** | **6,903.36** | **-** | **3,844.45** | **1,100.04** | **-** | **4,944.49** | **1,958.87** | **2,823.81** |
| | | *(6582.54)* | *(94.08)* | *(14.75)* | *(23.11)* | *(6668.26)* | - | *(2663.94)* | *(1180.51)* | - | *(3844.45)* | *(2823.81)* | *(3918.60)* |

**Note** 7.1 The management estimates that the future economic benefit from the expenditure towards issue of Masala Bond and issue of KSFE Bond will accrue to the Board over the period of the Bond being 5 years. Accordingly, such expenditure are treated as Intangible Asset and amortised over 5 years.

7.2 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.

7.3 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.

7.4 The Gross carrying value and net carrying value of intangible asset towards software for KSFE pravasi Chitty and issue expenses amounts to Rs. 3,037.94 Lakhs and Rs. 803.34 Lakhs respectively. Revenue expenses incurred towards software maintenance charges during the reporting period amounts to Rs. 1,289.24 Lakhs (cumulatively over the period amounts to Rs.3,103.59 Lakhs). The actual borrowing infused is Rs. 91,113 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 KIIFB 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.






## 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**

for Varma & Varma
Chartered Accountants
FRN.004532S

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 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.M.ABRAHAM(CFA)**
**FUND MANAGER**

for Varma & Varma
Chartered Accountants
FRN.004532S

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** | (97,139.88) | (85,327.67) |
| ***Adjustments for:*** | | |
| Depreciation and amortisation expense | 989.42 | 1,100.04 |
| Interest income | (72,998.17) | (63,059.78) |
| Finance Cost | 1,83,464.15 | 1,41,696.48 |
| Profit on Sale of Mutual Fund Investment | (17,103.06) | - |
| Provision for conversion of loan into Non income generating project(incl accrued interest) | 9,475.92 | 39,384.84 |
| Dividend Income | (51.61) | - |
| 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- KINFRA | - | 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 | 14,978.16 | 17.98 |
| Financial assistance made to Revenue Generating Projects | (11,455.85) | (45,998.59) |
| Other Non Current and Current Assets | (1,339.69) | (368.67) |
| 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) | (10,108.01) |
| **Cash generated from operations** | (9,436.29) | (10,108.01) |
| Net income tax (paid) / refunds | 799.37 | 713.56 |
| **Net cash from/ (used in) operating activities (A)** | **(8,636.92)** | **(9,394.45)** |
| **B. Cash flow from investing activities** | | |
| Purchase of PPE (including changes in CWIP) | (87.57) | (235.10) |
| 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 | 51.61 | - |
| **Net cash from/ (used in) investing activities (B)** | **1,39,429.71** | **(29,149.46)** |
| **C. Cash flow from financing activities** | | |
| Loans from :- | | |
| (i) Banks and Financial Institutions | 3,32,261.68 | 4,73,204.78 |
| (ii) Bonds | 2,66,868.00 | 26,433.00 |
| (iii) Pravasi 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 GoK | 2,80,828.91 | 2,47,876.35 |
| Additional Financial Support for Infrastructure Development | 42,250.00 | - |
| CSR and PTA fund | 24.64 | 436.30 |
| Unutilised portion of LAC ADS share repaid | (94.39) | - |
| Recoupment by way of Statutory contribution from Govt of Kerala from Corpus Fund for direct project cost (other than NABARD) | (4,59,155.83) | (4,61,291.31) |
| Interest received during the period from Deposits made out of corpus fund | 4,486.69 | 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)** | **(4,231.83)** | **49,672.02** |
| **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** |

**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

| | | |
|---|---|---|
| **Balances with banks** | | |
| Cash in Hand | 0.06 | 0.02 |
| Balance with Treasury | 0.02 | 0.01 |
| Term Deposits/Sweep | 1,82,103.95 | 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 Masala Bond Sinking Fund Account with Axis Bank | - | 23.06 |
| Fixed Deposit with Bank(Lien against OD) | 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(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**
**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 (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 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** 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.

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.

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Trivandrum Chartered Accountants

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

(i) 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.

(ii) 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** | **As at 31.03.2024** | **As at 31.03.2023** |
|---|---|---|
| Initial corpus fund for Major Infrastructural Development Projects | 2,82,049.28 | 2,82,049.28 |
| Add: Addition to Initial Corpus Fund | 50,652.64 | - |
| | **3,32,701.92** | **2,82,049.28** |

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Chartered Accountants Trivandrum

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 c/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)** |
| | | | - |

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Trivandrum Chartered Accountants

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 **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** | | **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** |

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**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**

Amount in Rs.(Lakhs)

| Maturity Profile (in Years) | 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 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. |

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| | | | | | |
|---|---|---|---|---|---|
| 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% | |
| | | 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. |

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| | | | | | |
|---|---|---|---|---|---|
| 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, 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** | **As at 31.03.2024** | **As at 31.03.2023** |
|---|---|---|
| Interest Accrued on Loan From KNRKWB under Pravasi dividend scheme | 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** | **As at 31.03.2024** | **As at 31.03.2023** |
|---|---|---|
| **Secured, Repayable on Demand** | | |
| Overdraft from Indian Bank | 67,417.69 | - |
| *(Secured by Lien on Deposits,)* | | |
| *(Interest rate 0.20% higher than FD rate)* | | |
| **Total-(A)** | **67,417.69** | **-** |
| 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** | **As at 31.03.2024** | **As at 31.03.2023** |
|---|---|---|
| Sundry Creditors for Expenses (Note 6.1) | 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** | **As at 31.03.2024** | **As at 31.03.2023** |
|---|---|---|
| Tangible assets | 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** | **As at 31.03.2024** | **As at 31.03.2023** |
|---|---|---|
| Investment in Associate Company - Kerala Infrastructure Fund Management Limited (unquoted) | 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.

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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)** |
| ***Net Deferred Tax (Expense)/ Income taken to Profit and Loss account**** | 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)** |
| *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 - 10**

| **Long Term Loans & Advances** | **As at 31.03.2024** | **As at 31.03.2023** |
|---|---|---|
| **(Considered good)** | | |
| Financial assistance made to Revenue Generating Projects (contra by credit to Financial assistance Reserve for revenue) | 4,26,758.68 | 3,99,373.48 |
| 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.

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

Rs. in Lakhs Rs. in Lakhs

| Category | Type of Category | No. of Projects | 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** |

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 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.

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 overdues 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)

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**Note - 11**

| **Other Non Current Assets** | **As at 31.03.2024** | **As at 31.03.2023** |
|---|---|---|
| **Considered Good** | | |
| 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 -Appeal | 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 KIFML and Rs.136.96 Lakhs receivable from KIIFCON 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** |

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| | 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** |

| **Note - 17** | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| 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 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 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 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 .

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.

| **Note - 18** | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| **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**

| **Financing of direct cost of projects -Out of Corpus Fund** | For the year ended 31.03.2024 | For the year ended 31.03.2023 |
|---|---|---|
| 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.

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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 IIIC (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 IIIC, GKI and KSIE Ltd. M/s IIIC 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**

| **Employee 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 asset | 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 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 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 "Keraleeyam" 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 operation 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 - 23**

| **Prior Period Item** | **For the year ended 31.03.2024** | **For the year ended 31.03.2023** |
|---|---|---|
| **Prior Period Expenditure -** | | |
| Software Subscription and Manpower Cost | - | 25.78 |
| Rental Charges | - | 0.55 |
| **Total** | **-** | **26.33** |

**Note - 24**

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 Pravasi 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 complied with.

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**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 23.03.2024 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.

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 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.

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**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

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

**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 | | | | | | | | |
| A | **Tangible Asset** | | | | | | | | | | | |
| 1 | Air Cooler | 0.05 | - | - | - | 0.05 | 10 | 0.05 | - | 0.05 | - | - |
| | *(Previous Year)* | *(00.05)* | - | - | - | *(00.05)* | 10 | *(00.05)* | - | *(00.05)* | - | - |
| 2 | Computer | 250.68 | 0.64 | 12.95 | - | 264.27 | 40 | 191.49 | 26.53 | 218.02 | 46.29 | 59.19 |
| | *(Previous Year)* | *(212.84)* | *(25.10)* | *(12.74)* | - | *(250.68)* | 40 | *(156.27)* | *(35.22)* | *(191.49)* | *(59.19)* | *(56.57)* |
| 3 | Communication Equipment | 4.06 | 0.06 | 0.05 | - | 4.17 | 40 | 3.68 | 0.18 | 3.86 | 0.30 | 0.38 |
| | *(Previous Year)* | *(03.78)* | - | *(00.28)* | - | *(04.06)* | 40 | *(03.52)* | *(00.16)* | *(03.68)* | *(00.38)* | *(00.26)* |
| 4 | Furniture & Fittings | 77.23 | 11.78 | 0.95 | - | 89.96 | 10 | 24.59 | 6.49 | 31.08 | 58.88 | 52.64 |
| | *(Previous Year)* | *(64.74)* | *(09.28)* | *(03.21)* | - | *(77.23)* | 10 | *(18.92)* | *(05.67)* | *(24.59)* | *(52.64)* | *(45.82)* |
| 5 | Photostat Machine | 1.72 | - | - | - | 1.72 | 40 | 1.66 | 0.03 | 1.69 | 0.04 | 0.06 |
| | *(Previous Year)* | *(01.72)* | - | - | - | *(01.72)* | 40 | *(01.61)* | *(00.05)* | *(01.66)* | *(00.06)* | *(00.11)* |
| 6 | Printer | 6.76 | 0.15 | 0.12 | - | 7.03 | 40 | 4.33 | 1.05 | 5.38 | 1.64 | 2.43 |
| | *(Previous Year)* | *(04.81)* | *(00.64)* | *(01.31)* | - | *(06.76)* | 40 | *(03.15)* | *(01.18)* | *(04.33)* | *(02.43)* | *(01.66)* |
| 7 | Plant & Machinery | 279.72 | 0.85 | 0.08 | - | 280.65 | 15 | 120.05 | 24.08 | 144.13 | 136.52 | 159.67 |
| | *(Previous Year)* | *(258.76)* | *(20.28)* | *(00.68)* | - | *(279.72)* | 15 | *(91.93)* | *(28.12)* | *(120.05)* | *(159.67)* | *(166.83)* |
| 8 | Electrical Equipment | 20.03 | 0.78 | 0.17 | - | 20.98 | 10 | 7.78 | 1.32 | 9.10 | 11.88 | 12.25 |
| | *(Previous Year)* | *(18.51)* | - | *(01.52)* | - | *(20.03)* | 10 | *(06.50)* | *(01.28)* | *(07.78)* | *(12.25)* | *(12.01)* |
| 9 | Vehicle | 69.61 | - | 59.00 | - | 128.61 | 15 | 35.27 | 9.58 | 44.85 | 83.77 | 34.34 |
| | *(Previous Year)* | *(69.61)* | - | - | - | *(69.61)* | 15 | *(29.21)* | *(06.06)* | *(35.27)* | *(34.34)* | *(40.40)* |
| 10 | Computer & Accessories TRC | 171.93 | - | - | - | 171.93 | 40 | 117.92 | 21.60 | 139.52 | 32.38 | 54.01 |
| | *(Previous Year)* | *(153.63)* | *(02.55)* | *(15.75)* | - | *(171.93)* | 40 | *(87.18)* | *(30.74)* | *(117.92)* | *(54.01)* | *(66.45)* |
| 11 | Interior Decoration | 146.93 | - | - | - | 146.93 | 10 | 36.69 | 11.02 | 47.71 | 99.21 | 110.24 |
| | *(Previous Year)* | *(90.66)* | *(26.98)* | *(29.29)* | - | *(146.93)* | 10 | *(26.07)* | *(10.62)* | *(36.69)* | *(110.24)* | *(64.59)* |
| | **TOTAL** | **1,028.72** | **14.26** | **73.32** | - | **1,116.30** | | **543.51** | **101.88** | **645.39** | **470.91** | **485.21** |
| | | *(879.11)* | *(84.83)* | *(64.78)* | - | *(1028.72)* | | *(424.41)* | *(119.10)* | *(543.51)* | *(485.21)* | *(454.70)* |



KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Trivandrum Chartered Accountants

**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 | 1,847.51 | - | - | - | 1,847.51 | 25 | 1,245.77 | 150.44 | 1,396.21 | 451.31 | 601.74 |
| | *(Previous Year)* | *(1847.51)* | - | - | - | *(1847.51)* | | *(1045.19)* | *(200.58)* | *(1245.77)* | *(601.74)* | *(802.32)* |
| 2 | Software TRC | 259.02 | - | - | - | 259.02 | 25 | 114.22 | 36.20 | 150.42 | 108.60 | 144.80 |
| | *(Previous Year)* | *(185.31)* | - | *(73.71)* | - | *(259.02)* | | *(78.24)* | *(35.98)* | *(114.22)* | *(144.80)* | *(107.07)* |
| 3 | Other Software | 104.54 | - | - | - | 104.54 | 25 | 69.58 | 8.74 | 78.32 | 26.22 | 34.96 |
| | *(Previous Year)* | *(92.76)* | *(11.78)* | - | - | *(104.54)* | | *(57.92)* | *(11.66)* | *(69.58)* | *(34.96)* | *(34.84)* |
| 4 | Expenses on Issuance of Masala Bond | 2,473.14 | - | - | - | 2,473.14 | | 1,982.58 | 490.56 | 2,473.14 | - | 490.56 |
| | *(Previous Year)* | *(2473.14)* | - | - | - | *(2473.14)* | | *(1487.95)* | *(494.63)* | *(1982.58)* | *(490.56)* | *(985.19)* |
| 5 | Expenses on issue of KSFE Bond | 1,190.43 | - | - | - | 1,190.43 | | 988.83 | 201.60 | 1,190.43 | - | 201.60 |
| | *(Previous Year)* | *(1190.43)* | - | - | - | *(1190.43)* | | *(750.74)* | *(238.09)* | *(988.83)* | *(201.60)* | *(439.69)* |
| | **TOTAL** | **5,874.64** | - | - | - | **5,874.64** | | **4,400.98** | **887.54** | **5,288.52** | **586.13** | **1,473.66** |
| | | ***(5789.15)*** | ***(11.78)*** | ***(73.71)*** | - | ***(5874.64)*** | | ***(3420.04)*** | ***(980.94)*** | ***(4400.98)*** | ***(1473.66)*** | ***(2369.11)*** |
| | **TOTAL** | **6,903.36** | **14.26** | **73.32** | - | **6,990.94** | | **4,944.49** | **989.42** | **5,933.91** | **1,057.04** | **1,958.87** |
| | | ***(6668.26)*** | ***(96.61)*** | ***(138.49)*** | - | ***(6903.36)*** | | ***(3844.45)*** | ***(1100.04)*** | ***(4944.49)*** | ***(1958.87)*** | ***(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 pravasi 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 KIIFB 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.

## Kerala Infrastructure Investment Fund Board

**The above Standalone Unaudited Financial Results for the quarter ended June 30, 2024, were approved by the Board of Directors at its meeting held on August 12, 2024. These financial results have been subjected to limited review by the Statutory Auditors of the Board and a Limited Review Report has been issued.**

**Unaudited Standalone Profit and Loss Account for the quarter ended 30.06.2024**

**Figures in Lakhs**

| Particulars | Three months ended | | | For the Year Ended 31.03.2024 (Audited) |
|---|---|---|---|---|
| | 30.06.2024 (Unaudited) | 31.03.2024 (Refer Note No.6) | 30.06.2023 (Unaudited) | |
| **I. Revenue:** | | | | |
| i) Recoupment of statutory contribution from Government of Kerala from Corpus Fund for financing of direct project cost as per Contra | 79,874.97 | 92,407.54 | 1,77,481.51 | 4,64,194.54 |
| ii) Interest income from financial assistance for revenue generating projects | 14,963.40 | 14,894.73 | 12,907.29 | 55,810.59 |
| iii) Interest income from deposits and investments | 5,721.69 | 7,237.05 | 3,823.95 | 17,187.58 |
| iv) Profit on Sale of Mutual Fund Investment | | 4,535.61 | - | 17,103.06 |
| v) Other income | 68.75 | 8,528.59 | 17.64 | 8,634.46 |
| **Total Revenue (I)** | **1,00,628.81** | **1,27,603.52** | **1,94,230.39** | **5,62,930.23** |
| **II. Expenses:** | | | | |
| i) Financing of direct cost of projects -Out of Corpus Fund | 79,874.97 | 92,407.54 | 1,77,481.51 | 4,64,194.54 |
| ii) Employee benefits expense | 213.11 | 209.07 | 186.52 | 784.10 |
| iii) Finance costs | 48,360.22 | 51,700.05 | 41,560.86 | 1,83,464.15 |
| iv) Depreciation and amortisation expense | 57.22 | 219.61 | 255.59 | 989.42 |
| v) Other expenses | 1,208.08 | 3,606.87 | 3,836.20 | 10,637.90 |
| **Total expenses (II)** | **1,29,713.61** | **1,48,143.14** | **2,23,320.68** | **6,60,070.11** |
| **III. Profit / (Loss) (I- II)** | (29,084.80) | (20,539.62) | (29,090.29) | (97,139.88) |
| Prior Period Item | (597.32) | | | - |
| Profit / (Loss) after prior period item | (29,682.12) | (20,539.62) | (29,090.29) | (97,139.88) |
| **IV. Tax expense:** | | | | |
| (1) Current tax | - | -303.96 | - | - |
| (2) Tax for Earlier years | | | | |
| (3) Deferred tax(Expense)/Income | - | 4,368.41 | (156.15) | 368.79 |
| 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 | 29,682.12 | 16,475.17 | 29,246.44 | 96,771.09 |
| **V. Net Profit / (Loss) for the Year** | - | - | - | - |

Notes forming part of unaudited financial statements **1-21**

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

**For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**

KANDATHIL MATHEW ABRAHAM
Digitally signed by KANDATHIL MATHEW ABRAHAM
Date: 2024.08.12 13:36:46 +05'30'

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

Thiruvananthapuram
Date : 12-08-2024

**Report on Limited Review**
As per our report even date attached

For Suri and Co
Chartered Accountants
FRN:004283S

GOVINDARAJAN RENGARAJAN
Digitally signed by GOVINDARAJAN RENGARAJAN
Date: 2024.08.12 13:47:25 +05'30'

G Rengarajan
(Partner)
M.No. 219922

**Notes forming Part unaudited financial results for the quarter ended 30-06-2024**

1 The above Standalone Unaudited Financial Results for the quarter ended June 30, 2024, were approved by the Board of Directors at its meeting held on August 12, 2024. These financial results have been subjected to limited review by the Statutory Auditors of the Board and a Limited Review Report has been issued.

2 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. The unaudited financial results of KIIFB have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and Accounting Standard-25 Interim Financial Reporting issued by Institute of Chartered Accountants of India and as per Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Regulations'). KIIFB follows Mercantile System of Accounting and recognizes significant items of income and expenditure on accrual basis, except to the extent otherwise stated. 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.

3 During the quarter KIIFB has issued Domestic Bonds Series II of coupon rate 9.10% amounting to Rs 23,828 lakhs on reissuance basis. The aggregate issue size of Domestic Bonds is Rs 84,994 lakhs of this Rs 61,166 lakhs was issued during FY2023-24.

4 The Board has applied significant accounting policies in the preparation of these financial results consistent with those followed in the annual financial statements for the year ended March 31, 2024.

5 The figures relating to the quarter ended 30 June 2023 (comparable figures for corresponding period) as reported in the statement of Profit & Loss A/c were prepared by the management and have not been subjected to limited review since the requirement of submission of quarterly financial results became applicable only from quarter ended September 30, 2023. The Management has prepared the financial statements for the quarter ended 30 June 2023 to make it consistent with presentation and disclosure for the quarter ended 30 June 2024.

6 The figures for the quarter ended March 31, 2024 are the balancing figures between audited figures in respect of the financial year 2023-24 and the published year to date figures upto December 31, 2023, which were subjected to limited review.

7 The figures for the quarter ended March 31, 2024 were reviewed by previous Statutory Auditor.

8 Payments towards direct project cost are accounted on actual payment basis. 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. 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 30-06-2024 from the inception.

9 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 and the same has been revised in the 46th General Body meeting of KIIFB held on 02-09-2023.As per the said norms provisions for standard assets (for all revenue generating projects) at 0.4% on the outstanding loan balance and accrued interest amounting to Rs.2583.42 lakhs has been provided in the books of accounts as at 30.06.2024. As per the said norms, an asset is recognised as Nonperforming when there is arrears of principal or interest overdue for more than twelve months only. Once an asset is recognised as nonperforming (Substandard or lower), entire unrealised interest is reversed, and income is accounted for on cash basis only.

10 As per 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 Projects identified and categorised as Category 1 or 2 earlier but later recategorized as Category 3 projects ,entire interest accrued in the past period shall be reversed. Hence for such projects IRACP Norms are not applicable from the effective date of classification till the such repayment agreement are executed or project identified as loan in books of accounts whichever is earlier. 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 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 assets after 24 months from the date of 40% payment milestone has been reached or from the date of identification of the project as RGP in the books of accounts ,whichever is later.

b) Provisioning Norms

| Type of Asset | Provision Required (%)- Expected Credit Loss |
|---|---|
| Standard Asset | 0.40% |
| Substandard Asset | |
| Beyond 12 months andup to 18 months overduefor repaymentagreements executed and beyond 24 months and upto 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% |
| Doubtful Assets | |
| Up To One year | 50% |
| One to three years | 75% |
| More than three years | 100% |
| Loss Assets | 100% |

11 Prudential norms on Income recognition and asset classification and provisioning 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.KIIFB has classified projects into four categories based on the viability of projects. The categorisation of loans is as follows:

| Category | Type of Category | No. of Projects | Loans(Rs in lakhs) | Interest Accrued(Rs in Lakhs) | Total (Rs in Lakhs) |
|---|---|---|---|---|---|
| I. | Projects which have high commercial viability | 7 | 6,22,118.32 | 14,867.49 | 6,36,985.81 |
| II. | Projects which have medium commercial viability | 6 | 8,775.77 | 95.89 | 8,871.66 |
| III | Project which have low commercial viability | 3 | 51,863.97 | 0 | 51,863.97 |
| IV. | Projects which have no commercial viability | 0 | 0 | 0 | 0 |
| | **Total** | **16** | **6,82,758.06** | **14,963.38** | **6,97,721.44** |

11.1 KIIFB had revised the repayment agreement for the project ITD 001-02 on 13-04-2024. As per the terms of agreement interest rate was reduced to a fixed rate of 5% from the existing ACDB rate of 9.52%. However the RPA has yet to be approved by the Board members, the asset is under Category 3 Project.

11.2 On the 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 the confirmations from the borrowers including for land acquisition projects aggregating to Rs 2,79,790.38 lakhs (Principal outstanding as on 30.06.2024).

11.3 Interest income for Category 1 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 2 projects at discounted rate of interest as compared to category 1 and with respect to other two categories interest income is not recognised in the books of accounts.

12 Interest income recognised during the quarter includes an amount of Rs 5,893.69 lakhs on which 40% stage of disbursement has not been reached. The rate of interest chargeable is fixed only on reaching of 40% stage is reached as per the terms of tripartite agreement for the project. However, interest on such borrowing has been recognised based on rates agreed upon at the time of sanction of the loan/ ACDB rate as decided by the management.

13 Interest income has been recognised on loans given to SPV's revenue generating projects in cases where there has been certain delays on implementation of the projects financed by such loans. According to the management, payment of interest is not contingent on such projects earning revenue. The management have further asserted that certain inherent delays which have occurred during implementation stage of infrastructure projects does not have any adverse effect on the recoverability of loans granted considering the operational model of KIIFB. Hence, these loans are considered good and expected to be recovered from SPVs which are all government owned or controlled agencies.

**Kerala Infrastructure Investment Fund Board**
**2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001**
**Unaudited Balance Sheet as at 30.09.2024**

**Rs. In Lakhs**

| | Particulars | As at 30.09.2024 Unaudited | As at 31.03.2024 Audited |
|---|---|---|---|
| **I.** | **EQUITY AND LIABILITIES** | | |
| 1 | Initial Corpus Fund | 3,32,702 | 3,32,702 |
| 2 | Corpus Fund - Revolving ( shown on the asset side ) | - | - |
| 3 | **Non-current liabilities** | | |
| | (a) Long-term borrowings | 18,72,854 | 17,88,950 |
| | (b) Other Long term liabilities | 6,956 | 7,100 |
| 4 | **Current liabilities** | | |
| | (a) Short-term borrowings | 2,54,127 | 2,85,204 |
| | (b) Other current liabilities | 20,552 | 21,945 |
| | **Total** | **24,87,192** | **24,35,901** |
| **II.** | **ASSETS** | | |
| 1 | **Non-current assets** | | |
| | (a) Property, plant and equipment and Intangible Asset | | |
| | (i)Tangible assets | 468 | 471 |
| | (ii)Intangible assets | 513 | 586 |
| | (b) Non-current investments | 801 | 426 |
| | (c) Long-term loans and advances | 6,23,958 | 5,52,026 |
| | (d)Corpus Fund - Revolving being the Statutory contribution receivable from GoK | 9,71,797 | 7,49,129 |
| | (e) Other Non Current Assets | 5,388 | 5,357 |
| 2 | **Current assets** | | |
| | (a) Cash and cash equivalents | 6,41,239 | 7,19,031 |
| | (b) Short term loans and advances | 1,30,383 | 89,361 |
| | (c)Corpus Fund - Revolving being the Statutory contribution receivable from GoK | 1,04,713 | 3,13,000 |
| | (d) Other current assets | 7,933 | 6,513 |
| | **Total** | **24,87,192** | **24,35,901** |

Notes forming part of unaudited financial statements **1-20**

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

**For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**

KANDATHIL MATHEW ABRAHAM Digitally signed by KANDATHIL MATHEW ABRAHAM Date: 2024.11.07 12:31:48 +05'30'

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

Thiruvananthapuram
Date : 07-11-2024

**Report on Limited Review**
As per our report of even date attached

for Suri & Co
Chartered Accountants
FRN.004283S

GOVINDARAJAN RENGARAJAN Digitally signed by GOVINDARAJAN RENGARAJAN Date: 2024.11.07 12:56:02 +05'30'

G Rengarajan
(Partner)
M.No. 219922

**Kerala Infrastructure Investment Fund Board**
**2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001**
**Unaudited Statement of Profit and Loss for the Quarter and Half year ended 30.09.2024**

**Rs In Lakhs**

| | Particulars | Three months ended | | | Half year ended | Half year ended | Year ended |
|---|---|---|---|---|---|---|---|
| | | 30-09-2024 | 30-06-2024 | 30-09-2023 | 30-09-2024 | 30-09-2023 | 31-03-2024 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| **I.** | **Revenue:** | | | | | | |
| i) | Recoupment of statutory contribution from Government of Kerala from Corpus Fund for financing of direct project cost as per Contra | 72,167 | 79,875 | 1,18,328 | 1,52,042 | 2,95,810 | 4,64,195 |
| ii) | Interest income from financial assistance for revenue generating projects | 15,764 | 14,963 | 13,758 | 30,728 | 26,665 | 55,811 |
| iii) | Interest income from deposits and investments | 4,446 | 5,722 | 3,362 | 10,167 | 7,186 | 17,188 |
| iv) | Profit on Sale of Mutual Fund Investment | - | - | - | - | - | 17,103 |
| v) | Other income | 85 | 69 | 1 | 154 | 19 | 8,634 |
| | **Total Revenue (I)** | **92,462** | **1,00,629** | **1,35,449** | **1,93,091** | **3,29,680** | **5,62,930** |
| **II.** | **Expenses:** | | | | | | |
| i) | Financing of direct cost of projects -Out of Corpus Fund | 72,167 | 79,875 | 1,18,328 | 1,52,042 | 2,95,810 | 4,64,195 |
| ii) | Employee benefits expense | 222 | 213 | 188 | 435 | 374 | 784 |
| iii) | Finance costs | 49,573 | 48,360 | 44,119 | 97,933 | 85,680 | 1,83,464 |
| iv) | Depreciation and amortisation expense | 60 | 57 | 256 | 118 | 511 | 989 |
| v) | Other expenses | 2,771 | 1,208 | 2,083 | 3,979 | 5,919 | 10,638 |
| | **Total expenses (II)** | **1,24,794** | **1,29,714** | **1,64,973** | **2,54,507** | **3,88,294** | **6,60,070** |
| **III.** | **Profit / (Loss) (I- II)** | (32,332) | (29,085) | (29,524) | (61,417) | (58,614) | (97,140) |
| | Prior Period Item | (5) | (597) | | (602) | - | |
| | Profit / (Loss) after prior period item | (32,336) | (29,682) | (29,524) | (62,019) | (58,614) | (97,140) |
| **IV.** | **Tax expense:** | | | | | | |
| | (1) Current tax | - | - | - | - | - | - |
| | (2) Tax for Earlier years | - | - | - | - | - | - |
| | (3) Deferred tax(Expense)/Income | - | - | (158) | - | (314) | 369 |
| | Less : Statutory contribution from GoK under Corpus fund utilised to meet the net loss (deficit from operations)for the period in P& L account transferred | 32,336 | 29,682 | 29,682 | 62,019 | 58,928 | 96,771 |
| **V.** | **Net Profit / (Loss) for the period** | - | - | - | - | - | - |
| | Notes forming part of unaudited financial statements | | | **1-20** | | | |

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

**Report on Limited Review**

As per our report of even date attached

**For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**

KANDATHIL MATHEW ABRAHAM Digitally signed by KANDATHIL MATHEW ABRAHAM Date: 2024.11.07 12:32:24 +05'30'

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

Thiruvananthapuram
Date : 07-11-2024

for Suri & Co
Chartered Accountants
FRN.004283S

GOVINDARAJAN RENGARAJAN Digitally signed by GOVINDARAJAN RENGARAJAN Date: 2024.11.07 12:57:09 +05'30'

G Rengarajan
(Partner)
M.No. 219922

**Kerala Infrastructure Investment Fund Board**
**2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001**
**Unaudited Cash Flow Statement for the Half year ended 30.09.2024**

**Rs. In Lakhs**

| Particulars | Half year ended 30.09.2024 Unaudited | Half year ended 30.09.2023 Unaudited |
|---|---|---|
| **A. Cash flow from operating activities** | | |
| **Profit before income tax** | (62,018.56) | (58,614.45) |
| ***Adjustments for:*** | | |
| Depreciation and amortisation expense | 117.51 | 511.48 |
| Interest income | (40,894.99) | (33,851.47) |
| Finance Cost | 97,933.19 | 85,679.52 |
| Provision for conversion of loan into Non income generating project(incl accured interest) | - | 20,277.81 |
| Provision for Standard Asset | 432.20 | 2,450.32 |
| **Operating profit / (loss) before working capital changes** | **(4,430.65)** | **16,453.21** |
| **Changes in working capital:** | | |
| Adjustments for (increase) / Decrease in operating assets: | | |
| Loans and Advances | (10,517.20) | 102.65 |
| Financial assistance made to Revenue Generating Projects | (72,127.68) | (15,796.65) |
| Non Current Investments | 375.22 | - |
| Other Non Current and Current Assets | (1,449.91) | (2,681.77) |
| Adjustments for increase / (Decrease) in operating liabilities: | | |
| Other Current/Non current Liabilities | (22,011.80) | (1,67,973.93) |
| **Net Changes in working capital:** | (1,10,162.02) | (1,69,896.49) |
| **Cash generated from operations** | (1,10,162.02) | (1,69,896.49) |
| Net income tax (paid) / refunds | - | (258.46) |
| **Net cash from/ (used in) operating activities (A)** | **(1,10,162.02)** | **(1,70,154.95)** |
| **B. Cash flow from investing activities** | | |
| Purchase of PPE (including changes in CWIP) | (41.02) | (15.33) |
| (Purchase)/ disposal proceeds of Investments | (375.22) | - |
| Interest income received out of fixed deposit | 10,167.49 | 7,186.19 |
| Investment in Govt Securities | - | (11,298.71) |
| **Net cash from/ (used in) investing activities (B)** | **9,751.25** | **(4,127.85)** |
| **C. Cash flow from financing activities** | | |
| Loans from :- | | |
| (i) Banks and Financial Institutions | 1,18,002.00 | 92,000.22 |
| (ii) Bonds | 22,947.00 | 15,387.00 |
| (iii) Pravasi Dividend Scheme | (86.42) | 2,680.86 |
| (iv)Green Domestic Bond | - | 30,002.00 |
| Loans repaid during the period | (88,035.38) | (34,631.76) |
| Statutory contribution from GoK | 2,08,336.51 | 1,86,946.15 |
| CSR and PTA fund | 2,067.00 | (94.39) |
| Recoupment by way of Statutory contribution from Govt of Kerala from Corpus Fund for direct project cost (other than NABARD) | (1,63,612.91) | (2,92,319.52) |
| Interest received during the period from Deposits made out of corpus fund | 627.83 | 2,267.36 |
| Finance cost paid | (77,457.33) | 84,310.91 |
| Fund utilised for NABARD Projects | (169.70) | (3,490.10) |
| **Net cash from/ (used in) financing activities (C)** | **22,618.59** | **83,058.73** |
| **Net increase (decrease) in cash and cash equivalents (A+B+C)** | (77,792.17) | (91,224.07) |
| Cash and cash equivalents at the beginning of the quarter | 7,19,031.43 | 5,92,470.47 |
| **Cash and cash equivalents at end of the period** | **6,41,239.26** | **5,01,246.40** |
| **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 | | |
| **Balances with banks and cash on hand** | | |
| Cash on Hand | 0.02 | 0.10 |
| Balance with Treasury | 16.74 | 74.58 |
| Term Deposits/Sweep | 2,73,623.68 | 2,02,709.16 |
| Other deposit, savings and current accounts | 34,896.89 | 16,412.48 |
| Other Bank balance in Treasury Accounts | 3,32,701.92 | 2,82,049.28 |
| In Masala Bond Sinking Fund Account | - | 0.80 |
| | **6,41,239.26** | **5,01,246.40** |
| Notes forming part of unaudited financial statements | **1-20** | |
| The accompanying notes form an integral part of the unaudited financial statements | | |

**For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**

KANDATHIL MATHEW ABRAHAM Digitally signed by KANDATHIL MATHEW ABRAHAM Date: 2024.11.07 12:32:50 +05'30'

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

**Report on Limited Review**
As per our report of even date attached

for Suri & Co
Chartered Accountants
FRN.004283S

GOVINDARAJAN RENGARAJAN Digitally signed by GOVINDARAJAN RENGARAJAN Date: 2024.11.07 12:57:51 +05'30'

G Rengarajan
(Partner)
M.No. 219922

Thiruvananthapuram
Date : 07-11-2024

**Notes forming part of Unaudited Standalone Financial results for the Quarter and Half year ended 30-09-2024**

1 The above Standalone Unaudited Financial Results of Statement of Profit & Loss, Balance Sheet and Cash Flow Statement for the quarter and half year ended September 30, 2024 were approved by the Board of Directors at its meeting held on 07.11.2024.These financial results have been subjected to limited review by the Statutory Auditors of the Board and a Limited Review Report has been issued.

2 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. The unaudited financial results of KIIFB have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and Accounting Standard-25 Interim Financial Reporting issued by Institute of Chartered Accountants of India and as per Regulation 52 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 ('Listing Regulations'). KIIFB follows Mercantile System of Accounting and recognizes significant items of income and expenditure on accrual basis, except to the extent otherwise stated. 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.

3 The Board has applied significant accounting policies in the preparation of these financial results consistent with those followed in the annual financial statements for the year ended March 31, 2024.

4 Payments towards direct project cost are accounted on actual payment basis. 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. 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.

5 Promotional and advertisement expenses includes expense incurred towards media, promotional and advertisement of Rs 489.09 lakhs incurred through parties to whom such works were outsourced. The selection of these parties were made on a nomination basis and subsequently ratified by Board in GB dated 04.03.2024 and the rates are considered competitive considering the nature and exigency of the work involved and also taking into account the prior experience with these parties. Out of the above, an amount of Rs 488.09 lakhs is incurred towards media and promotional campaign activities - KSFE Pravasi Chitty and KNRKWB Customers & Other Pravasi malayalis serving as one of the major funding source of KIIFB.

6 The Corpus Fund-Revolving represents capital investment of State Goverment 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,2016 (Amended).The Corpus Fund-Revolving 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 diesel and share of KIIFB from Motor Vehicle Tax as per the KIIF Act.The Government had sanctioned Rs 3,13,000 lakhs for reappropriation as per GO(Rt)No.3157/2024/Fin. dated 01-04-2024.

During the half year ended September 30,2024,an amount of Rs 2,08,287.27 lakhs (Previous year to date Rs.1,86,843 lakhs) was received from Government of Kerala towards Motor Vehicle Tax and Cess on Petrol and Diesel which was credited to Corpus Fund-Revolving account. Further KIIFB had received Rs 2,000 lakhs vide GO(Rt) No.5195/2023/Fin dated 10/07/2023 being the first installment of Legislative Assembly Constituency – Asset Development Scheme (LAC ADS) share towards the project "Construction of isolation wards in 140 Assembly constituencies" and Rs 67 lakhs vide GO(Rt) No.6076/2023/Fin dated 17/08/2023 being the LAC-ADS share towards the projects under Protection of Public Education Mission (PPE Mission) in three schools which were also credited to the Corpus fund-Revolving . Interest generated from investments made directly out of corpus fund amounting to Rs 627.83 lakhs forms part of statutory contribution and such interest is to be mandatorily used for the objectives of KIIFB.

7 The balances under statutory contribution receivable from GoK of Rs 10,76,510 lakhs (Previous year to date Rs 9,43,625.48 lakhs) 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) since such amounts are expected to be recouped from the statutory contribution receivable from the State Government in future years. 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.

8 KIIFB had received Rs 33,064.05 lakhs till 30.09.2024 from Pravasi Dividend Scheme implemented by Kerala Non-Resident Keralites Welfare Board(KNRKWB), a statutory body which came into existence under Kerala Non-Resident Keralites Welfare Act,2008. KIIFB is liable to pay interest at the rate specified in the agreement to the beneficiaries for three year from the date of deposit of funds. The Principal portion of the loan along with the accrued interest will be used by KIIFB for their operations. After three years KIIFB is liable to pay monthly dividend to the members/ beneficiaries till end of their life. During the half year ended 30.09.2024,KIIFB had incurred interest expense of Rs 531.77 lakhs (Previous year to date Rs 1048.02 lakhs) against the fund received.

9 KIIFB has introduced revised prudential norms on Income recognition, asset classification and provisioning relevant and applicable for long term infrastructure projects i.e. 01-04-2023 as per the decision of general body through circular resolution dated on 13.04.2023 and the same has been revised in the 46th General Body meeting of KIIFB held on 02-09-2023.As per the said norms provisions for standard assets (for all revenue generating projects) at 0.4% on the outstanding loan balance and accrued interest amounting to Rs.3059.03 lakhs (Previous year to date Rs 2,450.32 lakhs) has been provided in the books of accounts as on September 30,2024. 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.

10 As per 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 Projects identified and categorised as Category 1 or 2 earlier but later recategorized as Category 3 projects ,entire interest accrued in the past period shall be reversed. Hence for such projects IRACP Norms are not applicable from the effective date of classification till the such repayment agreement are executed or project identified as loan in books of accounts whichever is earlier. 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 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 assets after 24 months from the date of 40% payment milestone has been reached or from the date of identification of the project as RGP in the books of accounts ,whichever is later.

b) Provisioning Norms

| Type of Asset | Provision Required (%)-Expected Credit Loss |
|---|---|
| Standard Asset | 0.40% |
| Substandard Asset | |
| Beyond 12 months and up to 18 months overduefor repayment agreements executed and beyond 24 months and upto 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% |
| Doubtful Assets | |
| Up To One year | 50% |
| One to three years | 75% |
| More than three years | 100% |
| Loss Assets | 100% |

11 Prudential norms on Income recognition and asset classification and provisioning 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.KIIFB has classified projects into four categories based on the viability of projects. The categorisation of loans is as follows:

| Category | Type of Category | No. of Projects | Loans (Rs in lakhs) | Interest Accrued (Rs in Lakhs) | Total (Rs in Lakhs) |
|---|---|---|---|---|---|
| I. | Projects which have high commercial viability | 7 | 7,29,208.93 | 15,663.97 | 7,44,872.89 |
| II. | Projects which have medium commercial viability | 6 | 8,933.46 | 100.13 | 9,033.59 |
| III. | Project which have low commercial viability | 3 | 52,391.53 | - | 52,391.53 |
| IV. | Projects which have no commercial viability | 0 | - | - | - |
| | **Total** | **16** | **7,90,533.91** | **15,764.10** | **8,06,298.01** |

11.1 On the 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 the confirmations from the borrowers including for land acquisition projects aggregating to Rs 5,06,001 lakhs (Previous year to date Rs 3,95,397 lakhs) (Total Loan outstanding as on September 30,2024).

11.2 Interest income for Category 1 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 2 projects at discounted rate of interest as compared to category 1 and with respect to other two categories interest income is not recognised in the books of accounts.

12 Interest income recognised during the quarter and half year includes an amount of Rs 9,209.30 lakhs (Previous year to date Rs 2103.37 lakhs ) on which 40% stage of disbursement has not been reached. The rate of interest chargeable is fixed only on reaching of 40% stage is reached as per the terms of tripartite agreement for the project. However, interest on such borrowing has been recognised based on rates agreed upon at the time of sanction of the loan/ ACDB rate as decided by the management.

13 Interest income has been recognised on loans given to SPV's revenue generating projects in cases where there has been certain delays on implementation of the projects financed by such loans. According to the management, payment of interest is not contingent on such projects earning revenue. The management have further asserted that certain inherent delays which have occurred during implementation stage of infrastructure projects does not have any adverse effect on the recoverability of loans granted considering the operational model of KIIFB. Hence, these loans are considered good and expected to be recovered from SPVs which are all government owned or controlled agencies.

14 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/ Board 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.

15 Loan agreements are pending to be executed as on September 30,2024 with KSFDC for two project loans having loan outstanding aggregating to Rs 1376.24 lakhs (Previous year to date Rs 600.20 lakhs) although more than 40 % stage of disbursement as per the terms of the tripartite agreement between KIIFB, the SPV and the concerned Government department had exceeded. Steps are in process for the execution of the loan agreement, which is pending requisite clearance from the concerned department of the Government of Kerala.

16 KIIFB receives income from KIIFCON Private Limited, a 100% subsidiary for rendering professional and consultancy services. The Chief Executive Officer approves the income computation and terms prior to issuing the invoice. The contractual agreement for rendering these services will be executed shortly. During the half year ended September 30,2024 an income of Rs 116.20 lakhs has been accounted as consultancy charges in the Statement of profit and loss. The balance receivable as on 30-09-2024 is 249.03 lakhs (Previous year to date Rs 177.68 lakhs) which is confirmed by KIIFCON Private Limited.

17 KIIFB had incurred an expenditure of Rs 1180.33 Lakhs (Previous year to date Rs.457.65 lakhs) during the half year towards KSFE Software expenses which includes an amount of Rs.1056.10 lakhs (Previous year to date Rs 435.17 lakhs) incurred through external agency (a Government PSU - KSIE Limited) to which the activities for server hosting and licence renewal charges of KSFE Pravasi software have been outsourced by KIIFB on nomination basis (single quote) which was noted by the Board dated 03.03.2024.These expenses are supported by invoices of first level intermediary agencies. KSIE Limited has raised invoice on KIIFB ranging from 3% to 10% over cost incurred depending upon the nature of service provided through the intermediary agency to whom the services have been sub-contracted.

18 The aggregate operating cost (Server hosting and License renewal charges) paid to KSIE Ltd till date from the date of commencement amounts to Rs 5,020.81 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.

19 GST department has issued a demand amounting to Rs.1,633.19 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.

20 Previous period's figures have been regrouped / reclassified, wherever necessary to conform to current period's classification.

**For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**

KANDATHIL MATHEW ABRAHAM
Digitally signed by KANDATHIL MATHEW ABRAHAM
Date: 2024.11.07 12:33:15 +05'30'

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

Thiruvananthapuram
Date : 07-11-2024

**Report on Limited Review**

As per our report even date attached

For Suri and Co
Chartered Accountants
FRN:004283S

GOVINDARAJAN RENGARAJAN
Digitally signed by GOVINDARAJAN RENGARAJAN
Date: 2024.11.07 12:58:34 +05'30'

G Rengarajan
(Partner)
M.No. 219922

**Kerala Infrastructure Investment Fund Board**
**2nd Floor, Felicity Square, MG Road, Statue, Trivandrum 695 001**

**Additional disclosure as per clause 52(4) of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulation, 2015**

**Rs. In Lakhs**

| Particulars | | Quarter Ended | | | Half Year Ended | | Year Ended |
|---|---|---|---|---|---|---|---|
| | | 30-09-2024 | 30-06-2024 | 30-09-2023 | 30-09-2024 | 30-09-2023 | 31-03-2024 |
| | | Unaudited | Unaudited | Unaudited | Unaudited | Unaudited | Audited |
| a. | Debt- Equity Ratio | 6.39 | 6.13 | 6.67 | 6.39 | 6.67 | 6.23 |
| b. | Debt Service Coverage Ratio | 0.13 | 0.16 | 0.19 | 0.19 | 0.23 | 0.18 |
| c. | Interest Service Coverage Ratio | 0.35 | 0.39 | 0.34 | 0.37 | 0.32 | 0.48 |
| d. | Outstanding Redeemable Preference Shares (Quantity And Value) | NA | NA | NA | NA | NA | NA |
| e. | Capital Redemption Reserve/Debenture Redemption Reserve | NA | NA | NA | NA | NA | NA |
| f. | Net Worth | 3,32,701.92 | 3,32,701.92 | 2,82,049.28 | 3,32,701.92 | 2,82,049.28 | 3,32,701.92 |
| g. | Net Profit After Tax | (32,336.44) | (29,682.12) | (29,524.16) | (62,018.56) | (58,928.46) | (96,771.09) |
| h. | Earnings Per Share | NA | NA | NA | NA | NA | NA |
| i. | Current Ratio | 3.22 | 3.29 | 2.45 | 3.22 | 2.45 | 3.67 |
| j. | Long Term Debt To Working Capital | 2.46 | 2.99 | 1.98 | 2.46 | 1.98 | 1.88 |
| k. | Bad Debts To Account Receivable Ratio | NA | NA | NA | NA | NA | NA |
| l. | Current Liability Ratio | 0.13 | 0.13 | 0.01 | 0.01 | 0.01 | 0.15 |
| m. | Total Debts To Total Assets | 0.86 | 0.85 | 0.86 | 0.86 | 0.86 | 0.85 |
| n. | Debtors Turnover | NA | NA | NA | NA | NA | NA |
| o. | Inventory Turnover | NA | NA | NA | NA | NA | NA |
| p. | Operating Margin (%) | NA | NA | NA | NA | NA | NA |
| q. | Net Profit Margin (%) | NA | NA | NA | NA | NA | NA |

* For the Purpose of Debt Equity Ratio, Initial Corpus Fund being in nature of fixed capital has been treated as equity since KIIFB has no share capital as per KIIF Act 1999 as amended in 2016.
* For the purpose of Current Ratio, Current Asset also includes Current portion of Statutory Contribution receivable from Govt. Of Kerala
*Certain ratios/line items with remarks "NA" are not applicable since KIIFB is a Non Corporate Entity.
* The figures for the previous quarter ended June 30, 2024, and the previous year ended March 31, 2024, have been reclassified in the current half-year, resulting in minor deviations in the ratios reported for the respective dates.

**Items included in numerator and denominator for computing the ratios:**

**a) Debt-Equity Ratio**
Debt-Equity ratio compares an entity's total debt to Corpus Fund
Debt-Equity Ratio = Total Debt / Shareholder's Equity
For the Purpose of Debt Equity Ratio, Initial Corpus Fund being in nature of fixed capital has been treated as equity since KIIFB has no share capital as per KIIF Act 1999 as amended in 2016.

**b) Debt Service Coverage Ratio (DSCR)**
Debt Service coverage ratio is used to analyse the firm's ability to pay off current interest and instalments
Debt Service Coverage Ratio (DSCR) = Earning for Debt Service/ Debt service
Earning for Debt Service = Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.
Debt service = Interest + Principal Repayments+ Lease payments

**c) Interest Service Coverage Ratio (DSCR)**
Interest Service Coverage Ratio (DSCR)= Earnings available for Interest Service/ Gross Interest
Earning for Interest Service= Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

**d) Networth**
Networth is used to measure the value of an entity
Networth = Total Asset - Total outside Liabilities which is equal to Initial Corpus Fund

**e) Current Ratio**
Current Ratio = Current Assets/ Current Liabilities
Current Assets include - Current investments, cash and bank balances (including interest accrued thereon) and short term loans and advances
Current Liabilities include - Accrued liabilities, statutory liabilities, income tax liabilities and other short term provisions

**f) Long Term Debt To Working Capital**
Long Term Debt To Working Capital shows the financial leverage of a firm.
Long Term Debt = Non current borrowing + Current maturity of long term debt
Net working capital = Current Asset - Current liability excluding current borrowing

**g) Current Liability Ratio**
Current Liability Ratio = Current liability / Total Liabilities

**h)Total Debts to Total Assets**
Total Debt to Total Asset ratio = Outstanding Debt/Total Assets
Outstanding Debt = Long term borrowings +Other long term liabilities+short term borrowings

KANDATHIL MATHEW ABRAHAM
Digitally signed by KANDATHIL MATHEW ABRAHAM
Date: 2024.12.24 11:11:28 +05'30'

**ANNEXURE C**

**KEY OPERATIONAL AND FINANCIAL PARAMETERS**

| Particulars | For the period ended 31 December 2024 | For the financial year 2023-2024 | For the financial year 2022-2023 | For the financial year 2021-2022 |
|---|---|---|---|---|
| | Unaudited | Audited | Audited | Audited |
| Assets | | | | |
| Property, Plant and Equipment | 4,67,44,690 | 4,70,91,013 | 4,85,21,852 | 4,54,71,773 |
| Financial Assets | 150,79,34,63,858 | 52,45,30,10,107 | 48,73,71,53,659 | 44,13,98,27,385 |
| Non-financial Assets excluding property, plant and equipment | 1,19,00,84,53,691 | 1,91,08,99,52,620 | 1,59,42,02,72,638 | 1,22,64,24,64,685 |
| Total Assets | 2,69,84,86,62,239.00 | 2,43,59,00,53,739 | 2,08,20,59,48,149 | 1,66,82,77,63,843 |
| | | | | |
| Liabilities | | | | |
| Financial Liabilities | | | | |
| - Derivative financial instruments | NIL | NIL | NIL | NIL |
| - Trade payables | NIL | NIL | NIL | NIL |
| - Debt securities | 52,58,00,40,000 | 35,79,81,00,000.00 | 30,61,13,00,000 | 27,96,80,00,000 |
| - Borrowings (other than debt securities) | 158,08,03,74,673 | 1,43,09,69,02,515.03 | 1,12,61,44,87,446 | 98,48,66,52,814 |
| - Subordinated liabilities | NIL | NIL | NIL | NIL |
| - Other financial liabilities | 23,17,89,25,456 | 28,52,03,82,128 | 34,49,23,44,726 | 10,34,44,00,000 |
| Non-Financial Liabilities | | | | |
| - Current tax liabilities (net) | NIL | NIL | NIL | NIL |
| - Provisions | NIL | NIL | NIL | NIL |
| - Deferred tax liabilities (net) | NIL | NIL | 3,68,78,343 | 3,63,43,554 |
| - Other non-financial liabilities | 273,91,30,164 | 2,90,44,77,149 | 2,24,60,09,791 | 1,78,74,39,632 |
| | | | | |
| Equity (Equity Share Capital and Other Equity) | 33,27,01,91,946 | 33,27,01,91,946 | 28,20,49,27,844 | 28,20,49,27,844 |
| Total Liabilities and Equity | 2,69,84,86,62,239.00 | 2,43,59,00,53,739 | 2,08,20,59,48,149 | 1,66,82,77,63,843 |

| Particulars | For the period ended 31 December 2024 | For the financial year 2023-2024 | For the financial year 2022-2023 | For the financial year 2021-2022 |
|---|---|---|---|---|
| | Unaudited | Audited | Audited | Audited |
| **Profit and Loss** | **Profit and Loss** | | | |
| Revenue from operations | 656,06,71,112 | 7,29,98,18,090 | 6,30,59,78,695 | 4,09,95,73,610 |
| Other income | 236,51,096 | 2,57,37,53,120 | 3,28,29,748 | 2,54,47,403 |
| Total income | 658,43,22,208 | 9,87,35,71,210 | 6,33,88,08,442 | 4,12,50,21,013 |
| | | | | |
| Total expense | 16,41,90,83,013.22 | 19,58,75,55,985 | 14,86,89,35,990 | 9,74,33,93,165 |
| | | | | |
| Profit after tax for the year | -983,47,60,805 | -7,66,00,25,158 | -8,53,01,27,548 | -5,61,83,72,152 |
| Other comprehensive income | NIL | NIL | NIL | NIL |
| Total comprehensive income | -983,47,60,805 | -9,71,39,84,776) | -8,53,01,27,548 | -5,61,83,72,152 |
| | | | | |
| Earnings per equity share (Basic) | NIL | NIL | NIL | NIL |
| Earnings per equity share (Diluted) | NIL | NIL | NIL | NIL |
| | | | | |
| **Cash Flow** | **Cash Flow** | | | |
| Net cash from / used in (-) operating activities | | -86,36,92,791 | -93,94,46,073 | -29,24,51,26,327 |
| Net cash from / used in (-) investing activities | | 13,94,29,72,839 | -2,91,49,45,646 | 1,28,73,33,338 |
| Net cash from / used in (-) financing activities | | -42,31,83,351 | 4,96,72,02,478 | 13,10,58,73,154 |
| Net increase/decrease (-) in cash and cash equivalents | | 12,65,60,96,697 | 1,11,28,10,760 | -14,85,19,19,835 |
| Cash and cash equivalents as per Cash Flow Statement as at end of Year | | 71,90,31,42,577 | 59,24,70,45,880 | 58,13,42,35,120 |
| | | | | |
| **Additional information** | **Additional information** | | | |
| Net worth | 33,27,01,91,946 | 33,27,01,91,946 0 | 28,20,49,27,844 | 28,20,49,27,844 |
| Cash and cash equivalents | 72,76,04,88,359 | 71,90,31,42,578 | 59,24,70,45,880 | 58,13,42,35,120 |
| Loans | 158,08,03,74,673 | 1,39,71,68,46,092 | 1,12,61,44,87,446 | 98,48,66,52,814 |
| Loans (Principal Amount) | 158,08,03,74,673 | 1,39,71,68,46,092 | 1,12,61,44,87,446 | 98,48,66,52,814 |

| Particulars | For the period ended 31 December 2024 | For the financial year 2023-2024 | For the financial year 2022-2023 | For the financial year 2021-2022 |
|---|---|---|---|---|
| | Unaudited | Audited | Audited | Audited |
| Total debts to total assets | .867 | 0.85 | 0.85 | 0.79 |
| Interest income | 6,56,06,71,111 | 7,29,98,18,090 | 6,30,59,78,695 | 4,09,95,73,610 |
| Interest expense | 15,67,88,96,312 | 18,34,64,15,031 | 14,16,96,48,958 | 9,14,47,01,453 |
| Impairment on financial instruments | NIL | NIL | NIL | NIL |
| Bad debts to loans | NIL | NIL | NIL | NIL |
| % stage 3 loans on loans (Principal amount) | Not applicable | Not applicable | Not applicable | Not applicable |
| % net stage 3 loans on loans (Principal amount) | Not applicable | Not applicable | Not applicable | Not applicable |
| Tier I capital adequacy ratio (%) | Not applicable | Not applicable | Not applicable | Not applicable |
| Tier II capital adequacy ratio (%) | Not applicable | Not applicable | Not applicable | Not applicable |

**ANNEXURE D**

**COVENANTS**

*Capitalised terms not defined herein shall have the meaning ascribed to such terms under the Debenture Trust Deed.*

(1) **Affirmative Covenants**

The Issuer hereby covenants with the Debenture Trustee that the Issuer shall at all times while the Debentures are outstanding (except as may otherwise be previously agreed in writing by the Debenture Trustee) ensure compliance with the following provisions:

(a) **Authorisations**

(i) The Issuer shall obtain, comply with and do all that is necessary to maintain in full force and effect any Authorisation required under Applicable Law:

(A) to enable it to perform its obligations under any Debenture Document;

(B) to ensure the legality, validity, enforceability, and admissibility in evidence in its jurisdiction of incorporation of any Debenture Document.

(ii) The Issuer shall promptly obtain, comply with and do all that is necessary to maintain in full force and effect any Authorisation required under Applicable Law otherwise required for carrying on its business at all times.

(b) **Status and Business**

(i) The Issuer shall carry out and conduct its activities/business with due diligence and efficiency and in accordance with sound engineering technical, managerial and financial standards and activities/business practices with qualified and experienced management and personnel in accordance with the KIIF Act.

(ii) The Issuer shall diligently preserve its existence and status and all rights, contracts, privileges, franchises and concessions now held or hereafter acquired by it, in the conduct of its activities/business and that it will comply with each and every term of the said franchises and concessions and all acts, rules, regulations, orders and directions of any legislative, executive, administrative or judicial body applicable to its assets or any part thereof.

(c) **Dues, Stamp Duty and Taxes**

(i) The Issuer shall punctually pay all rents, royalties, taxes, rates, levies, cesses, insurance premium, assessments, impositions, governmental, municipal or otherwise imposed upon or payable by the Issuer, as and when the same shall become payable.

(ii) The Issuer shall pay all such stamp duty (including any additional stamp duty), other duties, taxes, charges and penalties, if and when the Issuer may be required to pay, according to the laws for the time being in force in the State in which its properties are situated or otherwise, and in the event of the Issuer failing to pay such stamp duty, other duties, taxes and penalties, as aforesaid, the Debenture Trustee will be at liberty (but shall not be bound) to pay the same and the Issuer shall forthwith reimburse the same to the Debenture Trustee on demand.

(iii) The Issuer shall reimburse all reasonable sums paid or expenses (at actuals) incurred by the Debenture Trustee or any receiver, attorney, manager, agent or other person appointed by the Debenture Trustee for all or any of the purposes mentioned in these presents, immediately on receipt of a notice of demand from them in this behalf and all such sums shall carry interest at the rate as prescribed in the Debenture Trustee Agreement, as from the date when the same shall have been advanced, paid or became payable or due, and as regards the liabilities, the Issuer will on pay and satisfy or obtain the releases of such persons from such liabilities as per the amounts mutually agreed by the Issuer and the Debenture Trustee, and if any sum payable under these presents shall be paid by the Debenture Trustee, the Issuer shall forthwith, on demand, reimburse the same to the Debenture Trustee and until payment or reimbursement of any such sums, the same shall be a charge upon the assets of the Issuer.

(d) **Amendments to constitutional documents**

The Issuer shall not make any amendments or modifications to their scheme or KIIF Act or change their office or name, which is prejudicial to the interest of the Debenture Holders except with the prior written consent of the Debenture Trustee.

(e) **Compliances**

(i) The Issuer shall duly observe and perform all the terms, conditions, covenants, and stipulations in respect of the Debentures and ensure that it does not commit any breach of the terms of issue of Debentures or covenants of the Deed and take all steps as may be necessary to remedy any such breach.

(ii) The Issuer shall exercise due diligence and ensure compliance with the provisions of the Debenture Documents and Applicable Law.

(iii) The Issuer shall and shall ensure that it complies with all Applicable Laws including in relation to the Debentures (including without limitation, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015), Securities and Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021 and other circulars and guidelines issued by SEBI from time to time) (each as may be applicable)).

(iv) The Issuer shall, to the extent required under the Listing Agreement entered into between the Issuer and the Designated Stock Exchange, ensure submission to Designated Stock Exchange of all information required in respect thereof.

(v) The Issuer shall ensure that the Hypothecated Assets are free from any other Security Interest, except those which are specifically agreed to by the Debentures Holders.

(f) **Arm's length transactions**

The Issuer shall not enter into any arrangement, agreement or commitment with any Person or pay any fees, commissions or other sums on any account whatsoever to any Persons, which will in any manner impact the performance of the obligations undertaken by the Issuer in terms of the Debenture Documents, other than: (a) in the ordinary course at arm's length and on normal commercial terms; or (b) as required or permitted by the Debenture Documents; or (c) as permitted under Applicable Law.

(g) **Modification to Debentures' terms**

The Issuer shall not make modification to the structure of the Debentures in terms of Coupon, conversion, redemption, or otherwise without the prior approval of the relevant Designated Stock Exchange and the Debenture Trustee.

(h) **Board members**

The Issuer shall not induct a person into its board if to its knowledge such person is a director/member of an entity identified as wilful defaulter in the RBI/credit information companies' list.

(i) **Accounts**

(i) The Debenture Trustee shall be solely entitled to operate the KIIFB Bond Servicing Account VI, the Debt Service Reserve Account VI and the Upfront FD. The Issuer agrees and confirms to give such instructions to the Account Bank and to execute, sign and furnish all such deeds, documents, and writings (including power of attorney) as may be required by the Debenture Trustee for the aforesaid purposes.

(ii) The Issuer shall provide Collection Account Standing Instructions to the Collection Bank with whom the Collection Account is maintained, and the Collection Bank shall have agreed to act as per the Collection Account Standing Instructions within the timelines stipulated under the Debenture Documents. *Provided that* if there is any change in/replacement of the scheduled commercial bank appointed as a Collection Bank pursuant to the terms of the Debenture Documents, the Collection Account Standing Instructions, as set out in Annexure II of the Accounts Agreement, will be issued to the scheduled commercial bank appointed as the new Collection Bank. All the terms of the Debenture Documents *mutadis mutandis* apply to/in respect of such scheduled commercial bank appointed as the new Collection Bank from the date of the appointment.

(iii) The Issuer shall not close the Collection Account or deposit the Cashflows in any account other than the Collection Account maintained with the Collection Bank.

(j) **Information Covenants**

(i) The Issuer shall give to the Debenture Trustee or to such person(s), as specified by the Debenture Trustee, such information as they, or it, or any of them shall require as to all matters relating to the activities/business, property and affairs of the Issuer and furnish to the Debenture Trustee, 1 (one) copy of every report, balance sheet, profit and loss account, circulars or notices.

(ii) The Issuer shall supply, upon request by the Debenture Trustee, certified copies to the Debenture Trustee of all necessary Authorizations: (A) required to enable it to perform its obligations under the Debenture Documents; (B) to ensure the legality, validity, enforceability, and admissibility of the Debenture Documents in evidence in India; and (C) to enable it to carry on its business as it is being conducted from time to time.

(iii) The Issuer shall forthwith give notice in writing to the Debenture Trustee of all orders, directions and notices of a court or tribunal likely to affect the assets charged as Security in terms of any Debenture Documents.

(iv) The Issuer will not do or voluntarily suffer or permit to be done any act or thing whereby its right to transact its activities/business might or could be terminated or whereby payment of the Principal and/or Coupon on the Debentures might or would be hindered or delayed.

(v) The Issuer shall inform the Debenture Trustee of any amalgamation, merger or scheme of arrangement or reconstruction proposed by the Issuer.

(vi) The Issuer shall promptly inform the Debenture Trustee, if it has received notice of any application for winding up or insolvency resolution process having been made or any statutory notice of winding up or insolvency resolution process or other legal process intended to be filed or initiated against the Issuer or if a receiver is appointed in respect of any properties or activities/business or undertaking of the Issuer.

(vii) The Issuer shall promptly inform the Debenture Trustee of the happening of any event likely to have a substantial effect on the Issuer's activities with an explanation of the reasons thereof.

(viii) The Issuer shall submit to the Debenture Trustee, its duly audited annual accounts after the finalization of the same within 60 (sixty) days from the last day of the financial year along with the audit report.

(ix) The Issuer shall furnish quarterly reports to the Debenture Trustee (as may be required in accordance with SEBI Regulations and SEBI DT Regulations) containing the following particulars:

(A) Updated list of the names and addresses of the Debenture Holders;

(B) The number and nature of grievances received from the Debenture Holders, as and when the same becomes due (i) resolved by the Issuer; and (ii) unresolved by the Issuer and reasons for the same; and

(C) a statement that the assets of the Issuer are sufficient to discharge the claims of the Debenture Holders as and when they become due.

(x) The Issuer shall provide the Debenture Trustee promptly, any such information and relevant documents as may be required by it in terms of the SEBI DT Master Circular, to enable the Debenture Trustee to submit the reports/certifications stipulated in the SEBI DT Master Circular to the Designated Stock Exchange, within the timelines mentioned therein, more particularly:

| SI No. | Reports/Certificates | Timeline for submission of reports/ certifications by the Debenture Trustee to the Designated Stock Exchange |
|---|---|---|
| 1. | A statement of value for Debt Service Reserve Account VI or any other form of security offered | On a quarterly basis within 75 days from end of each quarter except last quarter when submission is to be made within 90 days. |
| 2. | Financials prepared on basis of audited financial statement etc. of the Guarantor | Annual basis within 75 days from end of each financial year. |
| 3. | Valuation report and title search report for the immovable/movable assets, as applicable. | Once in three years within 75 days from the end of the financial year. |

(xi) The Issuer shall promptly intimate the Debenture Trustee of any major change in the composition of its board of members.

(xii) The Issuer shall promptly, notify the Debenture Trustee of any Default (including any Material Adverse Effect) (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

(xiii) The Issuer shall promptly, notify the Debenture Trustee in the event there is a likelihood that the Cashflows are likely to depreciate.

(xiv) The Issuer shall and shall ensure that the Guarantor submits all information and documents to the Debenture Trustee as may be required under Applicable Law (including the SEBI Regulations and SEBI DT Regulations) within the timelines stipulated under such Applicable Law.

(xv) The Issuer shall have submitted by no later than 3 (three) days from the Deemed Date of Allotment or within such other timelines as prescribed under Applicable Law, a certificate signed by an authorized officer of the Issuer confirming credit of dematerialized Debentures into the depository accounts of the Debenture Holders within such timelines as may be prescribed under Applicable Law.

(xvi) Upon a request by the Debenture Trustee, the Issuer shall supply to the Debenture Trustee, a certificate signed by a member or the member secretary of the Issuer certifying that no Default is continuing (or if a Default is continuing specifying the Default and the steps if any being taken to remedy it).

(xvii) The Issuer intimate the Debenture Trustee of any downgrade or withdrawal or suspension of the outstanding credit rating of the Debentures by any Rating Agency, within 1 (one) calendar day of occurrence of such event.

(xviii) The Issuer shall submit such other information or documents as the Debenture Trustee may request from time to time, in a form and manner satisfactory to the Debenture Trustee.

(k) **Further Assurances**

The Issuer shall execute all such deeds, documents and assurances and shall do all such acts, deeds, matters and things as the Debenture Trustee may reasonably require for exercising the rights under the Debenture Documents and the Debentures or for effectuating and completing the Security hereby created, and shall from time to time and at all times after the Guarantee hereby constituted shall become enforceable, execute and do all such deeds, documents, assurances, acts and things as the Debenture Trustee may require for facilitating realisation and for exercising all the powers, authorities and discretion hereby conferred on the Debenture Trustee.

## ANNEXURE E

## CONDITIONS

## PART A - CONDITIONS PRECEDENT

(a) A certified true copy of the KIIF Act.

(b) A certified true copy of a resolution of the board of members or a committee constituted by the board of members (as the case may be) of the Issuer:

(i) approving the issue and allotment of the Debentures;

(ii) approving the terms of, and the transactions contemplated by the Debenture Documents to which it is a party and resolving that it execute the Debenture Documents to which it is a party;

(iii) authorising a specified person or persons to execute the Debenture Documents to which it is a party on its behalf.

(c) A certificate from the Issuer (signed by a member / authorised member of the Issuer) confirming that:

(i) issuing the Debentures and securing or otherwise collateralising, as appropriate, the Debenture Payments would not cause any borrowing, securing, collateralising or similar limit binding on it to be exceeded;

(ii) each copy document relating to it specified in this Annexure E *(Conditions)* is correct, complete and in full force and effect as at a date no earlier than the date of the Debenture Trust Deed;

(iii) no Event of Default is continuing or would result from the allotment of Debentures under the proposed issue;

(iv) the representations and warranties set out in the Debenture Trust Deed and in each other Debenture Document are true and correct in all material respects;

and including a specimen of the signature of each person authorised by the resolutions referred to in clause (b) above.

(d) The Issuer shall have paid all fees, costs, charges, and expenses (to the extent such costs, charges and expenses have been incurred in accordance with the relevant agreement) payable to or incurred by the Debenture Trustee and any solicitors, advocates, company secretaries or consultants used by any of them in connection with the Debentures, creation and registration of the security interest created pursuant to any Debenture Documents.

(e) Certified copies of the Government Order (in English) certified by the Issuer.

(f) A copy of the following Debenture Documents duly executed by all parties thereto and appropriately stamped, as applicable, in form and substance satisfactory to the Debenture Trustee:

(i) the Debenture Trust Deed;

(ii) the Deed of Hypothecation;

(iii) the Debenture Trustee Agreement;

(iv) the Debenture Trustee Consent Letter;

(v) the General Information Document;

(vi) the Key Information Document;

(vii) the Deed of Guarantee; and

(viii) the Accounts Agreement.

(g) A copy of the provisional rating letter from each of the Rating Agencies.

(h) All necessary "know your customer" or similar checks in respect of the Issuer under all Applicable Laws and regulations have been completed to the satisfaction of the Debenture Trustee.

(i) Execution of the tripartite agreement between the Issuer, Registrar and Transfer Agent, and the Depository.

(j) A copy of the in-principle approval letter from the Designated Stock Exchange for listing of the Debentures.

(k) The Issuer shall have entered into arrangement with the Depository for issuing and holding the Debentures in dematerialised form.

(l) Receipt of ISIN from the Depository for issuance of the Debentures in dematerialized form.

(m) The Original Financial Statements (prepared in accordance with the accounting principles approved by the Issuer and Applicable Law) of the Issuer.

(n) Evidence of the Accounts having been opened/ identified with the Account Bank.

(o) Copy of standing instruction given by the Issuer to Collection Bank and as acknowledged and confirmed by the Collection Bank, to debit Collection Account bearing account number 39351427592 and credit to KIIFB Bond Servicing Account VI bearing account number 43922198244 and IFSC Code SBIN0070028, in accordance with the terms of the Accounts Agreement.

(p) Provision of documentary evidence by way of a copy of the Debt Service Reserve Account VI statement and Upfront FD certified by the Account Bank, confirming that the requisite Debt Service Reserve Amount has been credited to the Debt Service Reserve Account VI and the Upfront FD has been created, at least 1 (one) day prior to the Deemed Date of Allotment.

(q) A copy of the due diligence certificate issued by the Debenture Trustee submitted to the Designated Stock Exchange in the prescribed format set out in the SEBI Regulations and SEBI DT Regulations (as amended from time to time).

(r) All approvals, including relevant statutory and regulatory approvals required under the KIIF Act.

(s) The Issuer shall provide a copy of the duly executed pre-authorisation letter from the Issuer to the Account Bank along with the duly accepted consent letter from the Account Bank to the Debenture Trustee in accordance with the operational guidelines as set out in the Accounts Agreement.

(t) Evidence of Issuer having opened the Issue Proceeds Account.

(u) Letter issued by the Issuer confirming the credit of requisite amounts towards the creation of the Recovery Expense Fund.

(v) The Issuer shall file the draft Key Information Document and all other disclosure documents with the Designated Stock Exchange, in a form agreed between the Parties, to the satisfaction of the Debenture Trustee.

**PART B - CONDITIONS SUBSEQUENT**

1. Within 3 (three) days from the Deemed Date of Allotment, the Issuer shall provide to the Debenture Trustee, evidence satisfactory to the Debenture Holders that the Debentures have been credited to the depository account of the Debenture Holder of the Debentures and certified copies of the index of beneficial owners maintained by the Depository in connection with the Debentures.

2. Within 30 (thirty) days from the Deemed Date of Allotment of the Debentures or from the date of execution of the Deed of Hypothecation (whichever is earlier), filing by the Debenture Trustee of the details of the Deed of Hypothecation with the CERSAI.

3. A copy of the resolution of the board of members of the Issuer (or a committee of such board) authorising the allotment of the Debentures to the Debenture Holders.

4. Within 3 (three) working days from the Issue Closing Date obtaining the final listing approval from the Designated Stock Exchange and listing the Debentures on the wholesale debt market segment of the Designated Stock Exchange.

5. Final rating letter from the Rating Agencies on the Deemed Date of Allotment.

6. Within 10 (ten) Business Days from the Deemed Date of Allotment of the Debentures, certificate (in the form as may be mutually agreed between the Parties) of an independent practicing chartered accountant in relation to the Issuer confirming that there are no proceedings pending before, or claims due to, any Tax authority in respect of the Issuer which has or may have an adverse impact on the assets owned by it (or creation of any charge thereon), the Security and/or render the transaction contemplated under the Debenture Trust Deed void pursuant to Section 281 of the Income Tax Act, 1961 and the rules framed thereunder.

**SCHEDULE I**

**CONSENT LETTER OF THE DEBENTURE TRUSTEE**

**(*Attached separately*)**

**CL/DEB/24-25/730/004** **Date: 17-Mar-2025**

**To,**
**Sooraj T V,**
**Kerala Infrastructure Investment Fund Board,**
**3, TC 26/56, Felicity Square, MG Road,**
**Statue, THIRUVANANTHAPURAM,**
**Thiruvananthapuram,**
**Kerala,**
**India 695001.**

**Dear Sir/ Madam,**

**Re: Consent to act as a Debenture Trustee for Private Placement of Fully Paid, Rated, Listed, Redeemable, Transferable, Unsecured, Non-Convertible Debentures of ₹ 499.94 Crores**

We refer to your letter dated 14.03.2025, requesting us to convey our consent to act as the Debenture Trustee for captioned issue of Debentures.

We hereby convey our acceptance to act as Debenture Trustees for the said issue Debentures, subject to execution of Debenture Trustee Agreement as per Regulation 13 of SEBI (Debenture Trustee) Regulations, 1993, thereby agreeing to execute Debenture Trust Deed and to create the security if applicable within the timeline as per relevant Laws / Regulations and in the Offer Document / Information Memorandum / Disclosure Document / Placement Memorandum and company agreeing / undertaking to comply with the provisions of SEBI ( Debenture Trustee ) Regulations, 1993, SEBI ( Issue and Listing of Non-Convertible Securities) Regulations 2021, SEBI (Listing Obligations & Disclosure Requirements) Regulation 2015, Companies Act, 2013 and Rules thereunder and other applicable laws as amended from time to time.

Fee Structure for the proposed transaction will be as per annexure A.

Assuring you of the best professional services.
Thanking you.

Yours faithfully,

Catalyst Trusteeship Limited

**Name: Priti Shetty**

**Designation: Assistant Vice President**

**Annexure A**

**Fee Structure for transaction CL/DEB/24-25/730/004**

| PARTICULARS | AMOUNT |
|---|---|
| Acceptance fees (one-time, non-refundable, payable on our appointment) | ₹ 00.00 |
| Annually Trusteeship Fees (Amount/Percentage) | ₹ 00.00 |

Annually Fees are payable in advance each year from the date of execution till termination of the transaction. Pro-rata charges would apply for the first year till FY end, as applicable the taxes on the above fee structure are payable at applicable rates from time to time.

All out-of-pocket expenses incurred towards legal fees, travelling, inspection charges, etc. shall be levied and re-imbursed on an actual basis.

Please return the second copy of this letter duly signed by the Authorized Officer from your company.

Yours Faithfully,

**For Catalyst Trusteeship Limited**

**Name: Priti Shetty**

**Designation: Assistant Vice President**

We accept the above terms.

**For Kerala Infrastructure Investment Fund Board**

**Name:**

**Designation:**

## SCHEDULE II

## CREDIT RATING LETTER(S) AND RATING RATIONALE FROM THE CREDIT RATING AGENCIES

**(*Attached separately*)**

To,
Ajosh Krishna Kumar
GM
Kerala Infrastructure Investment Fund Board
2nd floor, Felicity Square, Koder Ln, Palayam,
Thiruvananthapuram, Kerala 695001

March 19, 2025

***Dear Sir/Madam,***

***Re: Rating Letter for NCD of Kerala Infrastructure Investment Fund Board***

India Ratings and Research (Ind-Ra) has taken the following rating actions on Kerala Infrastructure Investment Fund Board's (KIIFB) non-convertible debentures (NCDs):

| Instrument Type | Size of Issue (million) | Rating assigned along with Outlook/Watch | Rating Action |
|---|---|---|---|
| Non-convertible debentures*,$,# | INR10,000.20 | IND AA(CE)/Stable | Assigned |
| Proposed non-convertible debentures $,^ | INR4,999.49 (reduced from INR14,999.69) | Provisional IND AA(CE)/Stable | Affirmed |
| Non-convertible debentures*,$ | INR41,499.50 | IND AA(CE)/Stable | Affirmed |

$Credit ratings with (CE) suffix indicates that the instruments are supported by an external explicit credit enhancement (CE).

#The assignment of the final rating follows the receipt of key executed transaction documents conforming to the information already received by Ind-Ra and the creation of a debt service reserve account (DSRA) and fixed deposit (FD) on 15 February 2025. The final rating is, therefore, the same as the provisional rating assigned on 21 August 2024. The key documents received are information memorandum, debenture trustee deed, deed of guarantee, deed of hypothecation, and accounts agreement. A detailed break-up of the NCDs is mentioned in the annexure.

^The rating on the proposed NCDs is provisional and contingent upon the execution of certain documents and/ occurrence of certain steps.

*Details in Annexure

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The manner of India Ratings factual investigation and the scope of the third-party verification it obtains will vary depending on the nature of the rated security and its issuer, the requirements and practices in India where the rated security is offered and sold, the availability and nature of relevant public information, access to the management of the issuer and its advisers, the availability of pre-existing third-party verifications such as audit reports, agreed-upon procedures letters, appraisals, actuarial reports, engineering reports,

legal opinions and other reports provided by third parties, the availability of independent and competent third-party verification sources with respect to the particular security or in the particular jurisdiction of the issuer, and a variety of other factors.

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It will be important that you promptly provide us with all information that may be material to the ratings so that our ratings continue to be appropriate. Ratings may be raised, lowered, withdrawn, or placed on Rating Watch due to changes in, additions to, accuracy of or the inadequacy of information or for any other reason India Ratings deems sufficient.

Nothing in this letter is intended to or should be construed as creating a fiduciary relationship between India Ratings and you or between India Ratings and any user of the ratings.

In this letter, “India Ratings” means India Ratings & Research Pvt. Ltd. and any successor in interest.

We are pleased to have had the opportunity to be of service to you. If we can be of further assistance, please email us at infogrp@indiaratings.co.in

Sincerely,

India Ratings

**Dr Devendra Pant**
**Senior Director**

## Annexure: Facilities Breakup

### Annexure: ISIN

| Instrument | ISIN | Date of Issuance | Coupon Rate | Maturity Date | Ratings | Outstanding/Rated Amount(INR million) |
|---|---|---|---|---|---|---|
| Non-convertible debentures * | INE658F08037 | 03/07/2023 | 8.49 | 02/07/2027 | IND AA(CE)/Stable | 428.6 |
| Non-convertible debentures * | INE658F08011 | 03/07/2023 | 8.49 | 03/07/2028 | IND AA(CE)/Stable | 428.6 |
| Non-convertible debentures * | INE658F08045 | 03/07/2023 | 8.49 | 03/07/2029 | IND AA(CE)/Stable | 428.6 |
| Non-convertible debentures * | INE658F08029 | 03/07/2023 | 8.49 | 03/07/2030 | IND AA(CE)/Stable | 428.6 |
| Non-convertible debentures * | INE658F08052 | 03/07/2023 | 8.49 | 03/07/2031 | IND AA(CE)/Stable | 428.6 |
| Non-convertible debentures * | INE658F08078 | 03/07/2023 | 8.49 | 02/07/2032 | IND AA(CE)/Stable | 428.6 |
| Non-convertible debentures * | INE658F08060 | 03/07/2023 | 8.49 | 04/07/2033 | IND AA(CE)/Stable | 428.6 |
| Non-convertible debentures | INE658F08086 | 22/12/2023 | 8.95 | 22/12/2027 | IND AA(CE)/Stable | 2142.8 |
| Non-convertible debentures | INE658F08128 | 22/12/2023 | 8.95 | 22/12/2028 | IND AA(CE)/Stable | 2142.8 |
| Non-convertible debentures | INE658F08110 | 22/12/2023 | 8.95 | 21/12/2029 | IND AA(CE)/Stable | 2142.8 |
| Non-convertible debentures | INE658F08102 | 22/12/2023 | 8.95 | 20/12/2030 | IND AA(CE)/Stable | 2142.8 |
| Non-convertible debentures | INE658F08094 | 22/12/2023 | 8.95 | 22/12/2031 | IND AA(CE)/Stable | 2142.8 |
| Non-convertible debentures | INE658F08144 | 22/12/2023 | 8.95 | 22/12/2032 | IND AA(CE)/Stable | 2142.8 |
| Non-convertible debentures | INE658F08136 | 22/12/2023 | 8.95 | 22/12/2033 | IND AA(CE)/Stable | 2142.8 |
| Non-convertible debentures$ | INE658F08151 | 26/03/2024 | 9.10 | 26/03/2028 | IND AA(CE)/Stable | 1214.2 |
| Non-convertible debentures$ | INE658F08177 | 26/03/2024 | 9.10 | 26/03/2029 | IND AA(CE)/Stable | 1214.2 |
| Non-convertible debentures$ | INE658F08201 | 26/03/2024 | 9.10 | 26/03/2030 | IND AA(CE)/Stable | 1214.2 |
| Non-convertible debentures$ | INE658F08193 | 26/03/2024 | 9.10 | 26/03/2031 | IND AA(CE)/Stable | 1214.2 |
| Non-convertible debentures$ | INE658F08185 | 26/03/2024 | 9.10 | 26/03/2032 | IND AA(CE)/Stable | 1214.2 |
| Non-convertible debentures$ | INE658F08169 | 26/03/2024 | 9.10 | 26/03/2033 | IND AA(CE)/Stable | 1214.2 |
| Non-convertible debentures$ | INE658F08219 | 26/03/2024 | 9.10 | 26/03/2034 | IND AA(CE)/Stable | 1214.2 |
| Non-convertible debentures# | INE658F08227 | 08/10/2024 | 9.49 | 08/10/2028 | IND AA(CE)/Stable | 1428.6 |
| Non-convertible debentures# | INE658F08235 | 08/10/2024 | 9.49 | 08/10/2029 | IND AA(CE)/Stable | 1428.6 |
| Non-convertible debentures# | INE658F08284 | 08/10/2024 | 9.49 | 08/10/2030 | IND AA(CE)/Stable | 1428.6 |
| Non-convertible debentures# | INE658F08276 | 08/10/2024 | 9.49 | 08/10/2031 | IND AA(CE)/Stable | 1428.6 |
| Non-convertible debentures# | INE658F08268 | 08/10/2024 | 9.49 | 08/10/2032 | IND AA(CE)/Stable | 1428.6 |
| Non-convertible debentures# | INE658F08250 | 08/10/2024 | 9.49 | 08/10/2033 | IND AA(CE)/Stable | 1428.6 |
| Non-convertible debentures# | INE658F08243 | 08/10/2024 | 9.49 | 08/10/2034 | IND AA(CE)/Stable | 1428.6 |
| Non-convertible debentures@ | INE658F08292 | 30/12/2024 | 9.42 | 30/12/2028 | IND AA(CE)/Stable | 2142.9 |
| Non-convertible debentures@ | INE658F08359 | 30/12/2024 | 9.42 | 30/12/2029 | IND AA(CE)/Stable | 2142.9 |
| Non-convertible debentures@ | INE658F08300 | 30/12/2024 | 9.42 | 30/12/2030 | IND AA(CE)/Stable | 2142.9 |
| Non-convertible debentures@ | INE658F08342 | 30/12/2024 | 9.42 | 30/12/2031 | IND AA(CE)/Stable | 2142.9 |
| Non-convertible debentures@ | INE658F08334 | 30/12/2024 | 9.42 | 30/12/2032 | IND AA(CE)/Stable | 2142.9 |

| | | | | | | |
|---|---|---|---|---|---|---|
| Non-convertible debentures@ | INE658F08326 | 30/12/2024 | 9.42 | 30/12/2033 | IND AA(CE)/Stable | 2142.9 |
| Non-convertible debentures@ | INE658F08318 | 30/12/2024 | 9.42 | 30/12/2034 | IND AA(CE)/Stable | 2142.9 |

*NCDs are green bonds. As per NSDL records, the issue size of each green bond is INR1,428.5 million, which is on the basis of issue size of INR10,000.0 million. However, KIIFB has raised INR3,000.2 million (seven strips of INR428.6 million). KIIFB has taken up this matter with NSDL.

$NCDs amounting to INR2,382.8 million broken into seven sub-series of INR340.40 million were allotted on 23 April 2024 with temporary ISIN and merged with existing ISIN having issuance date of 26 March 2024.

# NCDs amounting to INR1,498.70 million broken into seven sub-series of INR214.10 million were allotted on 30 October 2024 with temporary ISIN and merged with existing ISIN having issuance date of 08 October 2024.

@NCDs amounting to INR10,000.20 million broken into seven sub-series of INR1,428.60 million were allotted on 17 February 2025 with temporary ISIN and merged with existing ISIN having issuance date of 30 December 2024.

Source: KIIFB, NSDL

# India Ratings Assigns Kerala Infrastructure Investment Fund Board's NCDs Final 'IND AA(CE)'/Stable; Affirms Existing Ratings

Mar 19, 2025 | Development Authority

India Ratings and Research (Ind-Ra) has taken the following rating actions on Kerala Infrastructure Investment Fund Board's (KIIFB) non-convertible debentures (NCDs):

## Details of Instruments

| Instrument Type | Date of issuance | Coupon Rate (%) | Maturity Date | Size of Issue (million) | Rating assigned along with Outlook/Watch | Rating Action |
|---|---|---|---|---|---|---|
| Non-convertible debentures*,$,# | - | - | - | INR10,000.20 | IND AA(CE)/Stable | Assigned |
| Proposed non-convertible debentures $,^ | - | - | - | INR4,999.49 (reduced from INR14,999.69) | Provisional IND AA(CE)/Stable | Affirmed |
| Non-convertible debentures*,$ | - | - | - | INR41,499.50 | IND AA(CE)/Stable | Affirmed |

$Credit ratings with (CE) suffix indicates that the instruments are supported by an external explicit credit enhancement (CE). Please refer to section DISCLOSURES FOR CE RATING for additional details as per The Securities and Exchange Board of India's (SEBI) master circular dated 6 July 2023.
#The assignment of the final rating follows the receipt of key executed transaction documents conforming to the information already received by Ind-Ra and the creation of a debt service reserve account (DSRA) and fixed deposit (FD) on 15 February 2025. The final rating is, therefore, the same as the provisional rating assigned on 21 August 2024. The key documents received are information memorandum, debenture trustee deed, deed of guarantee, deed of hypothecation, and accounts agreement. A detailed break-up of the NCDs is mentioned in the annexure.
^The rating on the proposed NCDs is provisional and contingent upon the execution of certain documents and/ occurrence of certain steps. Please refer to section DISCLOSURES FOR PROVISIONAL RATING for additional details as per SEBI master circular.
*Details in Annexure I

## Analytical Approach

Ind-Ra continues to take a standalone view of KIIFB to arrive at the ratings. Ind-Ra classifies KIIFB as a dependent entity of the government of Kerala (GoKe) under its rating of Public Sector Entities criteria. The NCD rating draws comfort from the credit profile of the GoKe, which has extended an unconditional and irrevocable guarantee for the debt issuance. The bond rating is notched up based on the nature of pledged revenue, the strength of the structured payment mechanism, the availability of liquidity buffers and a likely adequate debt service coverage ratio (DSCR).

## Detailed Rationale of the Rating Action

The rating is based on the continued strong legal and financial linkages between KIIFB and the GoKe, and Ind-Ra has notched them up based on the structured payment mechanism, which is working as it was hypothesised. Collections from the unrestricted pledged receivables, in the form of motor vehicle tax (MVT) and cess on petroleum receipts, allocated to KIIFB by the GoKe, are in line with Ind-Ra's expectations. Resultantly, neither DSRA has been used, nor the GoKe guarantee and DSRA guarantee have been invoked.

The notching is based on the legal and financial strengths of the transaction structure, which will be monitored and controlled by the debenture trustee (DT). The payment mechanism is backed by a bond servicing account (BSA), a pre-funded (initial DSRA and FD are to be created one day before the pay-in date) one-quarter DSRA and an FD sufficient to meet one-quarter of interest and principal obligations throughout the bond tenor. DSRA and FDs are liened in favour of the trustee and can be used only for debt servicing.

Ind-Ra has rated the new and proposed NCDs at the same level as the NCDs issued in FY24 worth INR26,499.2 million (existing bonds) on the basis that a similar structured payment mechanism will be followed for them except for the corpus fund. However, unlike in the earlier structure where a recourse to the corpus fund was made in instances such as DSRA impairment/cross default, the current structure takes a recourse to the GoKe to replenish the shortfall in DSRA as well as infusing funds to meet any shortfall in redeeming NCDs to the bondholders in case of a cross default. In the new structure, the GoKe takes the responsibility of replenishing the upfront FD and infusing funds to KIIFB for redeeming bondholders in case of a cross default, along with the responsibilities as per the earlier transaction structure. For all bonds, Ind-Ra takes comfort from the unconditional, irrevocable and continuing pre-default guarantee agreement executed between the GoKe and KIIFB, which will remain in force and effect until the NCDs are fully redeemed as per the deed of guarantee. Basis the pre-default guarantee and enforceability of the guarantee, Ind-Ra has assigned a CE suffix to the NCD rating, and the base rating of the transaction is linked to the credit profile of the GoKe.

## List of Key Rating Drivers

**Strengths**

- Adequacy of pledged revenue
- DSRA and corpus fund
- Structured payment mechanism
- Transaction structural features
- Shortfall guarantee from GoKe
- GoKe's ownership and control of KIIFB

**Weaknesses**

- Potential revenue risk during an adverse economic situation
- Kerala's moderate economic performance
- State's high deficit and debt ratios

## Detailed Description of Key Rating Drivers

**Adequacy of Pledged Revenue:** Ind-Ra expects the pledged revenue to comfortably meet the debt service obligations of the bonds throughout the tenor. Under the transaction structure, the MVT and petroleum cess received in KIIFB's collection account daily during April to December every year, will be deposited in KIIFB's BSA. The interest servicing and repayment of the bonds will be made from the build-up of such allocated cash flows, through regular transfers, in the bond servicing escrow account. Ind-Ra expects the revenue pledged to adequately provide a minimum cover of 1.2x of its debt service payments under the rating case scenario without using liquidity buffers in the medium term. NCDs are issued at a fixed rate of interest that mitigates the interest rate risk.

The transfer to BSA will be done in a manner such that the amount required for servicing NCDs gets fully built-up at least seven days prior to the quarterly servicing date. The MVT and cess allocation by the GoKe increased at a CAGR of 11% during FY20-FY24. The GoKe is required to ensure that the funds allocated to KIIFB grow at least 10% yoy. For any shortfall in cash flow during a financial year, the structure draws support from the statutory obligation of the government to cover the shortfall under the KIIF Act 2016.

**DSRA and Corpus Fund:** A one-quarter DSRA and an FD sufficient to meet one-quarter interest and principal obligations throughout the bond tenor has been created and will be created one day before the pay-in date for all the existing and new and proposed bonds, respectively. Also, the terms of the new and proposed bonds are similar, basis the draft term sheet and draft NCD documents, except for the availability of the corpus fund. The corpus fund was enhanced to INR33,270.19 million as of February 2024 from INR28,204.90 million to adhere to the condition that the bond issuance is kept at maximum of 80% of the corpus fund for existing issuances.

**Structured Payment Mechanism:** Ind-Ra expects the structured payment mechanism overseen by the trustees to protect the interest of bondholders.

Under the structured payment mechanism, from the first day of each quarterly servicing cycle, an amount equivalent to 2% of the aggregate quarterly servicing requirement of the outstanding bonds will be transferred to KIIFB's BSA, by way of an irrevocable standing instruction to the collection bank, until the required debt servicing amount is fully built up (pay-out date (T)) T-7 days before the due date of the payment. This transfer will continue each working day from April to December. For the period of 1 January to 31 March, KIIFB shall transfer an upfront amount on 1 January each year to KIIFB's BSA. The upfront amount will be equivalent to the amount required towards the aggregate daily transfer amounts for the said period.

DT would monitor the adequacy of the availability of funds in BSA, and in case of any inadequacy, would fund the same through liquidation of FD to the extent of such shortfall (T-7 days). In case of a shortfall in the BSA by T-5 day, DT would advise KIIFB to immediately bridge the shortfall, under intimation to the state government. If the shortfall persists on T-3 day, DT will transfer the requisite funds from DSRA to bridge the gap.

In case the funds available in DSRA are lower than the servicing requirement for the immediate next servicing date (T + 91), DT would serve a notice to KIIFB on T+ 1 day to fully replenish the DSRA impairment through the transfer of requisite amount from the corpus fund within T + 6 days for the existing bonds.

The structured payment mechanism is provided in detail for the issued and proposed NCDs in the Any Other Information section.

**Transaction Structural Features**: NCDs are secured by an exclusive charge on KIIFB's BSA, DSRA and FD in favour of DT. The GoKe has agreed to unconditionally and irrevocably guarantee the bonds raised by KIIFB; the guarantee is continuing in nature and through the tenor of the bonds for the principal and interest as per deed of guarantee for the existing bonds and for the new bonds. The corpus fund is unavailable for the proposed bonds and in the new structure, the GoKe takes the responsibility of replenishing the upfront FD/DSRA and infusing funds to KIIFB for redeeming the bondholders in case of a cross default in addition to the responsibilities as per the earlier transaction structure.

Separately, for the existing bonds, KIIFB has extended an unconditional and irrevocable undertaking that in the event the DSRA is utilised for meeting any debt servicing requirement for NCDs, it would arrange to release the requisite amount from the corpus fund to replenish DSRA. As per the undertaking, KIIFB would not impair this corpus fund in any way during the tenor of the NCDs and an amount of INR33,270.19 million (FYE24) would always be maintained as the corpus to fully reinstate DSRA. There would be no charge or lien on the corpus fund in favour of DT. However, DT would monitor the corpus fund. The corpus fund was enhanced in FY24 for a further fund raise through the NCDs route.

For the existing bonds, in case of a cross default/acceleration under agreements (subject to relevant cure periods) for any financial indebtedness of KIIFB or its subsidiaries, KIIFB would repay bondholders the entire amount of the outstanding bonds from the corpus fund within seven days from the date of occurrence of such cross-default/acceleration, failing which it shall constitute an event of default for the existing bonds. For the new and proposed bonds, the bondholders are provided a put option in case of cross default.

**Shortfall Guarantee from GoKe:** For the new and proposed bonds, the GoKe has extended a guarantee to fund DSRA and FD shortfall within the specified timeline. Unlike in the earlier structure where a recourse to the corpus fund was made in instances such as a DSRA impairment/cross default, the current structure takes a recourse to the GoKe to replenish the shortfall in DSRA, FD as well as infusing funds to meet any shortfall in redeeming NCDs to the bond holders in case of cross default.

The deed of guarantee specifically provides obligation on the part of the GoKe to fund the shortfall in DSRA and FD when called upon by DT, as per the stipulated timeline, in case of both new and proposed bonds.

The GoKe has extended a guarantee to fund only DSRA shortfall within the specified timeline for the existing bonds. In the event of the DSRA not getting fully reinstated by T+6 days, DT would notify the state government about its intention for an invocation of the guarantee if the shortfall were not fully bridged by T+27 days. The deed of guarantee specifically provides obligation on the part of the GoKe to fund the shortfall in DSRA when called upon by DT, as per the above

stipulated timeline. If the guaranteed obligations are not met by the GoKe within 30 days of the guaranteed invocation, it would be construed as an event of default, as per the terms of the transaction. Ind-Ra, in its analysis, has stressed the GoKe's credit profile by considering a sizeable portion of the guarantee to devolve. As per Ind-Ra's analysis, the guarantor, even in the stress scenario, is likely to meet all the guaranteed debt obligations.

**GoKe's Ownership and Control of KIIFB**: Ind-Ra has classified KIIFB as a dependent public sector entity under its Rating of Public Sector Entities criteria. The GoKe exercises significant control over KIIFB's policy objective and governs the composition and functioning of the board. Moreover, KIIFB is fully owned by the GoKe. The government has enacted the necessary legislation to enable the board to mobilise funds for the infrastructure development of Kerala. The GoKe also exercises significant control over the working of KIIFB through its board, which comprises senior state government officials along with independent members. As per Section 7 of Kerala Infrastructure Investment Fund (Amendment) Act, 2016 on budgetary allocation for repayment, the GoKe from time to time will provide in its annual budget the expenses incurred for the payment of annuity and other obligations of KIIFB in the form of MVT and petroleum cess. The GoKe may further make grants, loans and advances available to the fund as it may deem fit.

**Potential Revenue Risk during Adverse Economic Situation**: Ind-Ra does not rule out the possibility of a reduction of MVT due to an adverse economic situation, which may pan out during the bond tenor, and a reduction in petroleum cess due to a shift to electrical vehicles. However, the liquidity buffers by way of FD and DSRA and an unconditional, irrevocable and continuing guarantee by the GoKe towards DSRA replenishment for both the bonds and FD replenishment for new and proposed bonds under the transaction structure mitigate the risk from inadequate cash flows for debt payments. Ind-Ra believes the GoKe would ensure the budgetary allocation to KIIFB by way of MVT and cess is adequate to meet its debt servicing obligations and fund infrastructure development activity.

**Kerala's Moderate Economic Performance:** The share of agriculture and industry in the state economy is lower while that of services is higher than their respective shares in the national economy. The share of industry in Kerala was lower at 27.4% than 30.9% at the national level in FY24. The share of services was higher at 64.2% than the sector's share in the national economy of 54.6% in FY24. With a CAGR of 4.4%, Kerala's economy grew slower than the nation's gross value-added (GVA) growth rate of 5.8% during FY12-FY24. The state's contribution to the national economy was 3.8% in FY24 (FY12: 4.1%).

**State's High Deficit and Debt Ratios:** Kerala's revenue deficit as per the revised estimate (RE) of FY25 has been kept at 2.3%, higher than FY25 budget estimate (BE) of 2.1% of GSDP due to shortfalls in revenue receipts and lower-than-projected nominal GSDP growth. On the expenditure side, both revenue and capital expenditure were reduced by INR43.8 billion and INR11.8 billion, respectively, in FY25RE versus budgeted estimates. The expenditure cuts would contain the fiscal deficit at 3.5% of GSDP in FY25RE (FY25BE: 3.4%). For FY26, the state government has budgeted the revenue deficit at 1.9% and the fiscal deficit at 3.2% of GSDP.

The debt of the state has been budgeted at 33.8% of GSDP for FY26. This is marginally lower than the debt/GSDP of 34.2% in FY25RE and FY24 (actual). However, notwithstanding the moderation, the budgeted debt ratio for FY26 would be higher than the indicative debt estimate of 32.0% of GSDP for the state government by the 15th Finance Commission (15FC).

## Liquidity

**Adequate**: Liquidity is supported by daily transfers of MVT and petroleum cess, which are escrowed for debt servicing. KIIFB had surplus liquidity of INR33,270 million by way of the corpus fund at FYE24 (audited). It has already received INR31,300 million during FY25 as the share of MVT and petroleum cess from the GoKe. It also received INR5,651.80 million as lump-sum allocation during 4QFY25 from the GoKe as additional contribution to the initial corpus fund. Also, KIIFB has received confirmation as per the GoKe budget with regards to allocation of MVT and cess in the form of INR36,250 million for FY26. Any shortfall in the said funds would be supported by the state government in the form of additional support as required

The total liquidity available with KIIFB, including cash and bank balances, DSRA deposits for existing debt, corpus fund and investments, was INR71,903.14 million at FYE24. The NCDs benefit from the liquidity buffers by way of a one-quarter pre-funded DSRA and an FD to the extent of interest obligations of one succeeding quarter and a principal redemption amount of one quarter upfront that would be maintained throughout the tenure of NCDs.

The company is required to maintain a DSRA equivalent of one-quarter interest and principal obligations throughout the tenor of NCDs. In accordance with the terms of the structure, a one-quarter DSRA and a one-quarter interest and principal obligations in the form of FDs worth INR3,046.62 million have been created cumulatively (for the existing and new bonds).

The corpus fund can be utilised for replenishing DSRA, put option on a critical rating downgrade notice, cross default mandatory redemption and early redemption only in case of the existing bonds (in the event KIIFB is required to replenish any shortfall in the DSRA for the third consecutive quarter). Ind-Ra expects the cash DSCR for FY25 to be comfortably above 1.3x of the debt service payments, based on the rating case scenario (FY24: 2.31x; FY23: 3.13x; including liquidity buffers such as cash and bank balances and investments). The total debt servicing obligation for FY25 and FY26 as per agency's projections are INR44,375.34 million and INR52,599.28 million, respectively, which can be comfortably covered by the existing cash reserves and the budgetary allocation to be received of MVT and petroleum cess from the GoKe.

## Rating Sensitivities

**Positive**: Any improvement in the credit profile of the GoKe will be positive for the ratings.

**Negative**: The following developments could, individually or collectively, lead to a negative rating action:
- deterioration in the credit profile of the GoKe;
- the DSCR falling below 1.2x for two consecutive years during the bond tenor;
- continuous dipping into liquidity buffers for two consecutive quarters;
- the invocation of the GoKe's guarantee; and
- a failure or breach to comply with Securities and Exchange Board of India's listing requirements with regard to timely disclosure on a sustained basis.



## Disclosures for CE Rating

**1) UNSUPPORTED RATING**

Ind-Ra has affirmed the unsupported rating at 'IND A-'/Stable.

**ANALYTICAL APPROACH**

The rating is supported by the credit profile of the GoKe, the nature of the pledged revenue, the strength of the structured payment mechanism and a likely adequate DSCR.

**DETAILED RATIONALE OF THE RATING ACTION**

Ind-Ra has classified KIIFB as a dependent public sector entity under its Rating of Public Sector Entities criteria. The unsupported rating considers the legal status of the entity, the significant control exercised by the GoKe over its policy objective, and the composition and functioning of the board.

**LIST OF KEY RATING DRIVERS**

**Strengths**
- GoKe's ownership and control of KIIFB

**Weaknesses**
- Potential revenue risk during adverse economic situation
- Kerala's moderate economic performance
- State's high deficit and debt ratios

**DETAILED DESCRIPTION OF KEY RATING DRIVERS**

**GoKe's Ownership and Control of KIIFB**: Ind-Ra has classified KIIFB as a dependent public sector entity under its Rating of Public Sector Entities criteria. The GoKe exercises significant control over KIIFB's policy objective and governs the composition and functioning of the board. Moreover, KIIFB is fully owned by the GoKe. The government has enacted the necessary legislation to enable the board to mobilise funds for the infrastructure development of Kerala. The GoKe also exercises significant control over the working of KIIFB through its board, which comprises senior state government officials along with independent members. As per Section 7 of Kerala Infrastructure Investment Fund (Amendment) Act, 2016 on budgetary allocation for repayment, the GoKe from time to time will provide in its annual budget the expenses incurred for the payment of annuity and other obligations of KIIFB in the form of MVT and petroleum cess. The GoKe may further make grants, loans and advances available to the fund as it may deem fit.

**Potential Revenue Risk during Adverse Economic Situation:** Ind-Ra does not rule out the possibility of a reduction of MVT due to an adverse economic situation, which may pan out during the bond tenor, and a reduction in petroleum cess due to a shift to electrical vehicles. However, the liquidity buffers by way of FD and DSRA and an unconditional, irrevocable and continuing guarantee by the GoKe towards DSRA replenishment under the transaction structure mitigate the risk from inadequate cash flows for debt payments. Ind-Ra believes the GoKe would ensure the budgetary allocation to KIIFB by way of MVT and cess is adequate to meet its debt servicing obligations and fund infrastructure development activity.

**Kerala's Moderate Economic Performance:** The share of agriculture and industry in the state economy is lower while that of services is higher than their respective shares in the national economy. The share of industry in Kerala was lower at 27.4% than 30.9% at the national level in FY24. The share of services was higher at 64.2% than the sector's share in the national economy of 54.6% in FY24. With a CAGR of 4.4%, Kerala's economy grew slower than the nation's GVA growth rate of 5.8% during FY12-FY24. The state's contribution to the national economy was 3.8% in FY24 (FY12: 4.1%).

**State's High Deficit and Debt Ratios:** Kerala's revenue deficit as per the revised estimate (RE) of FY25 has been kept at 2.3%, higher than FY25 budget estimate (BE) of 2.1% of GSDP due to shortfalls in revenue receipts and lower-than-projected nominal GSDP growth. On the expenditure side, both the revenue and capital expenditure were reduced by INR43.8 billion and INR11.8 billion, respectively, in FY25RE versus budgeted estimates. The expenditure cuts would contain the fiscal deficit at 3.5% of GSDP in FY25RE (FY25BE: 3.4%). For FY26, the state government has budgeted the revenue deficit at 1.9% and the fiscal deficit at 3.2% of GSDP.

The debt of the state has been budgeted at 33.8% of GSDP for FY26. This is marginally lower than the debt/GSDP of 34.2% in FY25RE and FY24 (actual). However, notwithstanding the moderation the budgeted debt ratio for FY26 would be higher than the indicative debt estimate of 32.0% of GSDP for the state government by the 15FC.

**Liquidity- Adequate:** The liquidity profile for the unsupported rating is the same as that for the NCDs.

**RATING SENSITIVITIES**

**Positive**: Any improvement in the credit profile of the GoKe will be positive for the ratings.

**Negative**: A negative rating action could result, individually or collectively, from the following
- a weakening of the linkages with the GoKe
- deterioration in the GoKe's credit profile

**2) INSTRUMENT COVENANTS**

The issuer shall ensure that, in respect of any relevant period, the liability service coverage ratio for such relevant period shall not be less than 1.1x. The liability service coverage ratio means the ratio of FC cash flow to liability service;

FC cash flow means, with respect to any relevant period, the aggregate of: (a) a share of MVT and cess levied on petroleum products received by the issuer pursuant to KIIF Act; (b) any other amount appropriated by the GoKe for the issuer's sole usage; (c) any other payments to the issuer other than proceeds from any financial indebtedness; and (d) the total amount of cash and cash equivalent investments controlled by the issuer at the beginning of the relevant period, excluding any DSRA and sinking fund or any other debt servicing account of similar intent; and

Liability service means, with respect to the relevant period, the aggregate of: (a) all scheduled payments (including balloon payments) on account of principal and interest and other charges on all financial indebtedness, as applicable and (b) any payment made or required to be made to any debt service account under the terms of any agreement providing for any financial indebtedness.

**3) ADEQUACY OF CE STRUCTURE**

**a. Shortfall Guarantee from GoKe:** For the new and proposed bonds, the GoKe takes the responsibility of replenishing the upfront FD and infusing funds to KIIFB for redeeming bondholders in case of cross default in addition to the responsibilities as per the earlier transaction structure. The GoKe has extended a guarantee to fund DSRA and FD shortfall within the specified timeline. Unlike in the earlier structure where a recourse to the corpus fund was made in instances such as a DSRA impairment/ in case of cross default, the current structure takes a recourse to the GoKe to replenish the shortfall in DSRA, FD as well as infusing funds to meet any shortfall in redeeming NCDs to the bond holders in case of cross default. The deed of guarantee specifically provides obligation on the part of the GoKe to fund the shortfall in DSRA and FD when called upon by DT, as per the stipulated timeline.

The GoKe has extended a guarantee to fund only DSRA shortfall within the specified timeline for the existing bonds. In the event of DSRA not getting fully reinstated by T+6 days, DT would notify the state government about its intention for an invocation of the guarantee if the shortfall were not fully bridged by T+27 days. The deed of guarantee specifically provides obligation on the part of the GoKe to fund the shortfall in DSRA when called upon by DT, as per the above stipulated timeline. If the guarantee obligations are not met by the GoKe within 30 days of guarantee invocation, it would be construed as an event of default, as per terms of the transaction. Ind-Ra, in its analysis, has stressed the GoKe’s credit profile by considering a sizeable portion of the guarantee to devolve. As per Ind-Ra's analysis, the guarantor, even in the stress scenario, is likely to meet all the guaranteed debt obligations.

**b. State Government Guarantee**: The guarantee is unconditional and irrevocable and is a continuing obligation. The guarantee will remain in force and effect until the NCDs are fully redeemed.

Ind-Ra, in its analysis, has stressed the GoKe’s credit profile by considering a sizeable portion of the guarantee to devolve. As per Ind-Ra's analysis, the guarantor, even in the stress scenario, is likely to meet all the guaranteed debt obligations.

## Disclosures for Provisional Rating

**1) RATING THAT WOULD HAVE BEEN ASSIGNED IN ABSENCE OF THE PENDING STEPS/ DOCUMENTATION**

Ind-Ra would have assigned 'IND A-'/Stable in absence of the pending steps/documentation.

**2) PENDING STEPS/ DOCUMENTATION CONSIDERED WHILE AFFIRMING PROVISIONAL RATING AND RISKS ASSOCIATED WITH THE PROVISIONAL NATURE OF THE CREDIT RATING:**

| S.no. | Pending Critical Documentation while Affirming Provisional Rating*$ | Risks Associated with Provisional Nature of Credit Rating in the Absence of Completed Documentation or Change in Documentation |
|---|---|---|
| 1 | Final term sheet | In the absence of executed documents or the final executed documents deviate from the draft documents submitted at the time of provisional rating, the transaction structure would be weak. |
| 2 | Creation of DSRA and fixed deposit | Non-creation of DSRA and fixed deposit would increase the vulnerability to cashflow mismatches and the risk of timely debt servicing. |

*Additionally, any other relevant documents executed for the transaction should be provided to the agency.

$Documents with respect to debenture trust deed, deed of guarantee, accounts agreement and deed of hypothecation were executed and received at the time of last issuance. executed documents are to the tune of INR19,999.7 million, of which newly issued bonds under reissuance mode were to the tune of INR10,000.20 million (total NCDs issued out of INR19,999.7 million cumulatively amount to INR15,000.30 million).

**3) VALIDITY PERIOD**

The final rating, upon the receipt of executed documents consistent with the draft documents, shall be assigned within 90 days from the date of issuance of the instrument. The provisional rating may be extended by another 90 days, subject to Ind-Ra’s policy, if the execution of the documents is pending.

## Any Other Information

**For New & Proposed Bonds**

| Interest/Principal payment mechanism | |
|---|---|
| T - Interest/Principal payment date | |
| Day | |
| T-7 | DT shall independently monitor the amounts required for servicing of the bonds (principal and/or interest as the case may be) in KIIFB BSA III seven days prior to the relevant servicing date (T-7). |
| T-7 | DT should independently monitor the adequacy of availability of such fund in KIIFB BSA III 7 days prior to the relevant servicing date (T-7), and in case of any inadequacy, fund the same through liquidation of FD to the extent of such shortfall. |
| T-5 | However, if due to any reason, it is not possible to fully fund KIIFB BSA III by T-5th day, DT should advise the Issuer to immediately bridge the shortfall, under intimation to the GoKe. |

| | |
|---|---|
| T-3 | In the event of shortfall still persisting on T-3rd day, DT would transfer the requisite funds from DSRA III to bridge the gap. |
| T-2 | This event of DSRA impairment should be immediately notified to the GoKe by DT on the next day. |
| T | Interest/Principal payment is done |
| | |
| **Remedial Action Consequential to Impairment of Upfront FD** | |
| Day | |
| T-6 | In case of any impairment of upfront FD on T-7 to meet the servicing obligation on any payout date (T) resulting in the amount available in the upfront FD less than the stipulated amount for the next quarter, DT shall give a notice to KIIFB on T-6 days to fully replenish such shortfall within the next six days i.e. T. |
| T+1 | DT shall check the amount in Upfront FD on T+1st day and in the event of any shortfall, DT shall notify KIIFB to fund the shortfall within 5 days (T+6). |
| T+7 | DT shall check the amount available in Upfront FD on T+7th day and in the event of any shortfall, DT shall notify the GoKe of its intention for invocation of the government guarantee to the extent of such shortfall<br>if the same is not fully bridged within 21 days (T+27). |
| T+28 | If the irregularity continues beyond the above timeline, DT shall invoke the guarantee, from the GoKe on the next day (T + 28) to the extent of such shortfall in the upfront FD from the stipulated level. |
| T+58 | The deed of guarantee specifically provides obligation on the part of the state government to replenish the upfront FD when called upon by DT, as per the above stipulated timeline. If the guarantee obligations are not met by the state government within 30 days of guarantee invocation, it would be construed as an event of default. |
| | |
| | |
| **Remedial Action Consequential to Impairment of DSRA** | |
| Day | |
| T+1 | In case of any impairment of DSRA to meet the servicing obligation on any payout date (T) resulting in the amount available in DSRA less than the stipulated amount, DT shall give a reminder notice to the Issuer on T+1 days to fully replenish such shortfall within the next five days. |
| T+7 | DT shall check the amount available in DSRA on T+7th day and in the event of any impairment still persisting, DT shall notify the GoKe of its intention for invocation of the government guarantee to the extent of such impairment/shortfall if the same is not fully bridged within the 21 days (T+27). |
| T+28 | If the irregularity continues beyond the above timeline, DT shall invoke the state government guarantee on the next day (T + 28) to the extent of such shortfall in DSRA III from the stipulated level. |
| T+58 | The deed of guarantee specifically provides obligation on the part of the state government to fund the shortfall in DSRA III when called upon by DT, as per the above stipulated timeline. If the guarantee obligations are not met by the state government within 30 days of guarantee invocation, it would be construed as an event of default. |

## ESG Issues

**ESG Factors Minimally Relevant to Rating:** Unless otherwise disclosed in this section, the ESG issues are credit neutral or have only a minimal credit impact on KIIFB, due to either their nature or the way in which they are being managed by the entity. For more information on Ind-Ra's ESG Relevance Disclosures, please click here. For answers to frequently asked questions regarding ESG Relevance Disclosures and their impact on ratings, please click here.

## About the Company

KIIFB, a body corporate created by the Kerala Infrastructure Investment Fund Act 1999 (Act 4 of 2000), came into existence on 11 November 1999 as the principal funding arm of the GoKe. The main objective of KIIFB is to provide investments for critical and large infrastructure projects in the state. Later, comprehensive modifications to the Act have been made through the KIIF (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. KIIFB resorts to the advanced financial instruments approved by the Securities and Exchange Board of India and the Reserve Bank of India to ensure the development of sustainable infrastructure in Kerala.

## Key Financial Indicators

| Particulars (INR billion) - KIIFB | FY24 | FY23 |
|---|---|---|
| Revenues | 56.29 | 53.34 |
| Expenditure | 66.01 | 61.87 |
| EBITDA margins (%) | 15.51 | 10.77 |
| Debt/EBITDA(x) | 20.49 | 24.92 |
| Source: KIIFB, Ind-Ra | | |

| Particulars (as % of GSDP) - GoKe | FY25RE | FY26BE |
|---|---|---|
| Revenue balance | -2.30 | -1.90 |
| Fiscal balance | -3.50 | -3.20 |
| Total debt | 34.20 | 33.80 |
| Source: GoKe FY26 Budget, Ind-Ra | | |

## Status of Non-Cooperation with previous rating agency

Not applicable



## Rating History

| Instrument Type | Current Rating/Outlook | | | Historical Rating/Outlook | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Rating Type | Rated Limits (million) | Rating | 21 January 2025 | 28 November 2024 | 18 October 2024 | 21 August 2024 | 19 July 2024 | 10 April 2024 | 6 March 2024 | 27 December 2023 | 10 November 2023 | 7 July 2023 | 5 June 2023 | 3 May 2023 |
| Non-convertible debentures | Long-term | INR56,499.19 | IND AA(CE)/ Stable | IND AA(CE)/ Stable | IND AA(CE)/ Stable | IND AA(CE)/ Stable | IND AA(CE)/ Stable | IND AA(CE)/ Stable | IND AA(CE)/ Stable | IND AA(CE)/ Stable | IND AA(CE)/ Stable | IND AA(CE)/ Stable | IND AA(CE)/ Stable | Provisional IND AA(CE)/ Stable | Provisional IND AA(CE)/ Stable |
| Unsupported rating | Long-term | - | IND A-/ Stable | IND A-/ Stable | IND A-/ Stable | IND A-/ Stable | IND A-/ Stable | IND A-/ Stable | IND A-/ Stable | IND A-/ Stable | IND A-/ Stable | IND A-/ Stable | IND A-/ Stable | IND A-/ Stable | IND A-/ Stable |

## Complexity Level of the Instruments

| Instrument Type | Complexity Indicator |
|---|---|
| Non-convertible debentures | Moderate |

For details on the complexity level of the instruments, please visit https://www.indiaratings.co.in/complexity- indicators.

## Annexure

| Instrument | ISIN | Date of Issuance | Coupon Rate (%) | Maturity Date | Size of Issue (million) | Rating/Outlook |
|---|---|---|---|---|---|---|
| Non-convertible debentures * | INE658F08037 | 3 July 2023 | 8.49 | 2 July 2027 | INR428.60 | IND AA(CE)/Stable |
| Non-convertible debentures * | INE658F08011 | 3 July 2023 | 8.49 | 3 July 2028 | INR428.60 | IND AA(CE)/Stable |
| Non-convertible debentures * | INE658F08045 | 3 July 2023 | 8.49 | 3 July 2029 | INR428.60 | IND AA(CE)/Stable |
| Non-convertible debentures * | INE658F08029 | 3 July 2023 | 8.49 | 3 July 2030 | INR428.60 | IND AA(CE)/Stable |
| Non-convertible debentures * | INE658F08052 | 3 July 2023 | 8.49 | 3 July 2031 | INR428.60 | IND AA(CE)/Stable |
| Non-convertible debentures * | INE658F08078 | 3 July 2023 | 8.49 | 2 July 2032 | INR428.60 | IND AA(CE)/Stable |
| Non-convertible debentures * | INE658F08060 | 3 July 2023 | 8.49 | 4 July 2033 | INR428.60 | IND AA(CE)/Stable |
| Non-convertible debentures | INE658F08086 | 22 December 2023 | 8.95 | 22 December 2027 | INR2,142.80 | IND AA(CE)/Stable |
| Non-convertible debentures | INE658F08128 | 22 December 2023 | 8.95 | 22 December 2028 | INR2,142.80 | IND AA(CE)/Stable |
| Non-convertible debentures | INE658F08110 | 22 December 2023 | 8.95 | 21 December 2029 | INR2,142.80 | IND AA(CE)/Stable |
| Non-convertible debentures | INE658F08102 | 22 December 2023 | 8.95 | 20 December 2030 | INR2,142.80 | IND AA(CE)/Stable |
| Non-convertible debentures | INE658F08094 | 22 December 2023 | 8.95 | 22 December 2031 | INR2,142.80 | IND AA(CE)/Stable |
| Non-convertible debentures | INE658F08144 | 22 December 2023 | 8.95 | 22 December 2032 | INR2,142.80 | IND AA(CE)/Stable |
| Non-convertible debentures | INE658F08136 | 22 December 2023 | 8.95 | 22 December 2033 | INR2,142.80 | IND AA(CE)/Stable |
| Non-convertible debentures$ | INE658F08151 | 26 March 2024 | 9.10 | 26 March 2028 | INR1,214.20 | IND AA(CE)/Stable |
| Non-convertible debentures$ | INE658F08177 | 26 March 2024 | 9.10 | 26 March 2029 | INR1,214.20 | IND AA(CE)/Stable |
| Non-convertible debentures$ | INE658F08201 | 26 March 2024 | 9.10 | 26 March 2030 | INR1,214.20 | IND AA(CE)/Stable |
| Non-convertible debentures$ | INE658F08193 | 26 March 2024 | 9.10 | 26 March 2031 | INR1,214.20 | IND AA(CE)/Stable |
| Non-convertible debentures$ | INE658F08185 | 26 March 2024 | 9.10 | 26 March 2032 | INR1,214.20 | IND AA(CE)/Stable |
| Non-convertible debentures$ | INE658F08169 | 26 March 2024 | 9.10 | 26 March 2033 | INR1,214.20 | IND AA(CE)/Stable |
| Non-convertible debentures$ | INE658F08219 | 26 March 2024 | 9.10 | 26 March 2034 | INR1,214.20 | IND AA(CE)/Stable |
| Non-convertible debentures# | INE658F08227 | 8 October 2024 | 9.49 | 8 October 2028 | INR1,428.60 | IND AA(CE)/Stable |
| Non-convertible debentures# | INE658F08235 | 8 October 2024 | 9.49 | 8 October 2029 | INR1,428.60 | IND AA(CE)/Stable |
| Non-convertible debentures# | INE658F08284 | 8 October 2024 | 9.49 | 8 October 2030 | INR1,428.60 | IND AA(CE)/Stable |
| Non-convertible debentures# | INE658F08276 | 8 October 2024 | 9.49 | 8 October 2031 | INR1,428.60 | IND AA(CE)/Stable |
| Non-convertible debentures# | INE658F08268 | 8 October 2024 | 9.49 | 8 October 2032 | INR1,428.60 | IND AA(CE)/Stable |
| Non-convertible debentures# | INE658F08250 | 8 October 2024 | 9.49 | 8 October 2033 | INR1,428.60 | IND AA(CE)/Stable |
| Non-convertible debentures# | INE658F08243 | 8 October 2024 | 9.49 | 8 October 2034 | INR1,428.60 | IND AA(CE)/Stable |

| | | | | | | |
|---|---|---|---|---|---|---|
| Non-convertible debentures@ | INE658F08292 | 30 December 2024 | 9.42 | 30 December 2028 | INR2,142.90 | IND AA(CE)/Stable |
| Non-convertible debentures@ | INE658F08359 | 30 December 2024 | 9.42 | 30 December 2029 | INR2,142.90 | IND AA(CE)/Stable |
| Non-convertible debentures@ | INE658F08300 | 30 December 2024 | 9.42 | 30 December 2030 | INR2,142.90 | IND AA(CE)/Stable |
| Non-convertible debentures@ | INE658F08342 | 30 December 2024 | 9.42 | 30 December 2031 | INR2,142.90 | IND AA(CE)/Stable |
| Non-convertible debentures@ | INE658F08334 | 30 December 2024 | 9.42 | 30 December 2032 | INR2,142.90 | IND AA(CE)/Stable |
| Non-convertible debentures@ | INE658F08326 | 30 December 2024 | 9.42 | 30 December 2033 | INR2,142.90 | IND AA(CE)/Stable |
| Non-convertible debentures@ | INE658F08318 | 30 December 2024 | 9.42 | 30 December 2034 | INR2,142.90 | IND AA(CE)/Stable |
| **TOTAL** | | | | | **INR51,499.70** | |

*NCDs are green bonds. As per NSDL records, the issue size of each green bond is INR1,428.5 million, which is on the basis of issue size of INR10,000.0 million. However, KIIFB has raised INR3,000.2 million (seven strips of INR428.6 million). KIIFB has taken up this matter with NSDL.

$NCDs amounting to INR2,382.8 million broken into seven sub-series of INR340.40 million were allotted on 23 April 2024 with temporary ISIN and merged with existing ISIN having issuance date of 26 March 2024.

# NCDs amounting to INR1,498.70 million broken into seven sub-series of INR214.10 million were allotted on 30 October 2024 with temporary ISIN and merged with existing ISIN having issuance date of 08 October 2024.

@NCDs amounting to INR10,000.20 million broken into seven sub-series of INR1,428.60 million were allotted on 17 February 2025 with temporary ISIN and merged with existing ISIN having issuance date of 30 December 2024.

Source: KIIFB, NSDL

## Contact

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## APPLICABLE CRITERIA AND POLICIES

**Local and State Government Rating Criteria**

**Evaluating Corporate Governance**

**Rating of Public Sector Entities**

**Policy on Provisional Ratings**

**The Rating Process**

**Policy for Credit Enhanced (CE) Ratings**


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## Rating Letter - Intimation of Rating Action

Scan this QR Code to verify authenticity of this rating

Letter Issued on : March 19, 2025
Letter Expires on : September 11, 2025
Annual Fee valid till : September 11, 2025

**KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**
3, TC 26/56, FELICITY SQUARE,
MG ROAD, STATUE, THIRUVANANTHAPURAM,
Trivandrum 695001
KERALA

**Kind Attn.: Mr. Mr. Sooraj T v, Manager it division (Tel. No.9605764359)**

Sir / Madam,

**Sub.: Rating(s) Reaffirmed - Debt Instruments of KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**

Please note that the current rating(s) and outlook, instrument details, and latest rating action for the aforementioned instrument are as under:

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---|---|---|---|
| BOND | 800.00 | ACUITE AA \| CE \| Stable \| Reaffirmed | - |
| Total Outstanding Quantum (Rs. Cr) | 800.00 | - | - |

Acuit® reserves the right to revise the rating(s), along with the outlook, at any time, on the basis of new information, or other circumstances which Acuit® believes may have an impact on the rating(s). Such revisions, if any, would be appropriately disseminated by Acuit® as required under prevailing SEBI guidelines and Acuit® ís policies.

This letter will expire on or on the day when Acuit® takes the next rating action, whichever is earlier. It may be noted that the rating(s) is subject to change anytime even before the expiry date of this letter. Hence lenders / investors are advised to visit https://www.acuite.in/ OR scan the QR code given above to confirm the current outstanding rating(s).

Acuit® will re-issue this rating letter on subject to receipt of surveillance fee as applicable. If the rating(s) is reviewed before , Acuit® will issue a new rating letter.

Please note that under extant SEBI regulations and as per the terms of the rating agreement, once a rating is accepted and outstanding, the issuer is required to promptly furnish the íNo Default Statementî on the first working day of every month.

**Sd/-**
**Chief Rating Officer**

**This is a system generated document. No signature is required.**

Annexures: A. Details of the Rated Instrument

| Annexure A. Details of the rated instrument | | | |
|---|---|---|---|
| **Instruments** | **Scale** | **Amt. (Rs. Cr)** | **Rating Assigned (Outlook) \| Rating Action** |
| Bond | Long-term | 143.28 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 143.28 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 143.28 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 143.28 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 71.00 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 71.00 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 13.88 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 71.00 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| **Total Quantum Rated** | | **800.00** | - |

***DISCLAIMER***

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*Any inadvertent omission or error in the rating letter which is discovered or brought to the notice of Acuite shall be rectified as soon as reasonably practicable not later than 48 hours of such discovery or notice. Such error or omission shall not render Acuite liable to any person for any kind of loss or damage including, but not limited to, any special, incidental, indirect or consequential damages caused by errors or omissions, provided such omission or error is rectified as soon as possible after discovery/notice.*

## Rating Letter - Intimation of Rating Action

Scan this QR Code to verify authenticity of this rating

Letter Issued on : March 19, 2025
Letter Expires on : July 22, 2025
Annual Fee valid till : July 22, 2025

**KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**
3, TC 26/56, FELICITY SQUARE,
MG ROAD, STATUE, THIRUVANANTHAPURAM,
Trivandrum 695001
KERALA

**Kind Attn.: Mr. Mr. Sooraj T v, Manager it division (Tel. No.9605764359)**

Sir / Madam,

**Sub.: Rating(s) Assigned and Reaffirmed - Debt Instruments of KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**

Please note that the current rating(s) and outlook, instrument details, and latest rating action for the aforementioned instrument are as under:

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---|---|---|---|
| BOND | 1000.02 | ACUITE AA \| CE \| Stable \| Assigned \| Provisional To Final | - |
| BOND | 1592.74 | ACUITE AA \| CE \| Stable \| Reaffirmed | - |
| BOND | 407.24 | Provisional \| ACUITE AA \| CE \| Stable \| Reaffirmed | - |
| Total Outstanding Quantum (Rs. Cr) | 3000.00 | - | - |

Acuit® reserves the right to revise the rating(s), along with the outlook, at any time, on the basis of new information, or other circumstances which Acuit® believes may have an impact on the rating(s). Such revisions, if any, would be appropriately disseminated by Acuit® as required under prevailing SEBI guidelines and Acuit® ís policies.

This letter will expire on or on the day when Acuit® takes the next rating action, whichever is earlier. It may be noted that the rating(s) is subject to change anytime even before the expiry date of this letter. Hence lenders / investors are advised to visit https://www.acuite.in/ OR scan the QR code given above to confirm the current outstanding rating(s).

Acuit® will re-issue this rating letter on subject to receipt of surveillance fee as applicable. If the rating(s) is reviewed before , Acuit® will issue a new rating letter.

Please note that under extant SEBI regulations and as per the terms of the rating agreement, once a rating is accepted and outstanding, the issuer is required to promptly furnish the ísNo Default Statementí on the first working day of every month.

**Sd/-**
**Chief Rating Officer**

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Annexures: A. Details of the Rated Instrument

| Annexure A. Details of the rated instrument | | | |
|---|---|---|---|
| Instruments | Scale | Amt. (Rs. Cr) | Rating Assigned (Outlook) \| Rating Action |
| Bond | Long-term | 143.28 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 143.28 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 143.28 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 57.12 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 71.00 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 71.00 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 71.00 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 121.45 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 121.45 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 21.41 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 21.41 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 107.05 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 71.43 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 71.43 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 71.43 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 71.43 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 71.43 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 71.43 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 71.43 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Proposed Bond | Long-term | 407.24 | ACUITE Provisional AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 142.86 | ACUITE AA (CE) (Stable) \| Assigned |
| Bond | Long-term | 142.86 | ACUITE AA (CE) (Stable) \| Assigned |
| Bond | Long-term | 142.86 | ACUITE AA (CE) (Stable) \| Assigned |
| Bond | Long-term | 142.86 | ACUITE AA (CE) (Stable) \| Assigned |
| Bond | Long-term | 142.86 | ACUITE AA (CE) (Stable) \| Assigned |
| Bond | Long-term | 142.86 | ACUITE AA (CE) (Stable) \| Assigned |

| | | | |
|---|---|---|---|
| Bond | Long-term | 142.86 | ACUITE AA (CE) (Stable) \| Assigned |
| **Total Quantum Rated** | | **3000.00** | - |

***DISCLAIMER***

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## Rating Letter - Intimation of Rating Action

Scan this QR Code to verify authenticity of this rating

Letter Issued on : March 19, 2025
Letter Expires on : February 14, 2026
Annual Fee valid till : February 14, 2026

**KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**
3, TC 26/56, FELICITY SQUARE,
MG ROAD, STATUE, THIRUVANANTHAPURAM,
Trivandrum 695001
KERALA

**Kind Attn.: Mr. Mr. Sooraj T v, Manager it division (Tel. No.9605764359)**

Sir / Madam,

**Sub.: Rating(s) Reaffirmed - Debt Instruments of KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**

Please note that the current rating(s) and outlook, instrument details, and latest rating action for the aforementioned instrument are as under:

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---|---|---|---|
| BOND | 907.27 | ACUITE AA \| CE \| Stable \| Reaffirmed | - |
| BOND | 92.73 | Provisional \| ACUITE AA \| CE \| Stable \| Reaffirmed | - |
| Total Outstanding Quantum (Rs. Cr) | 1000.00 | - | - |

Acuit® reserves the right to revise the rating(s), along with the outlook, at any time, on the basis of new information, or other circumstances which Acuit® believes may have an impact on the rating(s). Such revisions, if any, would be appropriately disseminated by Acuit® as required under prevailing SEBI guidelines and Acuit® ís policies.

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**Sd/-**
**Chief Rating Officer**

**This is a system generated document. No signature is required.**

Annexures: A. Details of the Rated Instrument

| Annexure A. Details of the rated instrument | | | |
|---|---|---|---|
| **Instruments** | **Scale** | **Amt. (Rs. Cr)** | **Rating Assigned (Outlook) \| Rating Action** |
| Proposed Bond | Long-term | 92.73 | ACUITE Provisional AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 42.86 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 42.86 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 42.86 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 42.86 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 42.86 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 42.86 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 42.86 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 14.40 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 121.45 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 121.45 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 121.45 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 121.45 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 21.41 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 21.41 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 21.41 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 21.41 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 21.41 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| **Total Quantum Rated** | | **1000.00** | - |

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## Rating Letter - Intimation of Rating Action

Scan this QR Code to verify authenticity of this rating

Letter Issued on : March 19, 2025
Letter Expires on : February 16, 2026
Annual Fee valid till : February 16, 2026

**KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**
3, TC 26/56, FELICITY SQUARE,
MG ROAD, STATUE, THIRUVANANTHAPURAM,
Trivandrum 695001
KERALA

**Kind Attn.: Mr. Mr. Sooraj T v, Manager it division (Tel. No.9605764359)**

Sir / Madam,

**Sub.: Rating(s) Reaffirmed - Debt Instruments of KERALA INFRASTRUCTURE INVESTMENT FUND BOARD**

Please note that the current rating(s) and outlook, instrument details, and latest rating action for the aforementioned instrument are as under:

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---|---|---|---|
| BOND | 849.94 | ACUITE AA \| CE \| Stable \| Reaffirmed | - |
| BOND | 0.06 | Provisional \| ACUITE AA \| CE \| Stable \| Reaffirmed | - |
| Total Outstanding Quantum (Rs. Cr) | 850.00 | - | - |

Acuit® reserves the right to revise the rating(s), along with the outlook, at any time, on the basis of new information, or other circumstances which Acuit® believes may have an impact on the rating(s). Such revisions, if any, would be appropriately disseminated by Acuit® as required under prevailing SEBI guidelines and Acuit® ís policies.

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**Sd/-**
**Chief Rating Officer**

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Annexures: A. Details of the Rated Instrument

| Annexure A. Details of the rated instrument | | | |
|---|---|---|---|
| **Instruments** | **Scale** | **Amt. (Rs. Cr)** | **Rating Assigned (Outlook) \| Rating Action** |
| Proposed Bond | Long-term | 0.06 | ACUITE Provisional AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 87.38 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 87.38 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 87.38 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 87.38 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 87.38 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 87.38 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 87.38 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 34.04 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 34.04 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 34.04 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 34.04 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 34.04 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| Bond | Long-term | 34.04 | ACUITE AA (CE) (Stable) \| Reaffirmed |
| **Total Quantum Rated** | | **850.00** | - |


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Press Release

March 19, 2025

# KERALA INFRASTRUCTURE INVESTMENT FUND BOARD
## Rating Assigned and Reaffirmed

| Product | Quantum (Rs. Cr) | Long Term Rating | Short Term Rating |
|---|---|---|---|
| **BOND** | 1000.02 | ACUITE AA \| CE \| Stable \| Assigned \| Provisional To Final | - |
| **BOND** | 4149.95 | ACUITE AA \| CE \| Stable \| Reaffirmed | - |
| **BOND** | 500.03 | Provisional \| ACUITE AA \| CE \| Stable \| Reaffirmed | - |
| **Total Outstanding** | 5650.00 | - | - |
| **Total Withdrawn** | 0.00 | - | - |

### Rating Rationale

Acuite has reaffirmed the long-term rating of **'ACUITE AA (CE)' (read as ACUITE double A (Credit Enhancement))** to the Rs.4149.95 Cr. unsecured non- convertible bonds of Kerala Infrastructure Investment Fund Board (KIIFB). The outlook is **'Stable'.**

Acuité has converted the provisional rating on the Rs. 1000.02 Cr. unsecured non- convertible bonds of Kerala Infrastructure Investment Fund Board (KIIFB) to final and assigned the long term rating of **'ACUITE AA (CE)' (read as ACUITE double A (Credit Enhancement))**. The outlook is **'Stable'.**

Acuite has reaffirmed the long term rating of **'Provisional ACUITE AA (CE)' (read as Provisional ACUITE double A (Credit Enhancement))** to the Rs. 500.03 Cr. unsecured non- convertible bonds of Kerala Infrastructure Investment Fund Board (KIIFB). The outlook is **'Stable'.**

The conversion from provisional rating to the final rating reflects the fulfilment of the appointment of a SEBI registered debenture trustee, execution of debenture trust deed, receipt of the final term sheet and confirmation from trustee regarding compliance with all the terms and conditions of term sheet.

The conversion of provisional rating of the remaining proposed bond of Rs. 500.03 Cr. to final rating is subject to:

- Appointment of a SEBI registered Debenture Trustee
- Execution of Debenture Trust Deed
- Receipt of the final term sheet and confirmation from trustee regarding the compliance with all the terms and condition of term sheet.

**Rationale for the rating**

The rating factors in the strategic importance of KIIFB to the Government of Kerala (GoKe), as it acts as the nodal agency for infrastructure development in the state of Kerala. The rating also considers the complete ownership of the GoKe and the strength of the board of KIIFB with the Chief Minister as the chairperson and also include the finance minister, chief secretary, and other civil servants and experts. The rating also takes in to consideration the constitution of the Fund Trustee Advisory Commission (FTAC) which monitors the financial stability and fund utilisation of KIIFB. GoKe has to make the necessary budgetary allocations to ensure KIIFB's revenue stream. Transfers from GoKe to KIIFB are as provided for in Section 7 of KIIF Act (as amended in 2016). As per Section 7, GOKe shall make budgetary allocations equivalent to share of MVT and entire quantum of fuel cess collected in the state in the previous year. As per the KIIF Act 2016, all the borrowings made by KIIFB are guaranteed by GoKe.
The final rating derives its strength from the structure, the escrow and payment mechanisms, DSRA and FD and also

the corpus fund of ~Rs.3327 Cr, all of which will be utilised only for the issue and hence assure enough liquidity till the complete redemption of the issue.
The rating initially assigned for the proposed bond issuance amounting to Rs. 3000.00 Cr. continues to factor in the strength from the structure, the escrow and payment mechanisms, DSRA and FD. Of this, bonds to the extent of Rs. 1500.03 Cr. had been placed previously and the rating had been converted to final on receipt of necessary documents. Further, bonds to the extent of Rs. 1000.02 Cr. have been placed now and hence, the rating has been converted to final on receipt of necessary documents. Unlike the previous bond issue, this does not have a support of Corpus fund as a part of its credit enhancement structure.
However, the credit enhancement is supported by GoKe's explicit guarantee to replenish both upfront FD and DSRA in case of shortfall/ impairment. Further as per Deed of Guarantee, GoKe is to infuse required funds to Issuer to redeem bondholders in case a cross-default/ critical rating downgrade event. If such redemption is not effected within the specified timelines, GoKe guarantee can be invoked by Debenture Trustee to redeem the bonds.
The rating is partially offset by the financial constraints and widening revenue and fiscal deficits of the Government of Kerala. Also, since KIIFB lends at the average cost of borrowings and also provides fund for the social development of the state in the form of grants, profitability will remain impacted.

## About the company

Kerala Infrastructure Investment Fund Board (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 channel funds for critical and large public infrastructure projects in Kerala. Comprehensive modifications to the Act have been enacted through the Kerala Infrastructure Investment (Amendment) Act, 2016. With the expanded scope and structure provided under the amended Act, KIIFB is now mobilising and channelling 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 and ensure all round wellbeing and prosperity , using financial instruments approved by the Securities & Exchange Board of India (SEBI) and the Reserve Bank of India (RBI).
KIIFB was established with the main objective of providing investment for critical and large infrastructure projects in Kerala. It acts as the primary agency of the state government to facilitate the development of both the physical and social infrastructure in Kerala and to assist the state government and its agencies in the development of infrastructure in Kerala. KIIFB acts as the main agency of the state government for scrutinising, approving, and funding major infrastructure projects. These infrastructure projects may be revenue generating or non-revenue generating.

## Unsupported Rating

Acuite A+/Stable
(Post notch up in view of the support from Government of Kerala)

## Analytical Approach

Acuite has considered the standalone financial and operational figures of KIIFB and further notched it up for the support from Government of Kerala and the credit enhancement and structured payment mechanisms in place for the issue.

## Key Rating Drivers

### Strength

**Support from the Government of Kerala**

KIIFB is the nodal agency for infrastructure development for the Government of Kerala. KIIFB was established with the main objective of providing investment for critical and large infrastructure projects in Kerala. It acts as the primary agency of the state government to facilitate the development of both the physical and social infrastructure in Kerala and to assist the state government and its agencies in the development of infrastructure in Kerala. It is fully owned by GoKe. The GoKe further extends its support in the form of board representation with the Chief Minister as the chairperson, the Finance Minister, the chief secretary, key bureaucrats, and independent members. Further, all the borrowings made by KIIFB are guaranteed by GoKe as per the KIIF Act. GoKe has to make the necessary budgetary allocations to ensure KIIFB's revenue stream. Transfers from GOKe to KIIFB are as provided for in Section 7 of KIIF Act (as amended in 2016). As per Section 7, GOKe shall make budgetary allocations equivalent to the share of MVT and the entire quantum of fuel cess collected in the state in the previous year. These revenues come to KIIFB on a daily basis and fully by the month of December in every financial year, so that there are no liquidity crunches at the end of the financial year affecting the cashflows. The GoKe may also make any additional grants or loans to KIIFB so that KIIFB defrays its debt liabilities as per the KIIF Act.

**Close monitoring by FTAC**

The Fund Trustee and Advisory Commission (FTAC) monitors the financial stability and fund utilisation by KIIFB closely. It acts as the trustee to ensure that all investments of the fund serve the purpose and intent of the KIIF Act.The commission consists of eminent members like Shri. Vinod Rai, Chairman , Shri. R.A. Sankara Narayanan and Smt. Uma Shankar. FTAC issues a " Fidelity Certificate " every six months certifying that the application of funds and the investment of surplus funds are in conformity with the Act and KIIFB has adequate resources to meet debt obligations arising in the next 6 months.

**Strength of the structure of the issue**

The structure will be closely monitored by the DT and DSRA and FD mechanisms are also in place. The tenure of the bond is ten years, and the principal redemption will start in year four. The issuer would create a DSRA for an amount equivalent to the interest obligation of one succeeding quarter and the principal redemption amount of one quarter. The issuer would need to maintain the required DSRA amount on a rolling basis, and the initial DSRA amount so calculated would need to be deposited at least one day prior to the date of pay in. On the first day of every quarterly payment cycle, Issuer shall also maintain a fixed deposit in a scheduled public commercial bank, at least to the extent of the interest obligation on the immediately succeeding quarterly payout date & principal redemption amount of one quarter, and create, maintain, charge/lien on the same in favour of the Debenture Trustee at all times. The current structure provides for two quarters of interest and repayment obligations through the DSRA and FD mechanisms upfront.
The escrow mechanism is in place for the bond servicing account, where daily credit equivalent to 2% of the upcoming servicing requirement will happen, from the daily credit of petroleum and MVT Cess share from GoKe. For the last quarter of the financial year, the entire servicing requirement will be transferred upfront at the beginning of the quarter.
For the existing bond issue, the DT will check the availability of funds on the T-7th day and recover any shortfalls through the liquidation of the FD. If the shortfall still remains on the T-5th day, DT will ask the issuer to bridge the shortfall immediately. If the shortfall persists on the T-3rd day, the DT will transfer the funds from the DSRA to bridge the gap. The DSRA utilisation should be notified to the GoKe by the next day. If the impairment of DSRA is not fully replenished on the payout day, on T+1th day, DT will ask the issuer to replenish the DSRA from the corpus fund by T+ 6th day. There is the corpus fund amounting to Rs. 3327.01 Cr. which will only be used for the replenishment of DSRA or redemption of the issue during any windfall event. The corpus fund has to be maintained till the end of the issue period. If the DSRA is not cured on that day, the DT will inform the GoKe its intention to invoke the guarantee if the DSRA is not replenished in next 21 days. If the DSRA is not replenished by T+27th day, DT will invoke the state guarantee. The GoKe has the obligation to replenish the DSRA within the next 30 days. If the DSRA is not replenished on the T+58th day, it will be considered as an event of default.

The proposed and converted bonds amounting to Rs. 3000 Cr., does not have a support of Corpus fund as a part of its credit enhancement structure. However, the credit enhancement is supported by GoKe's explicit guarantee to replenish both upfront FD and DSRA in case of shortfall/ impairment. If the Guarantee obligations are not met by the State Government within 30 days of Guarantee invocation i.e. T+ 58 days, it would be construed as an Event of Default. Further as per Deed of Guarantee, GoKe is to infuse required funds to Issuer to redeem bondholders in case a cross-default/ critical rating downgrade event. If such redemption is not effected within the specified timelines, GoKe guarantee can be invoked by DT to redeem the bonds. Accordingly for the cross-default/ critical rating downgrade if the Guarantee obligations are not met by the State Government within 30 days of Guarantee invocation i.e. t + 85 days, it would be construed as an Event of Default.

## Weakness

**State of the financial health of Government of Kerala**
Since the operations of KIIFB are supported by the GoKe and the revenue stream of KIIFB also derives from the GoKe, the high revenue and fiscal deficits of Government of Kerala can disrupt the operations of KIIFB. During 2024 (CAG Provisional), GoKe revenue deficit stood at 1.55 % of the GSDP with the fiscal deficit at 2.92 % of the GSDP. The debt of the GoKe stood at 33.76% of the GSDP. Going forward, the ability of the GoKe to improve its financial stability and the central government's intervention in state borrowing limits will be key monitorables.

## Assessment of Adequacy of Credit Enhancement under various scenarios including stress scenarios (applicable for ratings factoring specified support considerations with or without the "CE" suffix)

Acuite believes that the DSRA structure, FD and escrow mechanism in the bond servicing account along with the corpus fund and guarantee by the GoKe will help in maintaining ample liquidity and mitigating any risk in repayment of the issue.

## ESG Factors Relevant for Rating

KIIFB created its ESG policy in 2021. The main objective of this policy is to address any of the ESG risks and impacts in the projects and make them ESG sustainable for KIIFB and its stakeholders and development partners. KIIFB is committed to adopting global standards and principles of responsible investing, and integrating ESG criteria into its investment approach and decision-making processes. Further, KIIFB also encourages Special Purpose Vehicles (SPVs) or Project Implementation Agencies (PIAs) to manage risks responsibly by working beyond regulatory requirements and moving towards enhanced social value creation. As part of this, KIIFB has adopted a nine step mechanism that includes due diligence, monitoring, and grievance redressal mechanisms to ensure proper ESG standards are maintained in each of its projects and the policy is updated as per the latest trends.
KIIFB has a strong internal governance system in place. KIIFB is headed by the Chief Executive Officer, who also acts as the fund manager of KIIFB. The Board is the highest decision-making body of KIIFB and comprises the Chief Minister, the Finance Minister, the Chief Executive Officer, key bureaucrats, and independent members. The board consists of 13 members, out of whom 6 are independent members.

## Rating Sensitivity

- Changes in GoKe support
- Changes in financial health of GoKe
- Non adherence to the payment structure, for this particular issue

- Deterioration in DSRA, FD or corpus fund or invocation of guarantee, for this particular issue

**All Covenants**

KIIFB is subject to the below mentioned financial covenant among other covenants as stipulated by the KIIF Act and various term sheets.

- The Issuer shall ensure that, in respect of any Relevant Period, the Liability Service Coverage Ratio for such Relevant Period shall not be less than 1.1 times.

"Liability Service Coverage Ratio" means the ratio of FC Cash flow to Liability Service;
"Relevant Period" means the period ending 12 months from the end of each financial quarter;
"FC Cash flow" means, with respect to any Relevant Period, the aggregate of
(a) share of motor vehicle Taxes and cess levied on petroleum products received by the Issuer pursuant to KIIF Act;
(b) any other amount appropriated by the GoK for the Issuer's sole usage;
(c) any other payments to the Issuer other than proceeds from any Financial Indebtedness; and
(d) the total amount of cash and cash equivalent investments controlled by the Issuer at the beginning of the Relevant Period, excluding any DSRA and sinking fund or any other debt servicing account of similar intent (except those created towards the Financial Indebtedness of the Issuer payable during the Relevant Period); and
"Liability Service" means, with respect to the Relevant Period, the aggregate of
(a) all scheduled payments (including balloon payments) on account of principal and interest and other charges on all Financial Indebtedness, as applicable; and
(b) any payment made or required to be made to any debt service account under the terms of any agreement providing for any Financial Indebtedness.

Covenants customary to transactions of this nature including, but not limited to:
(a) Information covenants;
(b) Authorisations;
(c) Repayment;
(d) Status and Business;
(e) Compliances;
(f) Accounts;
(g) Arm's length transactions;
(h) Taxes;
(i) Financial Covenants;
(j) Use of proceeds;
(k) Listing;
(l) Further assurances;
(m) Compliance with laws;
(n) Filings with the stock exchange;
(o) Issuance of Debentures.
as more particularly detailed in the Debenture Trust Deed.
Further, the following key covenants are also inter alia provided in the Debenture Documents:
(a) Unconditional and irrevocable guarantee from the Government of Kerala, for timely servicing of the Debentures.
(b) DSRA and a fixed deposit to the extent of fully covering the servicing requirement of one quarter as liquidity support.
(c) Corpus Fund covenant for replenishing any impairment of the DSRA, and repayment/redemption on downgrade in credit rating of the Debentures below 'AA-' (i.e., A+ or below) and/or on occurrence of a cross default/acceleration in respect of the Issuer (as enumerated above under the serial number 54 against the particular "Corpus Fund").
(d) Stipulation for invocation of the Deed of Guarantee for impairment in the DSRA to a level below the servicing requirement for the immediate servicing quarter.

**Liquidity Position**

**Adequate**

KIIFB has maintained adequate liquidity with ~Rs. 7190 Cr. of cash and cash equivalents as on March 31, 2024. Also, with the ~Rs. 3327 Cr. corpus fund along with the FD and DSRA, there is adequate liquidity maintained for the issue.

**Outlook: Stable**

**Other Factors affecting Rating**

None

**Key Financials - Standalone / Originator**

| Particulars | Unit | FY24 (Actual) | FY23 (Actual) |
|---|---|---|---|
| Total Assets | Rs. Cr. | 24,359.01 | 20,820.60 |
| Total Income* | Rs. Cr. | 3,710.63 | 3,886.69 |

| | | | |
|---|---|---|---|
| PAT | Rs. Cr. | (967.71) | (853.33) |
| Net Worth | Rs. Cr. | 3,327.02 | 2,820.49 |
| Return on Average Assets (RoAA) | (%) | (4.28) | (4.55) |
| Return on Average Net Worth (RoNW) | (%) | (31.48) | (30.25) |
| Debt/Equity | Times | 6.23 | 6.30 |
| Gross NPA | (%) | - | - |
| Net NPA | (%) | - | - |

**Total income equals to Net Interest Income plus other income*

**Status of non-cooperation with previous CRA (if applicable):**
Not applicable

**Interaction with Audit Committee anytime in the last 12 months (applicable for rated-listed / proposed to be listed debt securities being reviewed by Acuite)**
**Yes**

**Any other information**
**Supplementary disclosures for Provisional Ratings**

**A. Risks associated with the provisional nature of the credit rating**
In case there are material changes in the terms of the transaction after the initial assignment of the provisional rating and post the completion of the issuance (corresponding to the part that has been issued) Acuite will withdraw the existing provisional rating and concurrently, assign a fresh final rating in the same press release, basis the revised terms of the transaction.

**B. Rating that would have been assigned in absence of the pending steps/ documentation**
The rating would be equated to the standalone rating of the entity: **ACUITE A+/ Stable**

**C. Timeline for conversion to Final Rating for a debt instrument proposed to be issued:**
The provisional rating shall be converted into a final rating within 90 days from the date of issuance of the proposed debt instrument. Under no circumstance shall the provisional rating continue upon the expiry of 180 days from the date of issuance of the proposed debt instrument.

**Applicable Criteria**
• Application Of Financial Ratios And Adjustments: https://www.acuite.in/view-rating-criteria-53.htm
• Banks And Financial Institutions: https://www.acuite.in/view-rating-criteria-45.htm
• Default Recognition: https://www.acuite.in/view-rating-criteria-52.htm
• Explicit Credit Enhancements: https://www.acuite.in/view-rating-criteria-49.htm
• Group And Parent Support: https://www.acuite.in/view-rating-criteria-47.htm
• Public Finance - State Government Ratings: https://www.acuite.in/view-rating-criteria-26.htm

**Note on complexity levels of the rated instrument**
In order to inform the investors about complexity of instruments, Acuité has categorized such instruments in three levels: Simple, Complex and Highly Complex. Acuite's categorisation of the instruments across the three categories is based on factors like variability of the returns to the investors, uncertainty in cash flow patterns, number of counterparties and general understanding of the instrument by the market. It has to be understood that complexity is different from credit risk and even an instrument categorized as 'Simple' can carry high levels of risk. For more details, please refer Rating Criteria "Complexity Level Of Financial Instruments" on www.acuite.in.

## Rating History

| Date | Name of Instruments/ Facilities | Term | Amount (Rs. Cr) | Rating/Outlook |
|---|---|---|---|---|
| 29 Jan 2025 | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 21.41 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 21.41 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 21.41 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 21.41 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 21.41 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 21.41 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 21.41 | ACUITE AA (CE) \| Stable (Reaffirmed) |

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|---|---|---|---|---|
| | Bond | Long Term | 107.05 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.43 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 71.43 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 71.43 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 71.43 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 71.43 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 71.43 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 71.43 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 14.40 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 57.12 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 13.88 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Proposed Bond | Long Term | 92.73 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| | Proposed Bond | Long Term | 0.06 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| | Proposed Bond | Long Term | 1407.26 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| 30 Nov 2024 | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |

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|---|---|---|---|
| Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 13.88 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 21.41 | ACUITE AA (CE) \| Stable (Assigned) |
| Bond | Long Term | 21.41 | ACUITE AA (CE) \| Stable (Assigned) |
| Bond | Long Term | 21.41 | ACUITE AA (CE) \| Stable (Assigned) |
| Bond | Long Term | 21.41 | ACUITE AA (CE) \| Stable (Assigned) |
| Bond | Long Term | 107.05 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 21.41 | ACUITE AA (CE) \| Stable (Assigned) |
| Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 57.12 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 14.40 | ACUITE AA (CE) \| Stable (Reaffirmed) |

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|---|---|---|---|---|
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 21.41 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 21.41 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Proposed Bond | Long Term | 1907.27 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| | Proposed Bond | Long Term | 92.73 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| | Proposed Bond | Long Term | 0.06 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| 23 Oct 2024 | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 57.12 | ACUITE AA (CE) \| Stable (Reaffirmed) |

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|---|---|---|---|---|
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 13.88 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 121.45 | ACUITE AA (CE) \| Stable (Assigned) |
| | Proposed Bond | Long Term | 2057.14 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| | Proposed Bond | Long Term | 0.06 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| | Proposed Bond | Long Term | 92.73 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| 26 Aug 2024 | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |

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|---|---|---|---|
| Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 57.12 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 13.88 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Reaffirmed) |

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|---|---|---|---|---|
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Proposed Bond | Long Term | 0.06 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| | Proposed Bond | Long Term | 3000.00 | ACUITE Provisional AA (CE) \| Stable (Assigned) |
| | Proposed Bond | Long Term | 0.02 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| 22 Jul 2024 | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 57.12 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 13.88 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Assigned) |

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|---|---|---|---|---|
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 34.04 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Proposed Bond | Long Term | 0.06 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| | Proposed Bond | Long Term | 0.02 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| 11 Apr 2024 | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 87.38 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 57.12 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |

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|---|---|---|---|---|
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 13.88 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Proposed Bond | Long Term | 238.34 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| | Proposed Bond | Long Term | 0.02 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| 14 Mar 2024 | Bond | Long Term | 57.12 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 13.88 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 71.00 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Proposed Bond | Long Term | 850.00 | ACUITE Provisional AA (CE) \| Stable (Assigned) |
| | Proposed Bond | Long Term | 0.02 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| 11 Jan 2024 | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Assigned) |

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|---|---|---|---|---|
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 143.28 | ACUITE AA (CE) \| Stable (Assigned) |
| | Proposed Bond | Long Term | 83.60 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| | Proposed Bond | Long Term | 413.42 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| 02 Nov 2023 | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Reaffirmed) |
| | Proposed Bond | Long Term | 800.00 | ACUITE Provisional AA (CE) \| Stable (Assigned) |
| | Proposed Bond | Long Term | 699.98 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| 30 Sep 2023 | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Assigned) |
| | Bond | Long Term | 42.86 | ACUITE AA (CE) \| Stable (Assigned) |
| | Proposed Bond | Long Term | 699.98 | ACUITE Provisional AA (CE) \| Stable (Reaffirmed) |
| 28 Sep 2023 | Proposed Bond | Long Term | 1000.00 | ACUITE Provisional AA (CE) \| Stable (Assigned) |
| 25 May 2023 | Proposed Bond | Long Term | 1000.00 | ACUITE Provisional AA (CE) \| Stable (Assigned) |

**Annexure - Details of instruments rated**

| Lender's Name | ISIN | Facilities | Date Of Issuance | Coupon Rate | Maturity Date | Quantum (Rs. Cr.) | Complexity Level | Rating |
|---|---|---|---|---|---|---|---|---|
| Not Applicable | INE658F08144 | Bond | 22 Dec 2023 | 8.95 | 22 Dec 2032 | 57.12 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08086 | Bond | 22 Dec 2023 | 8.95 | 22 Dec 2027 | 71.00 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08128 | Bond | 22 Dec 2023 | 8.95 | 22 Dec 2028 | 71.00 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08110 | Bond | 22 Dec 2023 | 8.95 | 21 Dec 2029 | 71.00 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08102 | Bond | 22 Dec 2023 | 8.95 | 20 Dec 2030 | 71.00 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08094 | Bond | 22 Dec 2023 | 8.95 | 22 Dec 2031 | 71.00 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08144 | Bond | 22 Dec 2023 | 8.95 | 22 Dec 2032 | 13.88 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08136 | Bond | 22 Dec 2023 | 8.95 | 22 Dec 2033 | 71.00 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08151 | Bond | 26 Mar 2024 | 9.10 | 26 Mar 2028 | 87.38 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08169 | Bond | 26 Mar 2024 | 9.10 | 26 Mar 2033 | 87.38 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08177 | Bond | 26 Mar 2024 | 9.10 | 26 Mar 2029 | 87.38 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08185 | Bond | 26 Mar 2024 | 9.10 | 26 Mar 2032 | 87.38 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08193 | Bond | 26 Mar 2024 | 9.10 | 26 Mar 2031 | 87.38 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08201 | Bond | 26 Mar 2024 | 9.10 | 26 Mar 2030 | 87.38 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08219 | Bond | 26 Mar 2024 | 9.10 | 26 Mar 2034 | 87.38 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08219 | Bond | 26 Mar 2024 | 9.10 | 26 Mar 2034 | 34.04 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08201 | Bond | 26 Mar 2024 | 9.10 | 26 Mar 2030 | 34.04 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08193 | Bond | 26 Mar 2024 | 9.10 | 26 Mar 2031 | 34.04 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08185 | Bond | 26 Mar 2024 | 9.10 | 26 Mar 2032 | 34.04 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08151 | Bond | 26 Mar 2024 | 9.10 | 26 Mar 2028 | 34.04 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |

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|---|---|---|---|---|---|---|---|---|
| Not Applicable | INE658F08177 | Bond | 26 Mar 2024 | 9.10 | 26 Mar 2029 | 34.04 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08169 | Bond | 26 Mar 2024 | 9.10 | 26 Mar 2033 | 34.04 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08243 | Bond | 08 Oct 2024 | 9.49 | 08 Oct 2034 | 14.40 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08250 | Bond | 08 Oct 2024 | 9.49 | 08 Oct 2033 | 121.45 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08268 | Bond | 08 Oct 2024 | 9.49 | 08 Oct 2032 | 121.45 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08276 | Bond | 08 Oct 2024 | 9.49 | 08 Oct 2031 | 121.45 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08284 | Bond | 08 Oct 2024 | 9.49 | 08 Oct 2030 | 121.45 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08235 | Bond | 08 Oct 2024 | 9.49 | 08 Oct 2029 | 121.45 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08227 | Bond | 08 Oct 2024 | 9.49 | 08 Oct 2028 | 121.45 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08243 | Bond | 08 Oct 2024 | 9.49 | 08 Oct 2034 | 21.41 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08250 | Bond | 08 Oct 2024 | 9.49 | 08 Oct 2033 | 21.41 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08268 | Bond | 08 Oct 2024 | 9.49 | 08 Oct 2032 | 21.41 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08276 | Bond | 08 Oct 2024 | 9.49 | 08 Oct 2031 | 21.41 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08284 | Bond | 08 Oct 2024 | 9.49 | 08 Oct 2030 | 21.41 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08235 | Bond | 08 Oct 2024 | 9.49 | 08 Oct 2029 | 21.41 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08227 | Bond | 08 Oct 2024 | 9.49 | 08 Oct 2028 | 21.41 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08243 | Bond | 08 Oct 2024 | 9.49 | 08 Oct 2034 | 107.05 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08318 | Bond | 30 Dec 2024 | 9.42 | 30 Dec 2034 | 71.43 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08326 | Bond | 30 Dec 2024 | 9.42 | 30 Dec 2033 | 71.43 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08334 | Bond | 30 Dec 2024 | 9.42 | 30 Dec 2032 | 71.43 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08342 | Bond | 30 Dec 2024 | 9.42 | 30 Dec 2031 | 71.43 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |

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|---|---|---|---|---|---|---|---|---|
| Not Applicable | INE658F08300 | Bond | 30 Dec 2024 | 9.42 | 30 Dec 2030 | 71.43 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08359 | Bond | 30 Dec 2024 | 9.42 | 30 Dec 2029 | 71.43 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08292 | Bond | 30 Dec 2024 | 9.42 | 30 Dec 2028 | 71.43 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08037 | Bond | 03 Jul 2023 | 8.49 | 02 Jul 2027 | 42.86 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08011 | Bond | 03 Jul 2023 | 8.49 | 03 Jul 2028 | 42.86 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08045 | Bond | 03 Jul 2023 | 8.49 | 03 Jul 2029 | 42.86 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08029 | Bond | 03 Jul 2023 | 8.49 | 03 Jul 2030 | 42.86 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08052 | Bond | 03 Jul 2023 | 8.49 | 03 Jul 2031 | 42.86 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08078 | Bond | 03 Jul 2023 | 8.49 | 02 Jul 2032 | 42.86 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08060 | Bond | 03 Jul 2023 | 8.49 | 04 Jul 2033 | 42.86 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08086 | Bond | 22 Dec 2023 | 8.95 | 22 Dec 2027 | 143.28 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08128 | Bond | 22 Dec 2023 | 8.95 | 22 Dec 2028 | 143.28 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08110 | Bond | 22 Dec 2023 | 8.95 | 21 Dec 2029 | 143.28 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08102 | Bond | 22 Dec 2023 | 8.95 | 20 Dec 2030 | 143.28 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08094 | Bond | 22 Dec 2023 | 8.95 | 22 Dec 2031 | 143.28 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08144 | Bond | 22 Dec 2023 | 8.95 | 22 Dec 2032 | 143.28 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08136 | Bond | 22 Dec 2023 | 8.95 | 22 Dec 2033 | 143.28 | Simple | ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | INE658F08318 | Bond | 30 Dec 2024 | 9.42 | 30 Dec 2034 | 142.86 | Simple | ACUITE AA \| CE \| Stable \| Assigned \| Provisional To Final |
| Not Applicable | INE658F08326 | Bond | 30 Dec 2024 | 9.42 | 30 Dec 2033 | 142.86 | Simple | ACUITE AA \| CE \| Stable \| Assigned \| Provisional To Final |
| Not Applicable | INE658F08334 | Bond | 30 Dec 2024 | 9.42 | 30 Dec 2032 | 142.86 | Simple | ACUITE AA \| CE \| Stable \| Assigned \| Provisional To Final |

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|---|---|---|---|---|---|---|---|---|
| Not Applicable | INE658F08342 | Bond | 30 Dec 2024 | 9.42 | 30 Dec 2031 | 142.86 | Simple | ACUITE AA \| CE \| Stable \| Assigned \| Provisional To Final |
| Not Applicable | INE658F08300 | Bond | 30 Dec 2024 | 9.42 | 30 Dec 2030 | 142.86 | Simple | ACUITE AA \| CE \| Stable \| Assigned \| Provisional To Final |
| Not Applicable | INE658F08359 | Bond | 30 Dec 2024 | 9.42 | 30 Dec 2029 | 142.86 | Simple | ACUITE AA \| CE \| Stable \| Assigned \| Provisional To Final |
| Not Applicable | INE658F08292 | Bond | 30 Dec 2024 | 9.42 | 30 Dec 2028 | 142.86 | Simple | ACUITE AA \| CE \| Stable \| Assigned \| Provisional To Final |
| Not Applicable | Not avl. / Not appl. | Proposed Bond | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 92.73 | Simple | Provisional \| ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | Not avl. / Not appl. | Proposed Bond | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 0.06 | Simple | Provisional \| ACUITE AA \| CE \| Stable \| Reaffirmed |
| Not Applicable | Not avl. / Not appl. | Proposed Bond | Not avl. / Not appl. | Not avl. / Not appl. | Not avl. / Not appl. | 407.24 | Simple | Provisional \| ACUITE AA \| CE \| Stable \| Reaffirmed |

***Annexure 2 - List of Entities (applicable for Consolidation or Parent / Group / Govt. Support)**

| Sr. No. | Company name |
|---|---|
| 1 | Government of Kerala |
| 2 | Kerala Infrastructure Investment Fund Board |

**Contacts**

| | |
|---|---|
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**SCHEDULE III**

**RESOLUTIONS**

**(*Attached separately*)**

# KERALA INFRASTRUCTURE INVESTMENT FUND BOARD (KIIFB)

**Circular Resolution No.6/2024**
**Dated 12.07.2024**

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**Issuance of Domestic Bonds.**

The 48th General Body of KIIFB authorized the Chief Executive Officer to raise up to Rs 10,000 Cr for the period till March 2025 for project payments and for ensuring a sufficient liquidity buffer.

It is essential for KIIFB to have diversified borrowing mix (of term loans from banks, financial institutions and domestic bonds), so that KIIFB is able to avail funding when required. Accordingly, it is proposed to establish a Domestic Bond program for availing financing of Rs 3000 Cr (in one or more tranches) through the debt capital markets in FY 2024-25 with a robust transaction structure which could ensure a competitive pricing for the following end-use:

(a) providing financing to infrastructure projects in the State of Kerala as approved by KIIFB's board of members including but not limited to for acquisition of immoveable assets for setting up such infrastructure projects;
(b) repayment of any financial indebtedness availed by KIIFB; and
(c) any other objectives of KIIFB pursuant to the KIIF Act, 1999 (as amended).

KIIFB with the current transaction structure (which includes an undertaking with regard to Corpus Fund) has successfully raised funds amounting to INR 2649.92 Cr through the issuance of domestic bonds and accordingly has fully exhausted the limit in terms of funds that could be availed by issuing bonds on the current transaction structure (the upper limit was 80% of Corpus Fund balance maintained in Treasury

Deposit Account. Current Balance is Rs 3327.02 Cr).

KIIFB's existing structure (which is rated " AA " by both India Ratings & Research Pvt Ltd and Acuite Ratings Pvt Ltd) was devised with assistance from transaction advisors, i.e., AK Capital and Trust investment advisors, which are among the Top 10 SEBI registered Merchant Banks as per League Table (Prime Database) for FY 2022-23.

Accordingly, to revise the transaction structure for the Domestic Bond Program for FY 2024-25 and for availing other advisory services in this regard, KIIFB management had appointed both AK Capital and Trust investment advisors as the transaction advisors on a pro bono basis.

On the basis of discussions with Transaction Advisors, a draft term sheet indicating the broad terms and the transaction structure of the proposed generic domestic bond is enclosed as Annexure- A for Board's kind perusal and approval.

Once the proposal is approved, KIIFB management shall

- appoint the rating agencies and initiate the rating exercise for the domestic bond program
- commence other documentation work such as preparation of information memorandum, other bond documents et al.
- initiate the hiring of relevant third parties/ intermediaries to the issue including Legal Counsel, Account Bank, RTA, Trustee, et al.

Once the provisional rating is in place, KIIFB management shall initiate the appointment of arrangers to the issue through a competitive process as was done during the earlier bond issuances.

It is proposed to engage both India Ratings & Research and Acuite Ratings & Research as rating agencies, State Bank of India as the account bank, Trilegal as the

Legal Counsel, M/S Catalyst Trusteeship Ltd as the Trustee and M/S Cameo Corporate Services Ltd as the Registrar for the proposed Domestic Bond Program. It may kindly be noted that except State Bank of India (new account bank proposed in place of Bank of Baroda), all other third parties indicated above were associated with KIIFB for the domestic bonds issued earlier.

It may be noted that the indicative pricing of the Generic Bond will be known closer to the issuance date based on inputs from the market participants and conditions prevailing in the financial markets. Further, to ensure price discovery of the coupon and arrangers fee, KIIFB shall adopt the same competitive process as was followed in case of the recent Domestic Bond Issuance.

**Resolution of the Board**

1. The Board approved the issuance of unsecured, rated, listed, redeemable, taxable, non-convertible bonds in the nature of debentures in one or multiple tranches, comprising seven sub-series of a face value of INR 1,00,000/- (Indian Rupees One Lakh only) each, up to INR 3000 Crores.
2. The Board approved the term sheet for the proposed domestic bonds.
3. The Board authorized the Chief Executive Officer to engage all required market intermediaries like Rating agencies, Trustee, Legal Counsel, RTA, et al for the proposed Domestic Bonds.
4. The Board ratified the appointment of AK Capital Services Ltd and Trust Investment Advisors Pvt Ltd as the transaction advisors on pro bono basis.
5. The Board approved the admission of the Debentures in the depository system of Central Depository Services (India) Limited ("**CDSL**") and/or National Securities Depository Limited ("**NSDL**", collectively, "**Depository**") for issuance of Domestic Bonds in dematerialized form.
6. The Board approved that the Domestic Bonds shall be secured by security interest created by the Board on inter alia identified escrow accounts viz, KIIFB bond servicing account, debt service reserve account, upfront fixed deposit and

permitted investments therefrom and guaranteed by a guarantee issued by the Government of Kerala for the benefit of holders of the Domestic Bonds.

7. The Board approved opening of the escrow account(s) viz., KIIFB bond servicing account and debt service reserve account required in connection with the Domestic Bonds and to appoint State Bank of India, as the account bank (the "**Account Bank**") for operation of the escrow account(s) and to make payment of mutually agreed remuneration to the Account Bank.
8. The Board approved listing of the Domestic Bonds with BSE Limited and approved the payment of fees for the issuance and listing of the Domestic Bonds.
9. The Board authorized CEO to appoint any other intermediaries, for the proposed issuance of the Domestic Bonds.
10. The Board approved the appointment of the compliance officer, KIIFB as a compliance officer for compliance related to regulatory/statutory issues and for redressal of any pre-issue/post-issue investor problems/ grievances such as non-credit of letters of allotment / bond certificates in the demat account, non-receipt of refund orders, interest warrants, etc, for the proposed issuance of the Domestic Bonds;
11. The Board authorized jointly and severally, the Chief Executive Officer or the Joint Fund Manager (in the absence of Chief Executive Officer) to:
    (a) negotiate, finalize, execute, make amendments, sign and submit all necessary papers, certificates, affidavits, declarations, memorandum of understanding, undertakings and all necessary transaction documents (including but not limited to an information memorandum, debenture trust deed, accounts agreement, debenture trustee agreement, deed of hypothecation and other undertakings in respect of the Domestic Bonds including with the relevant intermediaries;
    (b) draw-up, finalize and sign on behalf of the Board the financial statements/disclosure document/information memorandum/offer document and other documents for the bond issue and file the same with Securities and Exchange Board of India and/or BSE Limited as may be required;

(c) enter into any agreements with Depository and Registrar and Transfer Agent for the dematerialization of Debentures;

(d) obtain prior approvals, consents and authorisations from relevant third parties and other governmental authorities including the stock exchanges, the Securities and Exchange Board of India and undertaking any acts required in connection with the procedure of electronic book mechanism for issuance of the Domestic Bonds;

(e) sign, file and submit the necessary forms with other relevant governmental authorities and intermediaries;

(f) do all such acts, deeds, matters and things as may be required and to sign all such papers and documents as may be necessary to implement the decision and/or as may be required from the Board in respect of the Domestic Bonds and/are as are incidental thereto;

(g) pay stamp duty as per the applicable laws including statutes and regulations; and;

(h) to provide a certified true copy of these resolutions to any person who may rely upon it and be requested to act thereupon.

**Signature of authorized person:**

| **Sr. No.** | **Name of the Authorized Signatory** | **Designation** | **Specimen Signature** |
|---|---|---|---|
| 1. | Dr. K M Abraham | Chief Executive Officer | |
| 2. | Shri. Reji John | Joint Fund Manager | |

12. The Board authorized the Investment Management Committee to:

(a) approve any changes in the transaction documents including the terms and conditions of the Domestic Bonds;

(b) Approve any changes to the RFP for the selection of merchant bankers.

(c) finalize and approve the final coupon / interest rate of the proposed Domestic Bonds;

(d) approve the fees to be paid to the arrangers

(e) approve the allotment of the Domestic Bonds (or any part thereof); and

(f) take all other actions as may be required pursuant to the foregoing and to do all such acts, deeds, matters and things as may be required in respect of the Domestic Bonds.

**Dr.KM.Abraham, CFA**
**Chief Executive Officer**

**CIRCULAR RESOLUTION 3/2025 PASSED BY THE INVESTMENT MANAGEMENT COMMITTEE OF KERALA INFRASTRUCTURE INVESTMENT FUND BOARD DATED March 13, 2025**

**Agenda 1 - Approval for coupon/interest rate and arranger fee for the proposed domestic bond**

**Decision:** The IMC accorded approval for appointment of M M/S PRP professional Edge Associates as the arrangers for the issuance of Domestic Bonds for a minimum commitment amount of Rs. 199.99 Crores with a green shoe option of INR 299.95 at a coupon rate of **9.49 %** and arranger fee of Rs. **1.81%** (arranger fees to be paid on the total amount including green shoe option if exercised) and an IRR of **10.24%.**

**Agenda 2 - Approval for the revised terms sheet for the proposed domestic bond**

**Decision:** The IMC approved the revised term sheet

**SCHEDULE IV**

**DUE DILIGENCE CERTIFICATE FROM THE DEBENTURE TRUSTEE**

**(*Attached separately*)**

**CTL/24-25/14494** ***(Annexure II A)***

**DUE DILIGENCE CERTIFICATE AT THE TIME OF FILING OF DRAFT OFFER DOCUMENT/ PLACEMENT MEMORANDUM**

*[In reference to Chapter II, Clause 2.2.4 of SEBI Master Circular for Debenture Trustees dated May 16, 2024]*

To,
The Manager,
**BSE Limited**
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai- 400001.

Dear Sir / Madam,

**SUB: ISSUE OF UNSECURED, RATED, REDEEMABLE, TAXABLE, LISTED NON-CONVERTIBLE DEBENTURES ("DEBENTURES") BY WAY OF ISSUANCE, COMPRISING SEVEN STRPPs 'A' THROUGH 'G' OF FACE VALUE OF INR 1,00,000 (INDIAN RUPEES ONE LAKH ONLY) EACH ("FACE VALUE") WITH EACH BOND AGGREGATING TO A VALUE OF INR 7,00,000 (INDIAN RUPEES SEVEN LAKH ONLY), FOR AMOUNTS OF UP TO INR 199,99,00,000 (INDIAN RUPEES ONE HUNDRED NINETY NINE CRORES AND NINETY NINE LAKHS ONLY), WITH A GREEN-SHOE OPTION TO RETAIN OVERSUBSCRIPTION OF UP TO INR 299,95,00,000 (INDIAN RUPEES TWO HUNDRED AND NINETY NINE CRORES AND NINETY FIVE LAKHS ONLY), BY KERALA INFRASTRUCTURE INVESTMENT FUND BOARD ("ISSUER") AND COUPON OF 9.49% PER ANNUM PAYABLE QUARTERLY FOR A TENOR OF APPROXIMATELY 4 - 10 YEARS, AT PAR AGGREGATING TO TOTAL ISSUE SIZE NOT EXCEEDING INR 499,94,00,000 (INDIAN RUPEES FOUR HUNDRED AND NINETY NINE CRORES AND NINETY FOUR LAKHS ONLY) BY WAY OF PRIVATE PLACEMENT BY KERALA INFRASTRUCTURE INVESTMENT FUND BOARD.**

We, the debenture trustee(s) to the above-mentioned forthcoming issue state as follows:

1) We have examined documents pertaining to the said issue and other such relevant documents, reports and certifications.

2) On the basis of such examination and of the discussions with the Issuer, its directors and other officers, other agencies and on independent verification of the various relevant documents, reports and certifications:

We confirm that:

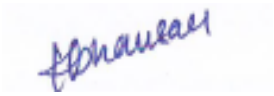
a) All disclosures made in the offer document with respect to the debt securities are true, fair and adequate to enable the investors to make a well informed decision as to the investment in the proposed issue.
b) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document or private placement memorandum/ information memorandum.

c) Issuer has given an undertaking that the debenture trust deed shall be executed before the filing of listing application.

**Place: Mumbai**
**Date: March 19, 2025**

**For Catalyst Trusteeship Limited**



**Ms. Krina Bhavsar**
**Assistant Manager**

## SCHEDULE V

## IN-PRINCIPLE APPROVAL FROM THE STOCK EXCHANGE

**(*Attached separately*)**

DCS/COMP/BB/IP-PPDI/010/24-25

April 16, 2024

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

Dear Sir/Madam

**Re: Private Placement Of Unsecured, Rated, Redeemable, Taxable, Listed Non-Convertible Debentures ("Debentures") Under GID No.FA-6/2027/2021/KIIFB Dated 16 April, 2024 (The Issue)**

We acknowledge receipt of your application on the online portal on April 11, 2024 seeking In-principle approval for issue of captioned security. In this regard, the Exchange is pleased to grant in-principle approval for listing of captioned security subject to fulfilling the following conditions at the time of seeking listing:

1. Filing of listing application.

2. Payment of fees as may be prescribed from time to time.

3. Compliance with SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder and also Compliance with provisions of Companies Act 2013.

4. Receipt of Statutory & other approvals & compliance of guidelines issued by the statutory authorities including SEBI, RBI, DCA etc. as may be applicable.

5. Compliance with change in the guidelines, regulations, directions, circulars of the Exchange, SEBI or any other statutory authorities, documentary requirements from time to time.

6. Compliance with below mentioned circular dated June 10, 2020 issued by BSE before opening of the issue to the investors.:
https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20200610-31

7. Issuers, for whom use of EBP is not mandatory, specific attention is drawn towards compliance with Chapter XV of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and BSE Circular No 20210519-29 dated May 19, 2021. Accordingly, Issuers of privately placed debt securities in terms of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 or ILDM Regulations for whom accessing the electronic book platform (EBP) is not mandatory shall upload details of the issue with any one of the EBPs within one working day of such issuance. The details can be uploaded using the following links Electronic Issuance - Bombay Stock Exchange Limited (bseindia.com).

8. It is advised that Face Value of NCDs issue through private placement basis should be kept as per Chapter V of SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021

9. ***Issuers are hereby advised to comply with signing of agreements with both the depositories as per Regulation 7 of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021.***

***10. Company is further requested to comply with SEBI Circular SEBI/HO/DDHS/DDHS-RACPOD1/CIR/P/2023/56 dated April 13, 2023, (if applicable) read along with BSE Circular https://www.bseindia.com/markets/MarketInfo/DispNewNoticesCirculars.aspx?page=20230428-18 and ensure compliance of the same.***

This In-Principle Approval is valid for a period of 1 year from the date of issue of this letter or period of 1 year from the date of opening of the first offer of debt securities under the General information Document, which ever applicable. The Exchange reserves its right to withdraw its in-principle approval at any later stage if the information submitted to the Exchange is found to be incomplete/ incorrect/misleading/false or for any contravention of Rules, Bye-laws and Regulations of the Exchange, SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 read with SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 and circulars issued thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Guidelines/Regulations issued by the statutory authorities etc. Further, it is subject to payment of all applicable charges levied by the Exchange for usage of any system, software or similar such facilities provided by BSE which the Company shall avail to process the application of securities for which approval is given vide this letter.

Yours faithfully,
**For BSE Limited**

**Hardik Bhuta**
**Assistant General Manager**

**Akshay Arolkar**
**Deputy Manager**

**SCHEDULE VI**

**CONSENT LETTER OF REGISTRAR AND TRANSFER AGENT**

**(*Attached separately*)**

CAMEO

CAMEO CORPORATE SERVICES LIMITED

Ref: CAM/DIR/KIIFB/Debentures/2024-25 17th March, 2025

**TO WHOMSOEVER IT MAY CONCERN**

We understand that our client ***Kerala Infrastructure Investment Fund Board*** had appointed us as Registrar and Transfer Agent for their proposed issue of Domestic Bonds to the extent of Rs. 499.94 Cr

We have no objection for the company including our name as Registrar and Transfer Agents in the information Memorandum.

For Cameo Corporate Services Ltd

Sreepriya.K
EVP & Company Secretary

'Subramanian Building', No.1, Club House Road, Chennai-600 002.
Phone: 2846 0390 (5 lines), E-mail:cameo@cameoindia.com
CIN: U67120TN1998PLC041613

**SCHEDULE VII**

**GUARANTEE ORDERS**

**(*Attached separately*)**

# GOVERNMENT OF KERALA

**Abstract**

Finance (Infrastructure) Department – Kerala Infrastructure Investment Fund Board (KIIFB) - Issuance of Government Guaranteed Domestic Bond amounting to INR 3000,00,00,000 (Including green shoe option) - Sanction Accorded - accorded - Orders issued.

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## FINANCE (INFRASTRUCTURE) DEPARTMENT

G.O.(Rt) No.6102/2024/Fin Dated, Thiruvananthapuram 08.08.2024

Read:- 1. Kerala Infrastructure Investment Fund Act, 1999 as amended by Kerala Infrastructure Investment Fund (Amendment) Act, 2016.
2. Minutes of 48th General Board of KIIFB.
3. Circular Resolution No.6/2024 dated 12.07.2024 passed by the General Board of KIIFB.

## ORDER

The General Board of Kerala Infrastructure Investment Fund Board (KIIFB), vide circular resolution read as 3rd paper above, has granted approval for issuance of Government Guaranteed Domestic Bond amounting to INR 3000,00,00,000/- (Including green shoe option )

Section 8 of the Kerala Infrastructure Investment Fund Act, 1999 ("Act") read as the 1st paper above, provides that "the Board may, from time to time, with the previous sanction of the Government and subject to such conditions as the Government may by general or special order determine, borrow any sum required for the purposes of this Act ".

Government have examined the matter in detail and are pleased to grant sanction to KIIFB in accordance with Section 8 of Kerala Infrastructure Investment Fund Act, 1999 as amended by Kerala Infrastructure Investment Fund (Amendment) Act, 2016 for the issuance of Government Guaranteed Domestic Bond amounting to INR 3000,00,00,000/- (Including green shoe option).

Pursuant to this sanction , KIIFB is authorized to issue Domestic bonds amounting to INR 3000,00,00,000/- (Rupees Three Thousand Crores only) including the recognized lenders/investors, Coupon rate, end use of the proceeds, tenor of Bonds and such other terms and conditions of the bonds, and any modification relating thereto.

**(By order of the Governor)**

**Dr. K.M. ABRAHAM CFA**
**EX-OFFICIO SECRETARY**

**To**

The Principal Accountant General (A&E /G&SSA), Kerala, Thiruvananthapuram
The Accountant General (E&RSA), Kerala, Thiruvananthapuram
The Chief Executive Officer, Kerala Infrastructue Investment Fund Board (KIIFB)
The Principal Secretary, Finance Department.
Finance (Secret) Section
The Nodal Officer, (www.finance.kerala.gov.in / www.kiifb.org)
Stock File / Office Copy

Forwarded / By Order

Accounts Officer

# GOVERNMENT OF KERALA

**Abstract**

Finance (Infrastructure) Department – Kerala Infrastructure Investment Fund Board (KIIFB) - Issuance of Government Guaranteed Domestic Bond amounting to INR 3000,00,00,000 (Including green shoe option) - Sanction Accorded - accorded - Orders issued.

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## FINANCE (INFRASTRUCTURE) DEPARTMENT

G.O.(Rt) No.6132/2024/Fin Dated, Thiruvananthapuram 11.08.2024

Read:- 1. Kerala Infrastructure Investment Fund Act, 1999 as amended by Kerala Infrastructure Investment Fund (Amendment) Act, 2016.
2. Minutes of 48th General Board of KIIFB.
3. Circular Resolution No.6/2024 dated 12.07.2024 passed by the General Board of KIIFB.

## ORDER

The General Board of Kerala Infrastructure Investment Fund Board (KIIFB), vide circular resolution read as 3rd paper above, has granted approval for issuance of Government Guaranteed Domestic Bond amounting to INR 3000,00,00,000/- (Including green shoe option).

Section 8 of the Kerala Infrastructure Investment Fund Act, 1999 ("Act") read as the 1st paper above, provides that "the Board may, from time to time, with the previous sanction of the Government and subject to such conditions as the Government may by general or special order determine, borrow any sum required for the purposes of this Act ".

Section 9 of the Act provides that "the Government shall guarantee the payment of the principal and interest of any fund proposed to be raised by the Board, provided that the total guarantee issued by the Government under this Act shall not exceed the limits set by the Kerala Ceiling on Government Guarantees Act 2003 (30 of 2003) in force" (which is currently 100% of the total revenue receipts as per the annual financial statement of the State in the preceding year or at 10% of the Gross State Domestic product (GSDP), whichever is lower).

The Government have examined the matter in detail and hereby grants the unconditional and irrevocable Government Guarantee (without any conditions) for the due and punctual payment of all sums from time to time due and payable in respect of the bonds issued and are pleased to accord unconditional and irrevocable Government Guarantee for the issuance of Domestic Bonds by KIIFB for an amount of INR 3000,00,00,000 (Including green shoe option) subject to the following general conditions which do not have any impact on the above guarantee:

i) Kerala Infrastructure Investment Fund Board shall remit the Guarantee Commission dues (if any) to Government (as on date).

ii) Guarantee Commission @0.75% shall be remitted as per orders in G.O. (Ms) No. 487/04/Fin dated 16.10.2004 and the Guarantee Act.

iii) Simple interest @ 12% will be charged for delayed payments as specified in clause (5) of Government Order dated 16.10.2004.

iv) Half yearly report shall be sent to Government in Finance Department with attested copies of Challans remitting Guarantee Commission and Penal interest, if any, indicating details of guarantee amount and outstanding Guarantee Commission payble (with details of calculation.

v) The details regarding the Guarantee given by Government should be uploaded by KIIFB in the Guarantee Information Monitoring System (GIMS) portal of the website of Finance Department up to date.

**(By order of the Governor)**

**Dr. K.M. ABRAHAM CFA**
**EX-OFFICIO SECRETARY**

**To**

The Principal Accountant General (A&E /G&SSA), Kerala, Thiruvananthapuram
The Accountant General (E&RSA), Kerala, Thiruvananthapuram
The Principal Secretary, Finance Department.
The Chief Executive Officer, Kerala Infrastructue Investment Fund Board (KIIFB)
Finance (PU - B) Section
Stock File / Office Copy

Forwarded / By Order

Accounts Officer

## SCHEDULE VIII

## PEER REVIEWED CERTIFICATE OF THE STATUTORY AUDITOR(S)

**(*Attached separately*)**

# The Institute of Chartered Accountants of India

(Setup by an Act of Parliament)

## Peer Review Board

**Peer Review Certificate No.: 014223**

**This is to certify that the Peer Review of**

*M/s Varma & Varma*

*Sreeraghavam, Kerala Varma Tower,*

*Building No. 53/2600 B C D & E, Off. Kunjan Bava Road, Vytilla,*

*Kochi-682019*

*FRN No. 004532S*

**has been carried out for the period**

**2018-2021**

pursuant to the *Statement on Peer Review*, issued by the Council of The Institute of Chartered Accountants of India.

**This Certificate shall be effective from: 02-07-2022**

**The Certificate shall remain valid till: 31-07-2025**

**Issued at New Delhi on 18-05-2022**

| | | |
|---|---|---|
| **CA. Chandrashekhar Vasant Chitale** | **CA. Anuj Goyal** | **CA. Nidhi Singh** |
| **Chairman** | **Vice-Chairman** | **Secretary** |
| **Peer Review Board** | **Peer Review Board** | **Peer Review Board** |

**Note :** The Certificate is issued on behalf of the Peer Review Board of ICAI and ICAI or any of its functionaries are not liable for any non-compliance by the Practice Unit. The Certificate can be revoked for the reason stated in the '*Statement on Peer Review*'.

# The Institute of Chartered Accountants of India

(Setup by an Act of Parliament)

## Peer Review Board

**Peer Review Certificate No.: 016670**

**This is to certify that the Peer Review of**

*M/s Suri & Co*

*Guna Complex, No. 443/445, 4th Floor,*

*Main Building, Annasalai, Teynampet,*

*Chennai-600018*

*FRN.: 004283S*

**has been carried out for the period**

**2020-2023**

pursuant to the *Peer Review Guidelines 2022*, issued by the Council of the Institute of Chartered Accountants of India.

**This Certificate is effective from: 01-05-2024**

**The Certificate shall remain valid till: 30-04-2027**

**Issued at New Delhi on 29-04-2024**

| CA. Prasanna Kumar D | CA. (Dr.) Raj Chawla | CA. Mohit Baijal |
|---|---|---|
| Chairman<br>Peer Review Board | Vice-Chairman<br>Peer Review Board | Secretary<br>Peer Review Board |

**Note :** The Certificate is issued on behalf of the Peer Review Board of ICAI and ICAI or any of its functionaries are not liable for any non-compliance by the Practice Unit. The Certificate can be revoked for the reason stated in the '*Peer Review Guidelines 2022*'.

| Checked by |
| --- |
| |