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 500,01,00,000 (INDIAN RUPEES FIVE HUNDRED CRORES AND ONE LAKH ONLY), WITH A GREEN-SHOE OPTION TO RETAIN OVERSUBSCRIPTION OF UP TO INR 500,01,00,000 (INDIAN RUPEES FIVE HUNDRED CRORES AND ONE LAKH 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 1000,02,00,000 (INDIAN RUPEES ONE THOUSAND CRORES AND TWO LAKHS ONLY) UNDER ISINs INE658F08227, INE658F08235, INE658F08284, INE658F08276, INE658F08268, INE658F08250 AND INE658F08243 ("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 dated 3 October 2024 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 11 September 2024. 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 2999,99,00,000 (Indian Rupees Two Thousand Nine Hundred Ninety Nine Crores Ninety Nine Lakhs only) *vide* its rating letter dated 21 August 2024.
(b) "Provisional ACUITE AA (CE)" with stable outlook by Acuité Ratings & Research Limited for an aggregate amount up to INR 3000,00,00,000 (Indian Rupees Three Thousand Crores only) *vide* its rating letter dated 26 August 2024.

Instruments with the above rating are considered to have a high degree of safety regarding timely service of financial obligations. Such instruments carry low credit risk.

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
7 October 2024	7 October 2024	Not applicable

COUPON	COUPON PAYMENT FREQUENCY	REDEMPTION DATE	REDEMPTION AMOUNT
9.49% per annum	Quarterly	8 October 2034	INR 1,00,000 per Debenture

ARRANGER TO THE ISSUE

TIPSONS CONSULTANCY SERVICES PRIVATE LIMITED
Address: Shaeraton House, Opp Keshav Petrol Pump, Polytechnic Road, Ambawadi, Ahmedabad, 380015
Tel.: 9099933611
Website: www.tipsons.com
Email: sandeep.bhansali@tipsons.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

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. 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 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 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 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: (a) India Ratings and Research Private Limited; and (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 1 October 2024 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 500,01,00,000 (Indian Rupees Five Hundred Crores and One Lakh only), with a green-shoe option to retain over-subscription of up to INR 500,01,00,000 (Indian Rupees Five Hundred Crores and One Lakh only), such that the aggregate issue size of the Debentures does not exceed an amount of up to INR 1000,02,00,000 (Indian Rupees One Thousand Crores and Two 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 ISIN INE658F08227, INE658F08235, INE658F08284, INE658F08276, INE658F08268, INE658F08250 AND INE658F08243. This issuance of

TERM	DESCRIPTION
	Debentures under ISIN INE658F08227, INE658F08235, INE658F08284, INE658F08276, INE658F08268, INE658F08250 AND INE658F08243 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 43266109223, 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 7 October 2024
"**Issue Opening Date**"	Means 7 October 2024

TERM	DESCRIPTION
"**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 43266109563 and IFSC SBIN0070028, wherein the Subscription Amount shall be deposited by the Indian 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 43266104644 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.
"**Pay In Date**"	Means 8 October 2024
"**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 8 October 2034
"**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: (a) this Key Information Document;

TERM	DESCRIPTION
	(b) the General Information Document; (c) the Debenture Trust Deed; (d) the Debenture Trustee Agreement; (e) the Deed of Guarantee; (f) the Accounts Agreement; (g) the Deed of Hypothecation; and (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. Instruments with the above rating are considered to have a high degree of safety regarding timely service of financial obligations. Such instruments carry low credit risk. 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 21 August 2024.

Acuité Ratings & Research Limited has assigned a rating of Provisional ACUITE AA (CE) with stable outlook to the Debentures. Instruments with the above rating are considered to have a high degree of safety regarding timely service of financial obligations. Such instruments carry low credit risk. 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 26 August 2024.

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. 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. 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	7 October 2024
Issue Closing Date	7 October 2024
Pay In date	8 October 2024
Deemed Date of Allotment	8 October 2024

** 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	**TRILEGAL** Address: One World Centre, 10th Floor, Tower 2A & 2B, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400 013 Tel: +912240791000 E-mail: joseph.jimmy@trilegal.com Website: https:/trilegal.com Contact Person: Joseph Jimmy
Guarantor ഔദ്യോഗിക വെബ് പോർട്ടൽ കേരള സർക്കാർ	**Government of Kerala** Address: Finance Department, Government Secretariat, Statue, Thiruvananthpuram, Kerala - 695001 Tel: 04712336576 E-mail: Osgadibmc@gmail.com Website: https://kerala.gov.in/ 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	1815.75	99.36	2.13
Fees payable to the legal advisors	10	0.54	0.01
Underwriting commission	NIL	NIL	NIL
Brokerage, selling commission and upload fees	NIL	NIL	NIL
Fees payable to the registrars to the issue	0.94	0.05	0.001
Advertising and marketing expenses	NIL	NIL	NIL
Fees payable to the regulators including stock exchanges	0.70	0.03	0.0008
Expenses incurred on printing and distribution of issue stationary	NIL	NIL	NIL
Any other fees, commission or payments under whatever nomenclature	NIL	NIL	NIL

**The expenses are indicative and based on the actual level of subscription to the Issue which is INR 850,15,00,000 (Indian Rupees Eight Hundred Fifty Crores Fifteen Lakhs only) 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 30 June 2024 is provided in Annexure B *(Updated Financial Statements)* of this Key Information Document.

The certificate issued on 1 May 2024, bearing number: 016670, by the Peer Review Board of the Institute of Chartered Accountants of India of the Statutory Auditor is provided in Schedule VIII (*Peer Reviewed Certificate 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 30 June 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,	6 May 2024

Name of the Auditors	Address	Date of appointment
	Thiruvananthapuram - 695001	

(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, trustees, 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 26 July 2024 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 26 July 2024 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.

(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 shall be executed (as amended from time to time) by the Issuer and Debenture Trustee 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>8 October 2024</td></tr>
<tr><td>Redemption Date</td><td>8 October 2034</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>08/01/2025</td></tr>
<tr><td>08/04/2025</td></tr>
<tr><td>08/07/2025</td></tr>
<tr><td>08/10/2025</td></tr>
<tr><td>08/01/2026</td></tr>
<tr><td>08/04/2026</td></tr>
<tr><td>08/07/2026</td></tr>
<tr><td>08/10/2026</td></tr>
<tr><td>08/01/2027</td></tr>
<tr><td>08/04/2027</td></tr>
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<tr><td>06/04/2029</td></tr>
<tr><td>06/07/2029</td></tr>
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Illustration of Debenture Cash Flows to be shown in Key Information Document		
		08/10/2029 08/01/2030 08/04/2030 08/07/2030 08/10/2030 08/01/2031 08/04/2031 08/07/2031 08/10/2031 08/01/2032 08/04/2032 08/07/2032 08/10/2032 07/01/2033 08/04/2033 08/07/2033 07/10/2033 06/01/2034 07/04/2034 07/07/2034 06/10/2034
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	8 October 2024
Face Value	INR 1,00,000
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	08/01/2025	08/01/2025	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00
90	08/04/2025	08/04/2025	2,340.00	2,340.00	2,340.00	2,340.00	2,340.00	2,340.00	2,340.00
91	08/07/2025	08/07/2025	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
92	08/10/2025	08/10/2025	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00
92	08/01/2026	08/01/2026	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00
90	08/04/2026	08/04/2026	2,340.00	2,340.00	2,340.00	2,340.00	2,340.00	2,340.00	2,340.00
91	08/07/2026	08/07/2026	2,366.00	2,366.00	2,366.00	2,366.00	2,366.00	2,366.00	2,366.00
92	08/10/2026	08/10/2026	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00
92	08/01/2027	08/01/2027	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00
90	08/04/2027	08/04/2027	2,340.00	2,340.00	2,340.00	2,340.00	2,340.00	2,340.00	2,340.00
91	08/07/2027	08/07/2027	2,366.00	2,366.00	2,366.00	2,366.00	2,366.00	2,366.00	2,366.00
92	08/10/2027	08/10/2027	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00
92	08/01/2028	07/01/2028	27,385.46	2,385.46	2,385.46	2,385.46	2,385.46	2,385.46	2,385.46
91	08/04/2028	07/04/2028	26,769.65	2,359.54	2,359.54	2,359.54	2,359.54	2,359.54	2,359.54
91	08/07/2028	07/07/2028	26,179.77	2,359.54	2,359.54	2,359.54	2,359.54	2,359.54	2,359.54
92	08/10/2028	06/10/2028	25,596.37	2,385.46	2,385.46	2,385.46	2,385.46	2,385.46	2,385.46
92	08/01/2029	08/01/2029		27,392.00	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00
90	08/04/2029	06/04/2029		26,755.00	2,340.00	2,340.00	2,340.00	2,340.00	2,340.00
91	08/07/2029	06/07/2029		26,183.00	2,366.00	2,366.00	2,366.00	2,366.00	2,366.00
92	08/10/2029	08/10/2029		25,598.00	2,392.00	2,392.00	2,392.00	2,392.00	2,392.00
92	08/01/2030	08/01/2030			27,392.00	2,392.00	2,392.00	2,392.00	2,392.00
90	08/04/2030	08/04/2030			26,755.00	2,340.00	2,340.00	2,340.00	2,340.00
91	08/07/2030	08/07/2030			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
92	08/10/2030	08/10/2030			25,598.00	2,392.00	2,392.00	2,392.00	2,392.00
92	08/01/2031	08/01/2031				27,392.00	2,392.00	2,392.00	2,392.00
90	08/04/2031	08/04/2031				26,755.00	2,340.00	2,340.00	2,340.00
91	08/07/2031	08/07/2031				26,183.00	2,366.00	2,366.00	2,366.00
92	08/10/2031	08/10/2031				25,598.00	2,392.00	2,392.00	2,392.00
92	08/01/2032	08/01/2032					27,385.46	2,385.46	2,385.46
91	08/04/2032	08/04/2032					26,769.65	2,359.54	2,359.54
91	08/07/2032	08/07/2032					26,179.77	2,359.54	2,359.54
92	08/10/2032	08/10/2032					25,596.37	2,385.46	2,385.46
92	08/01/2033	07/01/2033						27,392.00	2,392.00
90	08/04/2033	08/04/2033						26,755.00	2,340.00
91	08/07/2033	08/07/2033						26,183.00	2,366.00
92	08/10/2033	07/10/2033						25,598.00	2,392.00
92	08/01/2034	06/01/2034							27,392.00
90	08/04/2034	07/04/2034							26,755.00
91	08/07/2034	07/07/2034							26,183.00
92	08/10/2034	06/10/2034							25,598.00
3652	**TOTAL (in lakhs)**		134,401.25	143,888.00	153,378.00	162,868.00	172,361.25	181,848.00	191,368.00

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

H. Delay in allotment of securities

The allotment of securities shall be made within the timelines stipulated under SEBI Master Circular.

I. Issue Details

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

J. 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.

K. 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.

L. 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 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 30 June 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 11 September 2024. 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 500,01,00,000 (Indian Rupees Five Hundred Crores and One Lakh only), with a green-shoe option to retain oversubscription of up to INR 500,01,00,000 (Indian Rupees Five Hundred Crores and One Lakh only), such that the aggregate issue size of the Debentures does not exceed an amount of up to INR 1000,02,00,000 (Indian Rupees One Thousand Crores and Two Lakhs only) to be issued under ISIN INE658F08227, INE658F08235, INE658F08284, INE658F08276, INE658F08268, INE658F08250 AND INE658F08243.
Price at which the security is being offered, including	Through BSE EBP.

premium if any, along with justification of the price	
Name and address of the valuer who performed valuation of the security offered and basis on which the price has been arrived at along with report of the registered valuer	Not applicable
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: 7 October 2024 Issue Closing Date: 7 October 2024 Pay In Date: 8 October 2024 Deemed Date of Allotment: 8 October 2024
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 1000,02,00,000 (Indian Rupees One Thousand Crores Two 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: 7 October 2024 Issue Closing Date: 7 October 2024 Pay In Date: 8 October 2024 Deemed Date of Allotment: 8 October 2024	
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: (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; (b) Repayment of any financial indebtedness availed by Issuer; and (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 30 June 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 30 June 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 500,01,00,000 (Indian Rupees Five Hundred Crores and One Lakh only), with a green-shoe option to retain oversubscription of up to INR 500,01,00,000 (Indian Rupees Five Hundred Crores and One Lakh only), such that the aggregate issue size of the Debentures does not exceed an amount of up to INR 1000,02,00,000 (Indian Rupees One Thousand Crores and Two 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 as per EBP Guidelines

Upon allocation of the Debentures, the Issuer shall disclose the size of the Issue, Interest Rate, the number of successful bidders, category of the successful bidders etc., in accordance with the EBP Guidelines. The EBP Platform shall upload the data provided by the Issuer on its website to make it available to the public.

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.

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.

(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: 1,00,000 (Indian Rupees One Lakh only) each.

(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: 8 October 2024; Pay In Date: 8 October 2024

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 60th (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 11 September 2024 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

Particulars	Contact Details of the Issuer	Contact Details of the RTA
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
E-mail ID	Co.Fa@Kiifb.Org	Mohana@Cameoindia.Com 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 Rs. 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 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 11 September 2024 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 30 June 2024;

(v) Agreement entered into between the Issuer and the Registrar.

(vi) Letter appointing the Debenture Trustee to the Issue.

(vii) Letter of consent from the Debenture Trustee to act as Debenture Trustee to the Issue.

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

(ix) Letter from the Credit Rating Agency conveying the credit rating for the Debentures.

(x) Tripartite Agreement between the Issuer, the relevant Depository and Registrars for issue of Debentures in dematerialized form.

(xi) Debenture Trust Deed and Debenture Trustee Agreement.

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 III 9.49% KERALA INFRASTRUCTURE INVESTMENT FUND BOARD 2034
2.	**ISINs**	INE658F08227, INE658F08235, INE658F08284, INE658F08276, INE658F08268, INE658F08250 AND INE658F08243
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 (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;

Sr. No.	Terms	Details
		(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.
9.	**Mode of Issue**	Private Placement
10.	**Listing (name of stock Exchange(s) where it will be listed and timeline for listing**)	BSE 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. Issue Opening Date: 7 October 2024 (T) Issue Closing Date: 7 October 2024 (T) Pay In Date: 8 October 2024 Deemed Date of Allotment: 8 October 2024 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 2999,99,00,000 (Indian Rupees Two Thousand Nine Hundred Ninety Nine Crores Ninety Nine Lakhs only) vide its rating letter dated 21 August 2024; and (b) Provisional ACUITE AA (CE) with stable outlook by Acuité Ratings & Research Limited for an amount up to INR 3000,00,00,000 (Indian Rupees Three Thousand Crores only) vide its rating letter dated 26 August 2024.
12.	**Base Issue Size**	Up to INR 500,01,00,000 (Indian Rupees Five Hundred Crores and One Lakh only)
13.	**Aggregate Issue size**	Up to INR 1000,02,00,000 (Indian Rupees One Thousand Crores and Two Lakhs only)
14.	**Minimum Subscription**	Not applicable
15.	**Option to retain oversubscription (Amount)**	Green shoe option to retain over-subscription up to INR 500,01,00,000 (Indian Rupees Five Hundred Crores and One Lakh 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: (a) Providing financing to infrastructure projects in the State of Kerala as approved by the Issuer's board of members including but not

<table>
<tr><th>Sr. No.</th><th>Terms</th><th>Details</th></tr>
<tr><td></td><td></td><td>limited to for acquisition of immoveable assets for setting up such infrastructure projects;
(b) Repayment of any financial indebtedness availed by Issuer; and
(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.
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.
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.
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.
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.
It is clarified that such higher coupon rates would be effective only from the date of downgrade.
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>08/01/2025</td></tr><tr><td>08/04/2025</td></tr><tr><td>08/07/2025</td></tr><tr><td>08/10/2025</td></tr><tr><td>08/01/2026</td></tr><tr><td>08/04/2026</td></tr><tr><td>08/07/2026</td></tr><tr><td>08/10/2026</td></tr><tr><td>08/01/2027</td></tr><tr><td>08/04/2027</td></tr><tr><td>08/07/2027</td></tr><tr><td>08/10/2027</td></tr><tr><td>07/01/2028</td></tr><tr><td>07/04/2028</td></tr></table></td></tr>
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Sr. No.	Terms	Details
		07/07/2028 06/10/2028 08/01/2029 06/04/2029 06/07/2029 08/10/2029 08/01/2030 08/04/2030 08/07/2030 08/10/2030 08/01/2031 08/04/2031 08/07/2031 08/10/2031 08/01/2032 08/04/2032 08/07/2032 08/10/2032 07/01/2033 08/04/2033 08/07/2033 07/10/2033 06/01/2034 07/04/2034 07/07/2034 06/10/2034
22.	**Cumulative /Non-cumulative, in case of dividend**	Not applicable
23.	**Coupon Type (fixed, floating or other structure)**	Fixed
24.	**Coupon Reset Process (including rates, spread, effective date, interest rate cap and floor etc).**	Not applicable
25.	**Day Count Basis (Actual/Actual)**	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.
26.	**Tenure and Tenor of this issuance of Debentures**	Approximately 4 – 10 years under 7 different STRPPs/sub-series as below: On considering the issue for an amount up to INR 500,01,00,000 (Indian Rupees Five Hundred Crores and One Lakh only), with a green-shoe option to retain oversubscription of up to INR 500,01,00,000 (Indian Rupees Five Hundred Crores and One Lakh only), such that the aggregate issue size of the Debentures does not exceed an amount of up to INR 1000,02,00,000 (Indian Rupees One Thousand Crores and Two Lakhs only)

<table>
<tr><th>Sr. No.</th><th>Terms</th><th colspan="4">Details</th></tr>
<tr><td></td><td></td><td colspan="4">
<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>71.43</td><td>8 January 2028
8 April 2028
8 July 2028
8 October 2028</td></tr>
<tr><td>B</td><td>14.2857%</td><td>71.43</td><td>8 January 2029
8 April 2029
8 July 2029
8 October 2029</td></tr>
<tr><td>C</td><td>14.2857%</td><td>71.43</td><td>8 January 2030
8 April 2030
8 July 2030
8 October 2030</td></tr>
<tr><td>D</td><td>14.2857%</td><td>71.43</td><td>8 January 2031
8 April 2031
8 July 2031
8 October 2031</td></tr>
<tr><td>E</td><td>14.2857%</td><td>71.43</td><td>8 January 2032
8 April 2032
8 July 2032
8 October 2032</td></tr>
<tr><td>F</td><td>14.2857%</td><td>71.43</td><td>8 January 2033
8 April 2033
8 July 2033
8 October 2033</td></tr>
<tr><td>G</td><td>14.2857%</td><td>71.43</td><td>8 January 2034
8 April 2034
8 July 2034
8 October 2034</td></tr>
<tr><td>Total</td><td>100%</td><td>500.01</td><td></td></tr>
</table>
</td></tr>
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Sr. No.	Terms	Details
27.	**Interest on Application Money**	Not applicable
28.	**Debt Service Reserve Account**	The Issuer would be required to open a designated escrow account titled, "Debt Service Reserve Account" bearing account number 43266109223 with State Bank of India - "Debt Service Reserve Account" 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**"). The DSRA would be in the form of cash or cash equivalent (investment in Permitted Investments).
29.	**Required DSRA Amount**	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. 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.
30.	**Re-issuance and consolidation**	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.
31.	**Default Interest Rate**	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.
32.	**Redemption Date and Redemption Amount**	The issue for an amount up to INR 500,01,00,000 (Indian Rupees Five Hundred Crores and One Lakh only), with a green-shoe option to retain oversubscription of up to INR 500,01,00,000 (Indian Rupees Five Hundred Crores and One Lakh only), such that the aggregate issue size of the Debentures does not exceed an amount of up to INR 1000,02,00,000 (Indian Rupees One Thousand Crores and Two Lakhs only), would comprise of 7 (seven) STRPPs/Sub-Series (A to G) as mentioned above of sequentially, redeemable bonds in equal quarterly amount. 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. The Tenor for the Debentures shall approximately be 4 – 10 years under 7 different STRPPs/sub-series as below:

Sr. No.	Terms	Details			
		STRPPs/Sub-Series	**As percentage of Issue**	**Amount as per base issue size (excluding green-shoe option to retain oversubscription) (INR in crore)**	**Redemption Dates**
		A	14.2857%	71.43	8 January 2028 8 April 2028 8 July 2028 8 October 2028
		B	14.2857%	71.43	8 January 2029 8 April 2029 8 July 2029 8 October 2029
		C	14.2857%	71.43	8 January 2030 8 April 2030 8 July 2030 8 October 2030
		D	14.2857%	71.43	8 January 2031 8 April 2031 8 July 2031 8 October 2031
		E	14.2857%	71.43	8 January 2032 8 April 2032 8 July 2032 8 October 2032
		F	14.2857%	71.43	8 January 2033 8 April 2033 8 July 2033 8 October 2033
		G	14.2857%	71.43	8 January 2034 8 April 2034 8 July 2034 8 October 2034
		Total	100%	500.01	

Sr. No.	Terms	Details
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
44.	**Minimum Application and in multiples thereafter**	1 Debenture, and in multiples of 1 Debenture thereafter
45.	**Issue Timing**	7 October 2024 to 8 October 2024
46.	**Issue / Bid Opening Date**	7 October 2024
47.	**Issue / Bid Closing Date**	7 October 2024
48.	**Date of earliest closing of the issue**	7 October 2024
49.	**Pay – in Date**	8 October 2024
50.	**Deemed Date of Allotment**	8 October 2024
51.	**Business Day Convention**	"Business Day"/ "Working Day" means all days on which commercial banks in Thiruvananthapuram and Mumbai are open for business. 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.

Sr. No.	Terms	Details
		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. 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. 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.)**	The following are the covenants for the Issue: (a) Authorisations; (b) Status and business; (c) Amendments to constitutional documents; (d) Further assurances (e) Arm's length transactions; (f) Compliances; and (g) Accounts; The description above is indicative and a complete list of covenants will be specified in the Key Information Document.
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. 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: (a) Hypothecation over DSRA and all the amounts credited / to be credited therein

Sr. No.	Terms	Details
		(b) Hypothecation over KIIFB Bond Servicing Account and all the amounts credited / to be credited therein (c) Security interest over the Permitted Investments (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**	(i) The Debenture Trust Deed; (ii) The Debenture Trustee Agreement; (iii) The General Information Document; (iv) This Key Information Document; (v) The Deed of Guarantee issued by the Government of Kerala; (vi) The Accounts Agreement; (vii) The Deed of Hypothecation; and (viii)The Application Form.
62.	**Conditions Precedent to Disbursement**	As per the Third Schedule (*Conditions Precedent*) of the Debenture Trust Deed.
63.	**Conditions Subsequent to Disbursement**	As per the Fourth Schedule (*Conditions Subsequent*) of the Debenture Trust Deed.
64.	**Event of Default (including manner of voting /conditions of joining Inter Creditor Agreement ("ICA")**	The following shall constitute an "Event of Default" under the Debenture Trust Deed: As is set out in the Debenture Trust Deed, and shall include, without limitation, the following events (each an "Event of Default"): (i) Non-payment of any Debenture servicing obligation on due date. (ii) Failure to adequately restore the DSRA/ Fixed Deposit within stipulated timelines. (iii) Failure to list or cessation of listing of the Debentures on the BSE. (iv) Insolvency, reorganization, liquidation, suspension of payment of debts, winding up, illegality, cessation of business by the Issuer. (v) Non redemption of the outstanding Debentures by the Issuer on which the Put Option is exercised upon expiry of the stipulated timelines. (vi) Any insolvency, liquidation or dissolution petition filed against the Issuer which is not discharged or stayed or withdrawn within 5 calendar days. (vii) Breach of covenants and such breach is not cured within 7 Working Days.

Sr. No.	Terms	Details
		(viii) Breach of any of the terms of the Transaction Documents by the Issuer and such breach is not cured within 7 Working Days. (ix) Repudiation of any Transaction Document. (x) Illegality for the Issuer to perform any of its obligations under the Transaction Document. (xi) 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. (xii) 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. (xiii) Winding up of the Issuer, including initiation of any proceedings. (xiv) In case the rating is withdrawn or suspended. (xv) Any material adverse event, as defined in the Transaction Documents and such default is not cured within 15 Working Days. (xvi) 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. 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. 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.
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.

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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. 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. The invocation of security interest and the guarantee for any default would cover the entire liabilities remaining outstanding in these Debentures. 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*): "**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

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		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 "**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**"). 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). 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. 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 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

Sr. No.	Terms	Details
		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). 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. 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. 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. This event of DSRA impairment should be immediately notified to the GoK by the Debenture Trustee on the next day. 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: (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; (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 (c) Investments in units of debt mutual funds schemes of highest possible investment grade rating. 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 43266104644 with State Bank of India exclusively for the benefit and charged in favour of the Debenture Trustee (on behalf of the Investors).

Sr. No.	Terms	Details
		for remitting the 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. 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. 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. 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. 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**"). 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. 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**"). 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). 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. 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. 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**"). 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. 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

Sr. No.	Terms	Details
		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 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). 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. 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.

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.

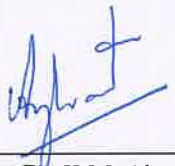
DECLARATION

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: 03/10/2024
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.

I am authorized by the board of members of the Issuer *vide* resolution passed by the board of members of the Issuer on 13 July 2024 and the investment management committee on 11 September 2024 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: 03/10/2024
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

S. No.	Name, Designation, DIN	Age (in years)	Address	Date of Appointment
~~11~~ 9	Dr. Ajay Kumar Independent Member	61	Bungalow No 7, New Moti Bag, Sarojini Nagar, South West Delhi 110023	08/06/2023
~~12~~ 10	Shri T.S Vijayan Independent Member	70	Sunnyvale, TC 8/725(1), Thirumala, Thiruvananthapuram-695 006.	18/03/2020
~~13~~ 11	Dr. K. M. Abraham CFA, IAS (Retd.), CEO & Member Secretary	66	B 4 Lower, Millenium Apartments, Jagathy, Thycaud P O, Thiruvananthapuram, Kerala, 695014	19/08/2016
12	Smt. Sarada Muraleedharan Member	59	Government Secretariat, Thiruvananthapuram.	31/08/2024
13	Dr. A Jayathilak, IAS Member	58	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 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

Name and designation	Date of appointment	Date of resignation, if applicable	Date of cessation, if applicable	Remarks
Shri. Bishwanath Sinha IAS	23/09/2022	Not Applicable	30/06/2023	Former Finance Secretary
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~~ 17/08/2024	~~Current Finance Secretary~~ Former Finance Secretary
Dr. Ajay Kumar	08/06/2023	Not Applicable	Not Applicable	Independent Member
Dr. V Venu	01/07/2023	Not Applicable	31/08/2024	Former Chief Secretary
Smt. Sarada Muraleedharan	31/08/2024	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

Name of the auditor	Address	Date of Appointment	Date of cessation, if applicable	Date of Resignation, if 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(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 INFRASTRUCTURE INVESTMENT FUND BOARD 2033 ("**Green Bonds**")	INE658F08011, INE658F08029, INE658F08037, INE658F08045, INE658F08052, INE658F08060, INE658F08078	4-10 Years under 7 different STRPPs A though G	8.49	300.02 Crore	03/07/2023	02-10-2026 to 04/07/2033	AA (CE) by India Ratings and Research Ltd and Acuite Research Ltd	Unsecured	Unsecured, Rated, Listed, Redeemable, Taxable, Non-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	INE658F08086, INE658F08128, INE658F08110, INE658F08102, INE658F08094,	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	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
	INVESTMENT FUND BOARD 2033 ("**Domestic Bonds Series I**")	INE658F08144 and INE658F08136						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.
3	KIIFB Domestic Bonds 8.95% KERALA INFRASTRUCTURE INVESTMENT FUND BOARD 2033 (re-issue under ISINs: INE658F08086, INE658F08128, INE658F08110, INE658F08102, INE658F08094, INE658F08144 and INE658F08136) ("**Re-issuance Bonds**	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
	Series I")									
4	KIIFB Domestic Bonds – Series II 9.10% KERALA INFRASTRUCTURE INVESTMENT FUND BOARD 2034 ("**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	26/02/2024	26/06/2027 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.
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	26/02/2024	26/06/2027 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

Sr. No.	Series of NCS	ISIN	Tenor/ Period of Maturity	Coupon	Amount outstanding	Date of allotment	Redemption Date/ Schedule	Credit Rating	Secured / unsecured	Security
										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 1167.40.14 ~~1473.14~~ Crore (guaranteed by a guarantee provided by GoK), as of 30 June 2024 ~~31 March 2024~~ ("**Promissory Note Bonds**").

5. 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.

6. 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.

ANNEXURE B

UPDATED FINANCIAL STATEMENTS

[*To be attached separately*]

ANNEXURE C

KEY OPERATIONAL AND FINANCIAL PARAMETERS

Particulars	For the period ended 30 June 2024	For the financial year 2023-2024	For the financial year 2022-2023	For the financial year 2021-2022
		Audited	Audited	Audited
Assets				
Property, Plant and Equipment	4,50,95,718	4,70,91,013	4,85,21,852	4,54,71,773
Financial Assets	64,39,02,41,865	52,45,30,10,107	48,73,71,53,659	44,13,98,27,385
Non-financial Assets excluding property, plant and equipment	174,14,33,74,839	1,91,08,99,52,620	1,59,42,02,72,638	1,22,64,24,64,685
Total Assets	238,57,87,12,423	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	35,79,81,00,000	35,79,81,00,000.00	30,61,13,00,000	27,96,80,00,000
- Borrowings (other than debt securities)	143,09,69,02,515	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	24,66,96,55,099	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	231,22,20,076	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	238,57,87,12,423	2,43,59,00,53,739	2,08,20,59,48,149	1,66,82,77,63,843
Profit and Loss	**Profit and Loss**			
Revenue from operations	2,06,85,08,828	7,29,98,18,090	6,30,59,78,695	4,09,95,73,610
Other income	68,74,967	2,57,37,53,120	3,28,29,748	2,54,47,403

Particulars	For the period ended 30 June 2024	For the financial year 2023-2024	For the financial year 2022-2023	For the financial year 2021-2022
		Audited	Audited	Audited
Total income	2,07,53,83,795	9,87,35,71,210	6,33,88,08,442	4,12,50,21,013
Total expense	4,98,38,63,809	19,58,75,55,985	14,86,89,35,990	9,74,33,93,165
Profit after tax for the year	-2,96,82,11,770	-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	-2,96,82,11,770	-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	Not applicable	-86,36,92,791	-93,94,46,073	-29,24,51,26,327
Net cash from / used in (-) investing activities	Not applicable	13,94,29,72,839	-2,91,49,45,646	1,28,73,33,338
Net cash from / used in (-) financing activities	Not applicable	-42,31,83,351	4,96,72,02,478	13,10,58,73,154
Net increase/decrease (-) in cash and cash equivalents	Not applicable	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	Not applicable	**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	64,41,37,85,917	71,90,31,42,578	59,24,70,45,880	58,13,42,35,120
Loans	136,99,43,09,603	1,39,71,68,46,092	1,12,61,44,87,446	98,48,66,52,814
Loans (Principal Amount)	136,99,43,09,603	1,39,71,68,46,092	1,12,61,44,87,446	98,48,66,52,814
Total debts to total assets	0.85	0.85	0.85	0.79
Interest income	2,06,85,08,828.304 6	7,29,98,18,090	6,30,59,78,695	4,09,95,73,610
Interest expense	4,83,60,21,663.37	18,34,64,15,031	14,16,96,48,958	9,14,47,01,453

Particulars	For the period ended 30 June 2024	For the financial year 2023-2024	For the financial year 2022-2023	For the financial year 2021-2022
		Audited	Audited	Audited
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

Kerala Infrastructure Investment Fund Board
Statement of Standalone Assets and Liabilities as at 31.03.2024

(Figures in Lakhs Rs.)

Particulars		As at 31.03.2024 Audited	As at 31.03.2023 Audited
I.	**EQUITY AND LIABILITIES**		
1	Initial Corpus Fund	3,32,701.92	2,82,049.28
2	Corpus Fund - Revolving (shown on the asset side)	-	-
3	**Non-current liabilities**		
	(a) Long-term borrowings	17,88,950.02	14,32,257.88
	(b) Deferred tax liabilities	-	368.79
	(c) Other Long term liabilities	7,099.67	5,401.25
4	**Current liabilities**		
	(a) Short-term borrowings	2,85,203.82	3,44,923.44
	(b) Other current liabilities	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		
	(i)Tangible assets	470.91	485.21
	(ii)Intangible assets	586.13	1,473.66
	(b) Non-current investments	425.52	425.52
	(c) Deferred tax assets	-	-
	(d) Long-term loans and advances	5,24,104.58	4,86,946.01
	(e) Corpus fund revolving being the Statutory contribution receivable from GoK -Non current	7,49,129.01	4,97,106.59
	(f) Other Non Current Assets	5,357.24	5,981.87
2	**Current assets**		
	(a) Current investments	-	1,05,175.02
	(b) Cash and cash equivalents	7,19,031.43	5,92,470.47
	(c) Short term loans and advances	1,17,282.31	1,05,791.71
	(d) Corpus fund revolving being the Statutory contribution receivable from GoK -Current	3,13,000.00	2,80,900.00
	(e) Other current assets	6,513.40	5,303.44
		24,35,900.53	**20,82,059.50**

KERALA INFRASTRUCTURE INVESTMENT FUND KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Trivandrum Chartered Accountants

Kerala Infrastructure Investment Fund Board

Statement of standalone financial results for the quarter and year ended March 31, 2024

Sl No	Particulars	Quarter Ended			Year Ended	
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		Refer Note No.4	*Unaudited*	*Refer Note No.4*	*Audited*	*Audited*
I.	**Revenue:**					
i)	Recoupment of statutory contribution from Government of Kerala from Corpus Fund for financing of direct project cost as per Contra	92,407.54	75,977.37	1,40,940.91	4,64,194.54	4,69,977.35
ii)	Interest income from financial assistance for revenue generating projects	14,894.73	14,250.58	12,838.59	55,810.59	46,541.05
iii)	Interest income from deposits and investments	7,237.05	2,764.34	5,029.24	17,187.58	16,518.73
iv)	Profit on Sale of Mutual Fund Investment	4,535.61	12,567.45	-	17,103.06	-
v)	Other income	8,528.59	87.28	1.52	8,634.46	328.30
	Total Revenue (I)	**1,27,603.52**	**1,05,647.02**	**1,58,810.26**	**5,62,930.23**	**5,33,365.43**
II.	**Expenses:**					
i)	Financing of direct cost of projects -Out of Corpus Fund	92,407.54	75,977.37	1,40,940.91	4,64,194.54	4,69,977.35
ii)	Employee benefits expense	209.07	200.56	215.27	784.10	755.79
iii)	Finance costs	51,700.05	46,084.57	39,662.03	1,83,464.15	1,41,696.48
iv)	Depreciation and amortisation expense	219.61	258.33	279.55	989.42	1,100.04
v)	Other expenses	3,606.87	1,112.00	1,133.74	10,637.90	5,137.11
	Total expenses (II)	**1,48,143.14**	**1,23,632.83**	**1,82,231.50**	**6,60,070.11**	**6,18,666.77**
III.	**Profit / (Loss) (I- II)**	(20,539.62)	(17,985.81)	(23,421.24)	(97,139.88)	(85,301.34)
	Prior Period Item	-		349.99	-	(26.33)
	Profit / (Loss) after prior period item	(20,539.62)	(17,985.81)	(23,071.25)	(97,139.88)	(85,327.67)
IV.	**Tax expense:**					
	(1) Current tax/ (Reversal of excess tax)*	(303.96)	303.96	-	-	-
	(2) Tax for Earlier years					
	(3) Deferred tax(Expense)/Income	(3,630.83)	4,313.63	(188.68)	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	23,866.49	13,976.14	23,259.93	96,771.09	85,333.02
V.	**Net Profit / (Loss) for the Year**	0	-	-	-	-
VI.	**Net Worth**	3,32,701.92	2,82,049.28	2,82,049.28	3,32,701.92	2,82,049.28

(i) Networth represents the initial corpus fund shown separately in Balance Sheet which is backed fully by earmarked funds in the Treasury account. The deficit in revolving corpus fund as at 31.03.2024 shown as recoverable from GoK amounting to Rs.10,62,129.01 lakhs is not considered for this purpose as this is expected to be recouped from annual statutory contribution receivable from Government of Kerala as per provisions of Section 3(2) read with section 7 of KIIFB Act, 1999 as amended by the Act of 2016. Such deficit in revolving corpus fund representing the aggregating of deficit in cash flows over the years upto 31.03.2024, being expenditure incurred for projects over statutory contributions received every year and the cumulative net loss over the years upto 31.03.2024.

According to the management the amount shown as receivable from Government of Kerala would be recouped over the years as stated above as per the asset liability management model prepared by the management and is considered good and recoverable accordingly.

Networth is inclusive of amounts transferred from revolving corpus fund to initial corpus fund as disclosed in Note No 6 of accompanying statements with due approval of Government of Kerala vide government orders referred to in the above note.

* Represents deduction from net loss being reversal of tax provision made in Quarter III.

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Chartered Accountants Trivandrum

Kerala Infrastructure Investment Fund Board
Statement of Standalone Cash Flows for the year ended 31.03.2024

(Figures in Lakhs Rs.)

Particulars	For the year ended 31.03.2024 Audited	For the year ended 31.03.2023 Audited
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**

VARMA & VARMA Chartered Accountants Trivandrum

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIFB GOVT OF KERALA

Ratios (Refer Note 21)

Sl No	Particulars	Quarter Ended			Year Ended	
		March 31, 2024	December 31, 2023	March 31, 2023	March 31, 2024	March 31, 2023
		Refer Note No.4	*Unaudited*	*Refer Note No.4*	*Audited*	*Audited*
a.	Debt Equity Ratio*	6.26	6.95	6.32	6.26	6.32
b.	Debt Service Coverage Ratio	0.10	0.36	0.36	0.18	0.24
c.	Interest Service Coverage Ratio	0.61	0.62	0.43	0.48	0.41
d.	Current Ratio**	3.76	2.59	3.01	3.76	3.01
e.	Longterm Debt to Working Capital	2.12	2.53	1.98	2.12	1.98
f.	Current Liability Ratio	0.15	0.20	0.20	0.15	0.20
g.	Total debt to Total Asset Ratio	0.85	0.87	0.86	0.85	0.86

* 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

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Trivandrum Chartered Accountants

Kerala Infrastructure Investment Fund Board

Notes to Standalone financial results for the quarter and year ended March 31 2024

1 The above financial results of Kerala Infrastructure Investment Fund Board (KIIFB) has been reviewed by the executive commitee and approved by members of the General Body in respective meetings held on 25.05.2024.The statutory auditors of KIIFB have carried out audit of these financial results.

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 financial results of KIIFB have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles 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. KIIFB adopted the Accounting Standards prescribed by the Institute of Chartered Accountants of India.

During the year KIIFB has issued Listed Non -Convertible Debentures (NCD's)/Bonds in pursuant to the provisions of SEBI Listing Obligations and Disclosure Requirements,2015 (LODR) and the details of which are given below.

a) Domestic Bond Series 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 Series 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**

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Chartered Accountants Trivandrum

3 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.

4 The financial results for the quarter ended March 31,2024 and March 31,2023 are the balancing figures between the audited figures in respect of full financial year and special purpose financial statement for the period ended 31.12.2022/ the unaudited year to date figures upto the third quarter of the respective financial year which have been subjected to limited review by statutory auditors of the company.

5 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 is allocated to project cost based on Government Order and General body approval.

Various expenses incurred which are 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 quarter end from the inception.

6 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).

7 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.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.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 Chartered Accountants Trivandrum

b) Provisioning Norms

	Type of Asset	*Provision Required (%)- Expected Credit*
(i)	Standard Asset	0.40%
(ii)	Substandard Asset	
	Beyond 12 months and up to 18 months overdue for repayment agreements executed and beyond 24 months and up to 30 months overdue 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%

As per the IRACP norms provision for standard assets (for all revenue generating projects) at 0.4% on the outstanding loan balance and accrued interest amounting to Rs.2,565.78 Lakhs has been provided in the books of accounts as at 31.03.2024.

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

9 The categorisation of loans as per IRACP Norms and closing balances are as follows.

Category	Type of Category	No. of Projects	Loan (Rs. in lakhs)	Interest Accrued(Rs. in Lakhs)	Total(Rs. in Lakhs)
I	Projects which have high commercial viability	8	4,96,610.56	1,25,466.03	6,22,076.59
II	Projects which have medium commercial viability	6	17,461.56	1,906.48	19,368.04
III	Projects which have low commercial viability	2	30,323.88	10,134.24	40,458.12
IV	Projects which have no commercial viability	-	-	-	-
	Total		**5,44,396.00**	**1,37,506.75**	**6,81,902.75**

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Trivandrum Chartered Accountants

9.1 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.

9.2 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.

9.3 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).

9.4 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.

9.5 Interest income for Category I projects are recognised at Average Cost of Domestic Borrowing (ACDB) of KIIFB reset every six months in a calendar year with monthly compounding (in some cases rate agreed at the time of sanction), Category II projects at discounted rate of interest as compared to category I and with respect to other two categories interest income is not recognised in books of accounts.

10 Balances under loan from Kerala Non-Resident Keralites Welfare Board (KNRKWB) amounts to Rs.33,800.56 lakhs. 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.





11 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).

12 **Promotional and Advertisement Expenses**

12.1 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 are intimated to KIIFB by CE, PWD.

12.2 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.

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

13 KIIFB had 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.

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

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14 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.

15 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.

16 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.

17 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

18 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.

19 **Contingent Liabilities**

19.1 The total income tax demands raised against KIIFB of Rs.1,594.88 Lakhs which are unpaid pertains to AY 2018-19

19.2 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.

19.3 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.

20 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 as per AS 17 Segment Reporting.

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21 **Notes to additional disclosures as per regulation 52(4) of Securities and Exchange Board of India (Listing Obligation and Disclosures Requirements) Regulation, 2015 as amended:**

a. Debt equity ratio represents total debt (long-term borrowings, short-term borrowings and lease liability) / total equity (equity share capital + other 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 represents earnings available for debt servicing. (Net profit after taxes + Non cash operating expenses like depreciation and amortizations + Finance costs + other adjustments like loss on sale of fixed assets) / Debt service (Interest payments+ option premium +lease payments + principal repayments). Part of the borrowing is repaid through refinancing, so principal repayment pertaining to such refinanced borrowings are not considered. Interest payments also includes option premiums and other borrowing costs capitalised during construction phase.

c. Interest service coverage ratio represents earnings available for interest servicing. (Net profit after taxes + Non-cash operating expenses like depreciation and amortizations + Finance costs + other adjustments like loss onsale of fixed assets) / Interest service (interest payment+ option premium payment). Interest payment also includes option premiums and other borrowing costs capitalised during construction phase.

d. Current ratio represent current assets / current liability. For the purpose of Current Ratio, Current Asset also includes Current portion of Statutory Contribution receivable from Govt. Of Kerala

e. Long term debt to working capital represents long-term borrowings including lease liabilities/ (current assets less current liabilities) (including current maturities of long term borrowings).

f. Current liability ratio represents current liabilities (including current maturities of long-term borrowings) / total liabilities (excludes deferred tax liabilities on fair value of equity).

g. Total debts to total assets represent total borrowings (long term borrowings, short term borrowings and current maturities of long-term borrowings)/total assets.

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Dr. K. M. ABRAHAM CFA
Chief Executive Officer
& Fund Manager
Kerala Infrastructure Investment Fund Board

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Varma & Varma
Chartered Accountants

Independent Auditor's Report on Standalone Annual Financial Results of Kerala Infrastructure Investment Fund Board in pursuant to the Regulation 52 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (as amended)

To
The Board of Kerala Infrastructure Investment Fund Board
Thiruvananthapuram

Report on the Audit of the Standalone Financial Results

Qualified Opinion

We have audited the accompanying standalone annual financial results of Kerala Infrastructure Investment Fund Board (hereinafter referred to as 'KIIFB'), for the year ended 31st March 2024, attached herewith, being submitted by KIIFB pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us these standalone annual financial results.

a. are presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and

b. except for the effect of the matters described in the Basis for Qualified Opinion section of our report, the accompanying annual financial results give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and other accounting principles generally accepted in India of the state of affairs of the KIIFB as at March 31, 2024 and of the nil profit/loss and its cash flows for the year then ended.

Basis for Qualified Opinion

1. As stated in Note No.11 to the accompanying statement, invoices of first level service providers to whom certain activities have been outsourced by KIIFB relating to 'Ente Keralam' programme expenditure amounting to Rs.6,744.96 lakhs have been made available to our verification as directed by the Executive committee at its meeting on 01.09.2023. However, the management is not able to confirm whether first level service provider is final end service provider, and internal controls in this regard need to be strengthened while entering into contracts for better transparency. The expenditure incurred as above has been charged to project costs since according to the management such costs are directly relatable to projects and on account of this no provision has been made in the budget for such direct project costs. The above expenses have been ratified by the general body at their meeting held on 04.03.2024.

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2. An amount of Rs.1,592.79 lakhs has been incurred for promotion and media activities through various parties to whom works were outsourced on nomination basis (single tender). This procedure is not in compliance with the stipulations in SOP for procurement of media services in force during the year requiring invitation of open tender for such works. In the absence of proper tendering, the reasonableness of the rates could not be verified by us. The above amount of Rs.1,592.79 lakhs includes an amount of Rs.745 lakhs incurred for promotional campaigns in social media, international SMS services etc for which invoices of first level service providers were made available to us as directed by the executive committee and management is not able to confirm whether such first level service provider is the final end service provider. Internal controls in entering into contracts required to be strengthened for better transparency. Further appropriate audit evidences to authenticate the receipt of the services provided as claimed in the invoices of the first level service provider were not available on record, explained to be due to practical difficulties. We have placed reliance on the authentication and attestation of receipt of services by the Nodal Officer media management group with the approval of payment by CEO. The above expenses have been incurred within the budget approved by the General Body.

3. As stated in Note No.13 to the accompanying statement, KIIFB had incurred an expenditure of Rs.936.66 Lakhs during the year towards KSFE Software expenses which includes amounts incurred through external agency (a Government PSU - KSIE Limited) to whom the activities for server hosting and licence renewal charges of KSFE Pravasi software have been outsourced by KIIFB on nomination basis (single quote). The claims are supported by invoices of first level intermediary agencies and the management is not able to confirm whether such first level service provider is the end service provider. Internal controls needs to be strengthened while entering in to such contracts for better transparency. KSIE Limited has raised invoice on KIIFB at 3% & 10% over cost incurred depending upon the nature of service provided through the intermediary agency to whom the services have been sub-contracted.

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

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

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

Emphasis of Matter

We draw attention to the following matters described in the accompanying statement of the standalone financial results:

(i) As stated in Note No.6 to the accompanying statement, 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.8,402.64 lakhs, which was fully provided for in earlier years and accordingly, the provision to extent of Rs.8,402.64 lakhs was written back to P&L and carried forward to Revolving Corpus Fund. The above amounts of Rs.50,652.64 lakhs (Rs.42,250 lakhs plus Rs.8,402.64 lakhs) which was lying in the Revolving Corpus Fund was transferred to Initial Corpus Fund during the year by the management and equivalent fund was directly credited/ transferred to special treasury account earmarked for initial corpus. The transfer as above has been approved by Govt. of Kerala vide GO Rt.No.4098/2024/Fin dated 18.05.2024 (Rs.42,250 lakhs) and GO Rt No.4099/2024/Fin dated 18.05.2024 (Rs.8,402.64 lakhs).

(ii) Interest income has been recognised on revenue generating projects in cases where there have been certain delays on implementation of the projects financed by such loans, as detailed in Note no.9.3 to the accompanying statement. According to the management, certain inherent delays which have occurred during implementation stage of infrastructure does not have adverse effect on the recovery of loans granted considering the operational model of KIIFB and these loans are expected to be recovered from SPVs which are all government owned or controlled agencies and hence considered by the management as good and recoverable. Such recovery however would depend upon actual income generation from land acquisition of projects having an aggregate cost incurred till 31.03.2024 amounting to Rs.2,87,972.40 lakhs so far as it relates to income accrued on such projects.

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(iii) Loan agreements are pending to be executed as on date with one SPV for loan outstanding aggregating to Rs.667.47 Lakhs although more than 40% stage of disbursement (as per the terms of Tripartite Agreement between KIIFB, SPV and the concerned Government department) has been exceeded requiring execution of such loan agreement, as stated in Note no.9.4 to the accompanying statement. As explained by the management, steps for execution of loan agreements is under process, which is pending for requisite clearance from the concerned departments of the Govt of Kerala.

(iv) As stated in Note No 7 to accompanying statement, Prudential norms on Income recognition, asset classification and provisioning for long term infrastructure projects was adopted by KIIFB w.e.f 01-04-2023, vide circular resolution dated 13.04.2023 and the same has been revised in the 46th General Body Meeting of KIIFB held on 02.09.2023. KIIFB has classified projects into four categories based on the viability of projects into High, Medium, Low and no commercial viability projects.

Based on the said norms, additional provision amounting to Rs.9475.92 lakhs have been made in books of accounts for KSEB -Nilavu project towards outstanding loan amount and unrealised interest accrued till 31.03.2023 since the said project has been classified to category III during the year. No interest income has been recognised during the current year on the loans for said project as stated in Note No.9.2.

(v) As stated in Note No.14 to the accompanying statement, the balances under statutory contribution receivable from GoK of Rs.10,62,129.01 Lakhs upto 31.03.2024 is considered good and recoverable by the management. According to the management there is no uncertainty with regard to ultimate recovery, based on financial operational model of KIIFB as per the KIIF Act, 1999 (amended by act of 2016) as such amounts are expected to be recouped from the statutory contribution receivable in future. We have relied entirely on the management representation in this regard considering the facts of the case.

(vi) As stated in Note No.18 to the accompanying statement the procedures followed for appraisal of projects by the project appraisal division offers scope for improvement by documentation of the assumptions followed in making financial projections relating to estimated costs and revenues.

(vii) As stated in Note No.16 to the accompanying statement, receivable from Information & Public Relations Department amounts to Rs.916.73 lakhs for which claims raised are pending for more than one year. However, the balance has been confirmed as at 31.03.2023

Our opinion is not modified in respect of these matters.



Key Audit Matters

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

Key Audit Matters	How addressed in Audit
(i) As stated in Note No.7 to the accompanying statement, KIIFB has introduced prudential norms on Income recognition, asset classification and provisioning relevant and applicable for long term infrastructure projects w.e.f 01-04-2023 as per the decision of general body through circular resolution dated on 13.04.2023. This was amended in the 46th General Body Meeting of KIIFB held on 02.09.2023. According to the revised norms, KIIFB has classified projects into four categories based on the viability of projects into High (Category I), Medium (Category II), Low (Category III) and no commercial viability projects (Category IV).	As per the principles laid down in AS 9 Revenue recognition, KIIFB has recognized interest income on accrual basis as per the terms of the loan agreement, wherever such agreements have been entered into and for which agreement is not executed upon reaching 40% stage of disbursement at rate agreed as per terms of sanction. (At discounted rate). Based on revised IRAC Norms, 6 nos of loans having principal of Rs.17,461.56 Lakhs and interest of Rs.1906.48 lakhs have been classified as Category II. Based on revised IRAC Norms, 2 nos of loans having principal of Rs.30,323.88 Lakhs and interest of Rs.10,134.24 lakhs have been classified as Category III and this has been fully provided for as doubtful and income recognition has been discontinued from the date of such reclassification on prudential basis as stated in Note no.7 to the accompanying statement. Recognition of interest revenue for projects are as per the IRACP Norms adopted by KIIFB in the general body. Income has been recognized based on the terms of the loan sanctioned and categorization of loan.

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Key Audit Matters	How addressed in Audit
(ii) Interest income for Category I projects are recognised at Average Cost of Domestic Borrowing (ACDB) of KIIFB reset every six months in a calendar year with monthly compounding (in some cases rate agreed at the time of sanction), Category II projects at discounted rate of interest as compared to category I and with respect to Category III and IV projects interest income is not recognised in books of account. On facts of the case, there have been certain inherent delays in respect of many of the projects financed with long gestation periods. As per the terms of the loan sanctioned, the repayment of principal and interest commences on completion of moratorium period. Interest is payable by the borrower as per terms of agreement as above regardless of completion of project. According to the management such delays in project implementation is not likely to have any adverse impact on recovery of finance granted for revenue generating projects. Such recovery however would depend upon actual income generation from land acquisition of projects having an aggregate cost incurred till 31.03.2024 amounting to Rs.2,87,972.40 lakhs in so far as it is relatable to these projects.	There is no significant doubt as to realization and recovery of interest at this stage for category I and II loans. Loans categorized under category III reckoned as low viability has been fully provided for and recognition of income also has been stopped. The loans are given to State Government controlled entities and there are no over dues in principal and interest outstanding as at 31.03.2024 as per terms of loan agreement as stated in Note No.8 to the accompanying statement. Provision for all standard asset at 0.40% has been made during the year towards the outstanding amount of principal and interest as prescribed under IRACP Norms. Facts have been duly disclosed in the accompanying statement.

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Key Audit Matters	How addressed in Audit
(iii)As per GoK Order [GO(Ms) No 153/2023/ GAD dated 13-10-2023], KIIFB was instructed to incur the expenditure towards infrastructure and construction facilities for the event 'Keraleeyam 2023'. The Chief Engineer (CE), PWD was entrusted the responsibility for conducting the event by Program Committee of Keraleeyam, GoK. Based on the above decisions, KIIFB issued office order stating the condition that CE buildings, PWD shall arrange to tender the work following the due procedures and do the evaluation of the same and identification of successful bidder for each work. The details of successful bidder/s shall be intimated to KIIFB. An amount of Rs.1,295.46 lakhs has been incurred towards 'Keraleeyam' event organised by Government of Kerala though Chief Engineer (CE), PWD. However, the evidence in support of compliance by PWD with the procedure stipulated by KIIFB with respect to tendering, identification and evaluation of bidders was not seen insisted upon and obtained.	The management has furnished to us a specific representation that GoK has entrusted the responsibility of conducting the event 'Keraleeyam 2023' to Chief Engineer, PWD. Since PWD is a Government Department, the compliance of stipulated procedures w.r.t. tendering, identification and evaluation of bidders is their sole responsibility and KIIFB has no responsibility in this regard. All the payments made by KIIFB to the vendors are based on approvals of The Chief Engineer (CE), PWD. We have placed reliance on the above management representation and the facts are disclosed in Note No 12.1 to the accompanying statement.
(iv)Promotional and advertisement expenses includes an amount of Rs.538.80 lakhs incurred towards nationwide media and publicity campaign of the Government of Kerala against restriction on borrowing powers of the State imposed by the	As stated in Note No.12.3 to the accompanying statement, such action by the Central government would gravely impact the operations of KIIFB which is built up as a premier agency providing quality infrastructure for the people of Kerala and

Key Audit Matters	How addressed in Audit
Central Government. We had enquired on relation of such expenditure with the activities of KIIFB.	expenses for building up a media campaign against this was unavoidable to sustain the existence of KIIFB .Moreover such expenses incurred was within the overall budget for promotional activities approved by the General Body and the payment was authorised by the Media Management Group(MMG) of KIIFB. We have relied on the management representation in this regard.
(v) Interest paid to Kerala Non-Resident Keralites Welfare Board (KNRKWB) of Rs.1,787.18 Lakhs is accounted for by the management based on the scheme workings furnished by KNRKWB which is pending for reconciliation by KIIFB due to certain practical difficulties as explained to us. Steps are being taken for reconciliation of the same.	Confirmation of balance from KNRKWB for principal loan amount has been received as at 31.03.2024. For the purpose of calculation of interest we have relied on the data set provided by management and as per management representation furnished, the computation of interest as above is realistic and correct. We have relied on the above submission of the management
(vi)The corpus fund-revolving represents the funds received every year from Government of Kerala as part of statutory contribution provided for in the State budget under financial support for infrastructure development as stated in Section 3(1A) r.w.s Section 7 of KIIFB Act, 2016 towards the objectives based on resolution of the general body and also any amounts received additionally from Government of Kerala to meet additional fund requirements as per relative government order. The amounts utilised towards direct cost of projects are recouped from the revolving/ corpus Fund for the year and amount so utilised.	The balances under statutory contribution receivable from GoK as at 31.03.2024 of Rs.10,62,129.01 Lakhs is considered good and recoverable by the management. The recoverability is based on financial operational model of KIIFB as per the KIIF Act, 1999 as such amounts are expected to be recouped from the statutory contribution receivable in future as per the operational model implemented by KIIFB as envisaged in the KIIF Act. Therefore, as per recovery model as above, which is built into Asset Liability Management (ALM), there is no uncertainty

Key Audit Matters	How addressed in Audit
are shown as contra item in the P&L a/c to reflect the activities undertaken to meet the objectives as per the Act. The revolving corpus fund is received on an annual basis towards financial support for Infrastructure Development by way of statutory contribution being share of KIIFB from Cess on petrol and share of KIIFB from Motor Vehicle Tax as per KIIFB Act. The balances under statutory contribution receivable from GoK as at 31.03.2024 is Rs. 10,62,129.01 lakhs considered good and recoverable as the same would be recouped from statutory contribution receivable every year as per operational model of KIIFB.	with regard to ultimate recovery of the above amount due from GoK as per management representation in this regard. We have placed our reliance on the management representation as above. The ALM model is placed for overseeing and monitoring at the periodical meetings of the Fund Trustee and Advisory Committee (FTAC) which comprises of eminent financial experts of the country having rich and wide experience in the field of financial management to safeguard the best interest of KIIFB. The status of latest ALM was also duly taken note of by the General body in its 47th meeting held on 04.03.2024 and as per presentation made at the Board meeting ALM has been found to be stable and sound as disclosed in Note No.15 to the accompanying statement. We have placed reliance on the surveillance being exercised utilising the technical expert knowledge of the FTAC committee in respect of sound functioning of the ALM Model and also the review of soundness of ALM by the Board at its meeting as above.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Result

These quarterly financial results as well as the year to date standalone financial results have been prepared on the basis of the interim financial statements. Management (The Board) is responsible for the preparation of these standalone financial results that give a true and fair view of the state of affairs, results of operations and cash flows of KIIFB in accordance with the accounting principles generally accepted in India and Accounting Standards issued by the Institute of Chartered Accountants of India. This responsibility also includes maintenance of

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adequate accounting records for safeguarding of the assets of KIIFB and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the Audit of the Standalone Annual Financial Results

Our objectives are to obtain reasonable assurance about whether the standalone financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial results.

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

- Identify and assess the risks of material misstatement of the standalone financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of KIIFBs internal control.

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- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management. (the Board)

- Conclude on the appropriateness of management's (the Board) use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on KIIFBs ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause KIIFB to cease to continue as a going concern.

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

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

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

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

Other Matters:

(a) The financial results for the quarter ended March 31,2024 and March 31,2023 are the balancing figures between the audited figures in respect of full financial year and special purpose financial statement for the period ended 31.12.2022/ the unaudited year to date figures upto the third quarter of the respective financial year which have been subjected to limited review by us.

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(b) The rupee denominated external borrowings being Masala Bonds availed by KIIFB, in the year 2018-2019 and repaid in full during the current year, which are fully secured by the sovereign guarantee issued by the Government of Kerala and have the required approval of the Reserve Bank of India under the Foreign Exchange Management Act 1999. As explained to us by the management of KIIFB (the Board), on other legal issues relating to the said borrowings, as per the legal opinion received from a renowned jurist and legal expert, the issue of Masala bonds made for the borrowings by KIIFB as above, is neither illegal nor is in violation of any law, which, being a legal matter, no opinion is expressed thereon.

For Varma and Varma
Chartered Accountants
FRN.004532S



C.G.Pankajakshan
Partner
Membership No.020512
UDIN: 24020512BKGUXN3161

Place : Thiruvananthapuram
Date : 25.05.2024

STATEMENT OF IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH QUALIFIED OPINION)

SUBMITTED ALONG WITH ANNUAL AUDITED FINANCIAL RESULTS - (STANDALONE)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31 2024

[See Regulation 52 of the Listing Regulations]

I *Figures in Lakhs Rs.*

Sl.no	Particulars	Audited Figures(as reported before adjusting for qualifications)	Audited Figures(as reported after adjusting for qualifications)
1	Tunover/Total Income	5,62,930.23	Since the qualification are of a proprietary nature, we are unable to quantify the effect of the qualification. In any case the amount involved as regards expenditure / asset covered by the qualification is not relatively substantial or pervasive which could influence users understanding of the financial statements and hence figures after adjusting the effect of qualification is not capable of being furnished as such.
2	Total Expenditure	6,60,070.11	
3	Net Profit/(Loss) *	(96,771.09)	
4	Earnings per Share	NA	
5	Total Assets	24,35,900.53	
6	Total Liabilities	24,35,900.53	
7	Net Worth **	3,32,701.92	

* Net profit/loss being Statutory contribution from GoK under Corpus fund utilised to meet the net loss (deficit from operations)for the year in P& L account transferred.

** The value of net worth is to be read with the matters stated in Note No VI (i) to the statement of standalone financial results.

II Audit Qualification

a. Details of Audit Qualifications: (see para 1 to 3 under Basis for Qualified Opinion of Audit Report dt 25.05.2024)

1 As stated in Note No. 11 to the accompanying statement, Invoices of first level service providers to whom certain activities have been outsourced by KIIFB relating to 'Ente Keralam' programme expenditure amounting to Rs.6744.96 lakhs have been made available to our verification as directed by the Executive committee at its meeting on01.09.2023. However the management is not able to confirm whether first level service provider is final end service provider , and internal controls in this regard need to be strengthened while entering into contracts for better transparency .The expenditure incurred as above has been charged to project costs since according to the management such costs are directly relatable to projects and on account of this no provision has been made in the budget for such direct project costs.The above expenses have been ratified by the general body at their meeting held on 04.03.2024.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of qualification: First Time

d. For Audit Qualification(s) where the impact is quantified by the auditor: Nil

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

Management's Views:

For Audit Qualification(s) where the impact is not quantified by the auditor:

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KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

	1.Ente Keralam 2023 project was entrusted by Government for providing infrastructure facilities for the second-year anniversary of Government. Since the amount spend and the procedure adopted has been ratified by the General Body of KIIFB held on 04-03-2024, The issue underlying this qualification has been resolved and therefore does not hold relevance anymore. The Audit Committee has decided that only the first level of Bills of agencies entrusted by KIIFB shall be provided for audit and same has been made available to them.
i.	Management's estimation on the impact of audit qualification:Nil
ii.	If management is unable to estimate the impact, reasons for the same:NA
iii.	Auditors' Comments on (i) or (ii) above: No comments
a.	Details of Audit Qualification: (as reproduced from the audit report)
2	An amount of Rs.1592.79 lakhs has been incurred for promotion and media activities through various parties to whom works were outsourced on nomination basis (single tender).This procedure is not in compliance with the stipulations in SOP for procurement of media services in force during the year requiring invitation of open tender for such works. In the absence of proper tendering, the reasonableness of the rates could not be verified by us. The above amount of Rs.1592.79 lakhs includes an amount of Rs.745 lakhs incurred for promotional campaigns in social media, international SMS services etc for which invoices of first level service providers were made available to us as directed by the executive committee and management is not able to confirm whether such first level service provider is the final end service provider. Internal controls in entering into contracts required to be strengthened for better transparency. Further appropriate audit evidences to authenticate the receipt of the services provided as claimed in the invoices of the first level service provider were not available on record .We have placed reliance on the authentication and attestation of receipt of services by the Nodal Officer media management group with the approval of payment by CEO. The above expenses have been incurred within the budget approved by the General Body.
b.	Type of Audit Qualification : Qualified Opinion
c.	Frequency of qualification: First Time
d.	For Audit Qualification(s) where the impact is quantified by the auditor: Nil
e.	For Audit Qualification(s) where the impact is not quantified by the auditor: **Management's Views:** For Audit Qualification(s) where the impact is not quantified by the auditor: The SOP mentioned in the qualification is related to the production of content for media activities and not for content propagation. For the propagation of content, through different media agencies, the tender process is not relevant since each media is charging different rates for the content propagation. It is the management decision through which agency the propagation has to be done. If for example, the rates quoted by a premier channel will be higher than that quoted by a low viewership channel. So, if the management decides to use a high viewership media channel for propagation, then a tendering process to discover the price is not possible as each channel provides its own proprietary service. As stated above only the first level of Bills of agencies entrusted by KIIFB shall be provided for audit and same has been made available to them.
i.	Management's estimation on the impact of audit qualification:Nil
ii.	If management is unable to estimate the impact, reasons for the same:NA
iii.	Auditors' Comments on (i) or (ii) above: ~~No~~ Comments in Sl NO 1 above
a.	Details of Audit Qualification: (as reproduced from the audit report)

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KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

3	As stated in Note No. 13 to the accompanying statement, KIIFB had incurred an expenditure of Rs.936.66 Lakhs during the year towards KSFE Software expenses which includes amounts incurred through external agency (a Government PSU - KSIE Limited) to whom the activities for server hosting and licence renewal charges of KSFE Pravasi software have been outsourced by KIIFB on nomination basis (single quote). The claims are supported by invoices of first level intermediary agencies and the management is not able to confirm whether such first level service provider is the end service provider .Internal controls needs to be strengthened while entering in to such contracts for better transparency.KSIE Limited has raised invoice on KIIFB at 3% & 10% over cost incurred depending upon the nature of service provided through the intermediary agency to whom the services have been sub-contracted. KIIFB has paid operating cost (Server hosting and License renewal charges) to KSIE Ltd during the years from 2020-21 to 2023-24 amounting to Rs.3,964.81 lakhs against the capital cost of acquisition/
b.	We are not able to express our opinion on the authenticity of expenses incurred during the period dealt
c.	Type of Audit Qualification : Qualified Opinion
d.	Frequency of qualification: First Time
e.	For Audit Qualification(s) where the impact is quantified by the auditor: Nil For Audit Qualification(s) where the impact is not quantified by the auditor: **Management's Views:**
i.	For Audit Qualification(s) where the impact is not quantified by the auditor: KSIE is a PSU under Government of Kerala and they are executing the works through their empanelled agencies selected through their tender process. KIIFB has entrusted KSIE for providing services under IT also. On the Pravasi Chitti expenses through KSIE, the first level of Bills received by KSIE from their vendors have been provided for audit as per the decisions of the Audit Committee of KIIFB. The application development of Pravasi Chitti is still continuing and hence its development cost and its hosting and operating cost will continue incur.
ii.	Management's estimation on the impact of audit qualification:Nil.
iii.	If management is unable to estimate the impact, reasons for the same:NA
III	Auditors' Comments on (i) or (ii) above: ~~No~~ Comments as at no 1 above

Signatories:

☑ Chief Executive Officer

☑ Joint Fund Manager

☐ Executive Committee Chairman

☐ Statutory Auditor

VARMA & VARMA Chartered Accountants Trivandrum

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD GOVERNMENT OF KERALA

Kerala Infrastructure Investment Fund Board
Statement of Consolidated Assets and Liabilities as at 31.03.2024

(Figures in Lakhs Rs.)

Particulars	As at 31.03.2024 Audited	As at 31.03.2023 Audited
I. EQUITY AND LIABILITIES		
1 Initial Corpus Fund	3,32,701.92	2,82,049.28
2 Corpus Fund - Revolving (shown on the asset side)	-	-
3 **Non-current liabilities**		
(a) Long-term borrowings	17,88,950.02	14,32,257.88
(b) Deferred tax liabilities	-	368.79
(c) Other Long term liabilities	7,099.67	5,401.25
4 **Current liabilities**		
(a) Short-term borrowings	2,85,203.82	3,44,923.44
(b) Trade payables	-	32.43
Total outstanding dues of Micro Enterprise & Small Enterprise	26.65	-
Others	39.17	-
(c) Other current liabilities	22,152.79	17,150.77
(d) Short-term provisions	83.05	68.63
	24,36,257.09	**20,82,252.47**
II. ASSETS		
1 **Non-current assets**		
(a) Property, plant and equipment and Intangible Asset		
(i)Tangible assets	470.91	485.21
(ii)Intangible assets	586.13	1,473.66
(b) Non-current investments	96.36	120.97
(c) Long-term loans and advances	5,24,104.58	4,86,946.01
(d) Corpus fund revolving being the Statutory contribution receivable from GoK -Non current	7,48,862.03	4,96,975.02
(e) Other Non Current Assets	5,357.24	5,981.87
2 **Current assets**		
(a) Current investments	-	1,05,175.02
(b) Inventories		
(i) Unbilled Revenue	50.51	-
(c) Trade receivables	457.89	160.54
(d) Cash and cash equivalents	7,19,439.59	5,92,979.08
(e) Short term loans and advances	1,17,145.48	1,05,719.31
(f) Corpus fund revolving being the Statutory contribution receivable from GoK -Current	3,13,000.00	2,80,900.00
(g) Other current assets	6,686.37	5,335.78
	24,36,257.09	**20,82,252.47**

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Trivandrum Chartered Accountants

Kerala Infrastructure Investment Fund Board
Statement of Consolidated Financial Results for the year ended 31.03.2024

(Figures in Lakhs Rs.)

	Particulars	For the Year Ended 31.03.2024 Audited	For the Year Ended 31.03.2023 Audited
I.	**Revenue:**		
i)	Recoupment of statutory contribution from Government of Kerala from Corpus Fund for financing of direct project cost as per Contra	4,64,194.54	4,69,977.35
ii)	Interest income from financial assistance for revenue generating projects	55,810.59	46,541.05
iii)	Interest income from deposits and investments	17,196.92	16,518.73
iv)	Profit on Sale of Mutual Fund Investment	17,103.06	-
v)	Revenue from operations of subsidiary company-KIIFCON	913.11	443.53
vi)	Other income	8,454.66	328.30
	Total Revenue (I)	**5,63,672.88**	**5,33,808.96**
II.	**Expenses:**		
i)	Financing of direct cost of projects -Out of Corpus Fund	4,64,194.54	4,69,977.35
ii)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(50.51)	-
iii)	Employee benefits expense	1,036.13	803.57
iv)	Finance costs	1,83,464.19	1,41,696.48
v)	Depreciation and amortisation expense	989.42	1,100.04
vi)	Other expenses	10,939.40	5,286.18
	Total expenses (II)	**6,60,573.17**	**6,18,863.62**
III.	**Profit / (Loss) (I- II)**	(96,900.29)	(85,054.66)
	Prior Period Item	-	(26.33)
	Profit / (Loss) after prior period item	(96,900.29)	(85,080.99)
IV.	**Tax expense:**		
	(1) Current tax of subsidiary company-KIIFCON	(83.05)	(68.63)
	(2) Tax for Earlier years		
	(3) Deferred tax(Expense)/Income	368.79	(5.35)
	Less : Statutory contribution from GoK under Corpus fund utilised to meet the net loss (deficit from operations)for the year in P& L account transferred	96,822.71	85,333.03
V.	**Net Profit / (Loss) for the Year of Subsidiary/Associate company transferred to Reserve & Surplus (Includes share of loss in associate company Rs.24.61 lakhs.(P.Y-16.91 lakhs)**	183.56	161.16
VI.	**Net Worth**	**3,32,701.92**	**2,82,049.28**

(i) *Networth represents the initial corpus fund shown separately in Balance Sheet which is backed fully by earmarked funds in the Treasury account. The deficit in revolving corpus fund as at 31.03.2024 shown as recoverable from GoK amounting to Rs.10,61,862.03 lakhs is not considered for this purpose as this is expected to be recouped from annual statutory contribution receivable from Government of Kerala as per provisions of Section 3(2) read with section 7 of KIIFB Act, 1999 as amended by the Act of 2016. Such deficit in revolving corpus fund representing the aggregating of deficit in cash flows over the years upto 31.03.2024, being expenditure incurred for projects over statutory contributions received every year and the cumulative net loss over the years upto 31.03.2024.*

According to the management the amount shown as receivable from Government of Kerala would be recouped over the years as stated above as per the asset liability management model prepared by the management and is considered good and recoverable accordingly.

Networth is inclusive of amounts transferred from revolving corpus fund to initial corpus fund as disclosed in Note No 6 of accompanying financial statements with due approval of Government of Kerala vide government orders referred to in the above note.

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Thiruvananthapuram Chartered Accountants

Kerala Infrastructure Investment Fund Board
Statement of Consolidated Cash Flows 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
	Audited	Audited
A. Cash flow from operating activities		
Profit before income tax	(96,900.29)	(85,080.99)
Adjustments for:		
Depreciation and amortisation expense	989.42	1,100.04
Interest income	(73,007.51)	(63,059.78)
Finance Cost	1,83,464.19	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
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	1,036.80	38,636.56
Changes in working capital:		
Adjustments for (increase) / Decrease in operating assets:		
Loans and Advances	15,042.65	90.38
Financial assistance made to Revenue Generating Projects	(11,455.85)	(45,998.59)
Other Non Current and Current Assets	(1,730.03)	(401.01)
Trade receivables	(297.35)	(160.53)
Inventory	(50.51)	
Adjustments for increase / (Decrease) in operating liabilities:		
Other Current/Non current Liabilities	(12,243.65)	(2,125.33)
Trade Payables	33.39	32.43
Net Changes in working capital:	(9,664.55)	(9,926.09)
Cash generated from operations	(9,664.55)	(9,926.09)
Net income tax (paid) / refunds	969.47	782.19
Net cash from/ (used in) operating activities (A)	**(8,695.08)**	**(9,143.90)**
B. Cash flow from investing activities		
Purchase of PPE (including changes in CWIP)	(87.56)	(235.10)
(Purchase)/ disposal proceeds of Investments		-
Sale proceeds of PPE		-
Interest income received out of fixed deposit	17,196.92	16,518.73
(Purchase)/ Sale proceeds of Investments	1,22,278.09	(45,175.02)
Net cash from/ (used in) investing activities (B)	**1,39,387.45**	**(28,891.39)**
C. Cash flow from financing activities		
Loans from :-		
(i) Banks and Financial Institutions	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	(88,664.94)	(93,967.61)
Statutory contribution from GoK	42,250.00	2,47,876.35
Additional Financial Support for Infrastructure Development	2,80,828.91	-
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)	(4,69,233.29)	(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	(1,64,505.66)	(1,34,962.15)
Fund utilised for NABARD Projects	5,038.73	(12,741.68)
Net cash from/ (used in) financing activities (C)	**(4,231.86)**	**49,672.01**
Net increase (decrease) in cash and cash equivalents (A+B+C)	1,26,460.51	11,636.72
Cash and cash equivalents at the beginning of the financial year	5,92,979.08	5,81,342.36
Cash and cash equivalents at end of the year	**7,19,439.59**	**5,92,979.08**

Notes:

1. The Above cash flow statement has been prepared under indirect method prescribed in AS 3 "Cash Flow Statements ".
2. Components of cash and cash equivalents

Balances with banks		
Cash in Hand	0.12	0.03
Balance with Treasury	0.02	0.01
Term Deposits/Sweep	1,82,383.77	2,86,156.72
Other deposit, savings and current accounts	53,352.76	24,749.98
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 LC)	1,51,001.00	
	7,19,439.59	**5,92,979.08**

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

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Ratios (Refer Note 23)

Sl No	Particulars	Year Ended	
		March 31, 2024	March 31, 2023
		Audited	*Audited*
a.	Debt Equity Ratio*	6.26	6.32
b.	Debt Service Coverage Ratio	0.18	0.24
c.	Interest Service Coverage Ratio	0.48	0.41
d.	Current Ratio**	3.76	3.01
e.	Longterm Debt to Working Capital	2.11	1.97
f.	Current Liability Ratio	0.15	0.20
g.	Total debt to Total Asset Ratio	0.85	0.86

* 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.

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Thiruvananthapuram Chartered Accountants

Kerala Infrastructure Investment Fund Board

Notes to Consolidated financial results for the quarter and year ended March 31 2024

1 The above consolidated financial results of Kerala Infrastructure Investment Fund Board (KIIFB) has been reviewed by the executive commitee and approved by members of the General Body in respective meetings held on 25.05.2024.The statutory auditors of Holding entity have carried out audit of these consolidated financial results.

2 The consolidated financial statements incorporate the financial statements of KIIFB (the holding entity) and its wholly owned subsidiary company KIIFCON Pvt Limited" and its associate company Kerala Infrastructure Fund Management Limited (collectively known as 'the Group'). The consolidated financial statements relate to KIIFB, its subsidiary and the entity's share of profit / loss in its associate company.

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

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

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

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

Name of the entity	Relationship	% of Holding
KIIFCON Private Limited	Subsidiary Company	100%
Kerala Infrastructure Fund Management Limited(KIFML)	Associate Company	42.69%

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

KIIFCON Private Limited

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

Kerala Infrastructure Fund Management Ltd (KIFML)

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

3 During the year Holding entity has issued Listed Non -Convertible Debentures (NCD's)/Bonds in pursuant to the provisions of SEBI Listing Obligations and Disclosure Requirements,2015 (LODR) and the details of which are given below.

a) **Domestic Bond Series 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 Series 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.

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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**

4 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.

5 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 is allocated to project cost based on Government Order and General body approval.

Various expenses incurred which are 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 quarter end from the inception.

6 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).

7 Holding entity 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.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.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.

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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%

As per the IRACP norms provision for standard assets (for all revenue generating projects) at 0.4% on the outstanding loan balance and accrued interest amounting to Rs.2,565.78 Lakhs has been provided in the books of accounts as at 31.03.2024.

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

9 The categorisation of loans as per IRACP Norms and closing balances are as follows.

Category	Type of Category	No. of Projects	Loan (Rs. in lakhs)	Interest Accrued(Rs. in Lakhs)	Total(Rs. in Lakhs)
I	Projects which have high commercia	8	4,96,610.56	1,25,466.03	6,22,076.59
II	Projects which have medium comme	6	17,461.56	1,906.48	19,368.04
III	Projects which have low commercial	2	30,323.88	10,134.24	40,458.12
IV	Projects which have no commercial v	-	-	-	-
	Total		**5,44,396.00**	**1,37,506.75**	**6,81,902.75**

9.1 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.

9.2 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.

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9.3 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).

9.4 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 .

9.5 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.

10 Balances under loan from Kerala Non-Resident Keralites Welfare Board (KNRKWB) amounts to Rs.33,800.56 lakhs. 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.

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).

11

12 **Promotional and advertisement expenses**

12.1 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 are intimated to KIIFB by CE, PWD.

12.2 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.

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

13 KIIFB had 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.





14 The balances under statutory contribution receivable from GoK of Rs.10,61,862.03 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.

15 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.

16 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.

17 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.

18 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.

19 Associate company has appointed Shri. Dr Kamalakannan Ellangovan as Managing Director during the immediately preceding financial year w.e.f. 23.12.2022 and has paid managerial remuneration of fixed pay amounting to Rs. 24 lakhs. Provision has been made in the accounts towards variable pay of Rs. 24 lakhs and earned leave salary of Rs.1.59 lakhs. The provision for leave salary is subject to approval of the Nomination and Remuneration Committee and AGM of the Company. The actual amount of variable pay is based on performance criteria is pending to be fixed by the Nomination and Remuneration Committee.

20 Associate company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, audit trail feature was not enabled throughout the year.

21 **Contingent Liabilities**

21.1 The total income tax demands raised against KIIFB of Rs.1,594.88 Lakhs which are unpaid pertains to AY 2018-19 of Rs.112.57 Lakhs, AY 2020-21of Rs.79.59 lakhs and AY 2021-22 of Rs.1,212.42 Lakhs for which appeal is pending disposal with Commissioner of Income Tax (Appeals). Writpetition against the income Tax demands of Rs.190.30 Lakhs towards TDS for FY 2017-18 to 2020-21 is pending disposal before the Hon'ble High Court of Kerala. The above amounts are not provided for pending disposal of appeals/writ petition. The Income Tax Department has adjusted refund of succeeding years to the extent of Rs.1297.39 lakhs against the above demands.

21.2 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.

21.3 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.

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

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23 **Notes to additional disclosures as per regulation 52(4) of Securities and Exchange Board of India (Listing Obligation and Disclosures Requirements) Regulation, 2015 as amended:**

a. Debt equity ratio represents total debt (long-term borrowings, short-term borrowings and lease liability) / total equity (equity share capital + other 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 represents earnings available for debt servicing. (Net profit after taxes + Non cash operating expenses like depreciation and amortizations + Finance costs + other adjustments like loss on sale of fixed assets) / Debt service (Interest payments+ option premium +lease payments + principal repayments). Part of the borrowing is repaid through refinancing, so principal repayment pertaining to such refinanced borrowings are not considered. Interest payments also includes option premiums and other borrowing costs capitalised during construction phase.

c. Interest service coverage ratio represents earnings available for interest servicing. (Net profit after taxes + Non-cash operating expenses like depreciation and amortizations + Finance costs + other adjustments like loss onsale of fixed assets) / Interest service (interest payment+ option premium payment). Interest payment also includes option premiums and other borrowing costs capitalised during construction phase.

d. Current ratio represent current assets / current liability. For the purpose of Current Ratio, Current Asset also includes current portion of statutory contribution receivable from Govt. of Kerala.

e. Long term debt to working capital represents long-term borrowings including lease liabilities/ (current assets less current liabilities) (including current maturities of long term borrowings).

f. Current liability ratio represents current liabilities (including current maturities of long-term borrowings) / total liabilities (excludes deferred tax liabilities on fair value of equity).

g. Total debts to total assets represent total borrowings (long term borrowings, short term borrowings and current maturities of long-term borrowings)/total assets.

Dr. K. M. ABRAHAM CFA
Chief Executive Officer
& Fund Manager
Kerala Infrastructure Investment Fund Board

VARMA & VARMA
Trivandrum
Chartered Accountants

Varma & Varma
Chartered Accountants

Independent Auditor's Report on Consolidated Financial Results of Kerala Infrastructure Investment Fund Board in pursuant to the Regulation 52 of SEBI (Listing Obligation and Disclosure Requirements) Regulations,2015 (as amended)

To

The Board of Kerala Infrastructure Investment Fund Board (Holding Entity)

Thiruvananthapuram

Report on the Audit of Consolidated Financial Results

Qualified Opinion

We have audited the accompanying Consolidated Annual Financial Results of Kerala Infrastructure Investment Fund Board (hereinafter referred to as 'KIIFB'), and its subsidiary company and its associate company (together referred to as 'the group') for the year ended 31st March 2024, attached herewith, being submitted by KIIFB pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').

In our opinion and to the best of our information and according to the explanations given to us and based on consideration of report of other auditors on separate audited financial statements of subsidiary company, these consolidated financial results:

a. includes the annual financial results of the entities KIIFCON Pvt Ltd (Subsidiary Company) and Kerala Infrastructure Fund Management Limited, (Associate Company)

b. are presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and

c. except for the effect of the matters described in the Basis for Qualified Opinion section of our report, the accompanying Consolidated annual financial results give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards issued by the Institute of Chartered Accountants of India (ICAI) and other accounting principles generally accepted in India of the consolidated state of affairs of the Group as at March 31, 2024 and its consolidated profit and consolidated cash flows for the year then ended.

Basis for Qualified Opinion

1. As stated in Note No.11 to the accompanying consolidated statement, invoices of first level service providers to whom certain activities have been outsourced by KIIFB relating to 'Ente Keralam' programme expenditure amounting to Rs.6,744.96 lakhs have been made available to our verification as directed by the Executive committee at its meeting on 01.09.2023. However, the management is not able to confirm whether

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first level service provider is final end service provider, and internal controls in this regard need to be strengthened while entering into contracts for better transparency. The expenditure incurred as above has been charged to project costs since according to the management such costs are directly relatable to projects and on account of this no provision has been made in the budget for such direct project costs The above expenses have been ratified by the general body at their meeting held on 04.03.2024.

2. An amount of Rs.1592.79 lakhs has been incurred for promotion and media activities through various parties to whom works were outsourced on nomination basis (single tender). This procedure is not in compliance with the stipulations in SOP for procurement of media services in force during the year requiring invitation of open tender for such works. In the absence of proper tendering, the reasonableness of the rates could not be verified by us. The above amount of Rs.1,592.79 lakhs includes an amount of Rs.745 lakhs incurred for promotional campaigns in social media, international SMS services etc for which invoices of first level service providers were made available to us as directed by the executive committee and management is not able to confirm whether such first level service provider is the final end service provider. Internal controls in entering into contracts required to be strengthened for better transparency. Further appropriate audit evidences to authenticate the receipt of the services provided as claimed in the invoices of the first level service provider were not available on record, explained to be due to practical difficulties. We have placed reliance on the authentication and attestation of receipt of services by the Nodal Officer media management group with the approval of payment by CEO. The above expenses have been incurred within the budget approved by the General Body.

3. As stated in Note No.13 to the accompanying consolidated statement, KIIFB had incurred an expenditure of Rs.936.66 Lakhs during the year towards KSFE Software expenses which includes amounts incurred through external agency (a Government PSU - KSIE Limited) to whom the activities for server hosting and licence renewal charges of KSFE Pravasi software have been outsourced by KIIFB on nomination basis (single quote). The claims are supported by invoices of first level intermediary agencies and the management is not able to confirm whether such first level service provider is the end service provider. Internal controls needs to be strengthened while entering into such contracts for better transparency. KSIE Limited has raised invoice on KIIFB at 3% & 10% over cost incurred depending upon the nature of service provided through the intermediary agency to whom the services have been sub-contracted.

   KIIFB has paid operating cost (Server hosting and License renewal charges) to KSIE Ltd during the years from 2020-21 to 2023-24 amounting to Rs.3,964.81 lakhs against the capital cost of acquisition/ development of software of Rs.3,037.94 Lakhs (Gross

carrying value). The direction of the Executive Committee meeting held on 01.09.2023 and also the General Body meeting held on 04.03.2024 to expedite steps to enter into agreement with KSFE for recovery of the cost incurred on the software till date is pending to be implemented. In our opinion, such delay in execution of the agreement requires to be avoided/ minimised.

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

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

Emphasis of Matter

We draw attention to the following matters described in the accompanying statement of Consolidated financial results.

(i) As stated in Note No.6 to the accompanying consolidated statement, 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.8,402.64 lakhs was written back to P&L and carried forward to Revolving Corpus Fund. The above amounts of Rs.50,652.64 lakhs (Rs.42,250 lakhs plus Rs.8,402.64 lakhs) which was lying in the Revolving Corpus Fund was transferred to Initial Corpus Fund during the year by the management and equivalent fund was directly credited/ transferred to special treasury account earmarked for initial corpus. The transfer as above has been approved by Govt. of Kerala vide GO Rt.No 4098/2024/Fin dated 18.05.2024 (Rs.42,250 lakhs) and GO Rt No.4099/2024/Fin dated 18.05.2024 (Rs.8402.64 lakhs).

(ii) Interest income has been recognised on revenue generating projects in cases where there have been certain delays on implementation of the projects financed by such loans, as detailed in Note no.9.3 to the accompanying consolidated statement. According to the management, certain inherent delays which have occurred during

implementation stage of infrastructure does not have adverse effect on the recovery of loans granted considering the operational model of KIIFB and these loans are expected to be recovered from SPVs which are all government owned or controlled agencies and hence considered by the management as good and recoverable. Such recovery however would depend upon actual income generation from land acquisition of projects having an aggregate cost incurred till 31.03.2024 amounting to Rs.2,87,972.40 lakhs so far as it relates to income accrued on such projects.

(iii) Loan agreements are pending to be executed as on date with one SPV for loan outstanding aggregating to Rs.667.47 Lakhs although more than 40% stage of disbursement (as per the terms of Tripartite Agreement between KIIFB, SPV and the concerned Government department) has been exceeded requiring execution of such loan agreement, as stated in Note no.9.4 to the accompanying consolidated statement. As explained by the management, steps for execution of loan agreements is under process, which is pending for requisite clearance from the concerned departments of the Govt of Kerala.

(iv) As stated in Note No 7 to the accompanying consolidated statement, Prudential norms on Income recognition, asset classification and provisioning for long term infrastructure projects was adopted by KIIFB w.e.f 01-04-2023, vide circular resolution dated 13.04.2023 and the same has been revised in the 46th General Body Meeting of KIIFB held on 02.09.2023. KIIFB has classified projects into four categories based on the viability of projects into High, Medium, Low and no commercial viability projects.

Based on the said norms, additional provision amounting to Rs.9475.92 lakhs have been made in books of accounts for KSEB -Nilavu project towards outstanding loan amount and unrealised interest accrued till 31.03.2023 since the said project has been classified to category III during the year. No interest income has been recognised during the current year on the loans for said project as stated in Note No.9.2.

(v) As stated in Note No.14 to the accompanying consolidated statement, the balances under statutory contribution receivable from GoK of Rs.10,61,862.03 Lakhs upto 31.03.2024 is considered good and recoverable by the management. According to the management there is no uncertainty with regard to ultimate recovery, based on financial operational model of KIIFB as per the KIIF Act, 1999 (amended by act of 2016) as such amounts are expected to be recouped from the statutory contribution receivable in future. We have relied entirely on the management representation in this regard considering the facts of the case.

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(vi) As stated in Note No.18 to the accompanying consolidated statement, the procedures followed for appraisal of projects by the project appraisal division offers scope for improvement by documentation of the assumptions followed in making financial projections relating to estimated costs and revenues.

(vii) As stated in Note No.16 to the accompanying consolidated statement, receivable from Information & Public Relations Department amounts to Rs.916.73 lakhs for which claims raised are pending for more than one year. However, the balance has been confirmed as at 31.03.2023.

We also draw attention to the following matters reported in emphasis of matter paragraph of audit report of subsidiary company as reported by other auditor. The below matters are not disclosed in notes to accounts of subsidiary company.

(i) Overseas Keralites investment and Holding Ltd (OKIH) had entered an MOU with KSCU(KIIFB Consultancy Service Unit) on 01.03.2022.On formation of KIIFCON Pvt Ltd, all the projects of KSCU were transferred to KIIFCON vide order No. FA-7/5024/2022/KIIFB dtd 27.11.2022. Hence the project of OKIH was also transferred to KIIFCON Pvt Ltd. The project was on hold due to the unavailability of land parcels and the same was re-started on confirmation on land availability at Thalapaady, Kasargode district. This year KIIFCON has accounted Rs.0.28 lakhs as overtime expenses for the project. A draft agreement is made between KIIFCON and OKIH, however the same is not finalised till date.

(ii) KIIFCON has entered into a supplementary agreement for consultant contract with Cochin Smart Mission Limited on 17.12.2022 with a validity from 01.01.2022 for 24 months which expired on 31.12.2023. The former organization of KIIFCON, i.e., KSCU (KIIFB Consultancy Service Unit) had already entered into an agreement with CSML on 06.07.2022 and this agreement between KIIFCON and CSML includes all the terms and conditions of the original agreement vide a clause "Except for the transfer of projects from KSCU to KIIFCON, all other conditions of the original agreement dtd 06.07.2022 shall remain the same.

Total cost of the project was for Rs.1,368 lakhs divided among 4 components with weightage of amount. Later, the 2 components of the project were said to have subsumed to other 2 components with no change in total project cost. Owing to this change, we had observed that invoices were raised in variation with the weightage given to each component as per the agreement. These varied terms of payments are not backed by any agreements between M/S CSML and M/s KIIFCON Pvt Ltd.

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

(iii)TDS deducted by Clients is subject to reconciliation with 26 AS, as the same is not fully updated till date.

(iv)CEO and Director of KIIFCON Mr. Satyajeet Rajan is a director in another company SAIL-SCL Kerala Ltd. In the MCA website the said company has filed annual accounts only till 31.03.2019 and the Company status is under CIRP. Mr. Satyajeet Rajan has resigned from the directorship of M/s SAIL-SCL on January 2015, however the requisite forms are not filed with ROC. Hence his status is still as director in the said company. Principal Secretary has issued a letter to M/s SAIL on 21.02.2024 to file requisite forms with ROC with effect from his cessation of directorship from the company i.e., January 2015. However, the same is yet to take place and the status is same in MCA website till date.

(v) Company has undertaken a Pilot project of GIS mapping at 8 wards of cochin municipality for M/s CSML. Company has submitted a proposal of Rs.250.83 lakhs + GST@18% on 08.11.2022 and the sanction was accorded on 16.11.2022. Company also submitted cost breakup on 23.02.2023 and the same was also accepted and 12.07.2023. On 06.02.2024, KIIFCON has submitted a MOP of 90% 250.83 lakhs i.e. (225.80 lakhs + GST@18%). However, the final invoice was raised for Rs.159.43 lakhs GST i.e., 75% of 212.56 lakhs (taking 250.83 lakhs as inclusive of GST) according to the communication from M/s CSML on 23.02.024 via email regarding revision of total cost to Rs.250.83 lakhs including GST.

Our opinion is not modified in respect of these matters.

Key Audit Matters

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

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Key Audit Matters	How addressed in Audit
(i) As stated in Note No. 7 to the accompanying consolidated statement, KIIFB has introduced prudential norms on Income recognition, asset classification and provisioning relevant and applicable for long term infrastructure projects w.e.f 01-04-2023 as per the decision of general body through circular resolution dated on 13.04.2023. This was amended in the 46th General Body Meeting of KIIFB held on 02.09.2023. According to the revised norms, KIIFB has classified projects into four categories based on the viability of projects into High (Category I), Medium (Category II), Low (Category III) and no commercial viability projects (Category IV).	As per the principles laid down in AS 9 Revenue recognition, KIIFB has recognized interest income on accrual basis as per the terms of the loan agreement, wherever such agreements have been entered into and for which agreement is not executed upon reaching 40% stage of disbursement at rate agreed as per terms of sanction. (At discounted rate). Based on revised IRAC Norms, 6 nos of loans having principal of Rs.17,461.56 Lakhs and interest of Rs.1906.48 lakhs have been classified as Category II . Based on revised IRAC Norms, 2 nos of loans having principal of Rs.30,323.88 Lakhs and interest of Rs.10,134.24 lakhs have been classified as Category III and this has been fully provided for as doubtful and income recognition has been discontinued from the date of such reclassification on prudential basis as stated in Note no.7 to the accompanying consolidated statement. Recognition of interest revenue for projects are as per the IRACP Norms adopted by KIIFB in the general body. Income has been recognized based on the terms of the loan sanctioned and categorization of loan.
(ii) Interest income for Category I projects are recognised at Average Cost of Domestic Borrowing (ACDB) of KIIFB reset every six months in a calendar year with monthly compounding (in some cases rate agreed at the time of sanction), Category II projects at discounted rate of interest as compared to category I and	There is no significant doubt as to realization and recovery of interest at this stage for category I and II loans. Loans categorized under category III reckoned as low viability has been fully provided for and recognition of income also has been stopped. The loans are given to State Government controlled entities and there are no over dues in principal and interest outstanding as at

Key Audit Matters	How addressed in Audit
with respect to Category III and IV projects interest income is not recognised in books of account. On facts of the case, there have been certain inherent delays in respect of many of the projects financed with long gestation periods. As per the terms of the loan sanctioned, the repayment of principal and interest commences on completion of moratorium period. Interest is payable by the borrower as per terms of agreement as above regardless of completion of project. According to the management such delays in project implementation is not likely to have any adverse impact on recovery of finance granted for revenue generating projects. Such recovery however would depend upon actual income generation from land acquisition of projects having an aggregate cost incurred till 31.03.2024 amounting to Rs.2,87,972.40 lakhs in so far as it is relatable to these projects.	31.03.2024 as per terms of loan agreement as stated in Note No.8 to the accompanying consolidated statement. Provision for all standard asset at 0.40% has been made during the year towards the outstanding amount of principal and interest as prescribed under IRACP Norms. Facts have been duly disclosed in the consolidated financial results.
(iii)As per GoK Order [GO(Ms) No 153/2023/ GAD dated 13-10-2023], KIIFB was instructed to incur the expenditure towards infrastructure and construction facilities for the event 'Keraleeyam 2023'. The Chief Engineer (CE), PWD was entrusted the responsibility for conducting the event by Program Committee of Keraleeyam, GoK.	The management has furnished to us a specific representation that GoK has entrusted the responsibility of conducting the event 'Keraleeyam 2023' to Chief Engineer, PWD. Since PWD is a Government Department, the compliance of stipulated procedures w.r.t. tendering, identification and evaluation of bidders is their sole responsibility and KIIFB has no responsibility in this regard.

Key Audit Matters	How addressed in Audit
Based on the above decisions, KIIFB issued office order stating the condition that CE buildings, PWD shall arrange to tender the work following the due procedures and do the evaluation of the same and identification of successful bidder for each work. The details of successful bidder/s shall be intimated to KIIFB. An amount of Rs.1,295.46 lakhs has been incurred towards 'Keraleeyam' event organised by Government of Kerala though Chief Engineer (CE), PWD. However, the evidence in support of compliance by PWD with the procedure stipulated by KIIFB with respect to tendering, identification and evaluation of bidders was not seen insisted upon and obtained.	All the payments made by KIIFB to the vendors are based on approvals of The Chief Engineer (CE), PWD. We have placed reliance on the above management representation and the facts are disclosed in Note No 12.1 the accompanying consolidated statement.
(iv) Promotional and advertisement expenses includes an amount of Rs.538.80 lakhs incurred towards nationwide media and publicity campaign of the Government of Kerala against restriction on borrowing powers of the State imposed by the Central Government. We had enquired on relation of such expenditure with the activities of KIIFB.	As stated in Note No.12.3 to the accompanying consolidated statement, such action by the Central government would gravely impact the operations of KIIFB which is built up as a premier agency providing quality infrastructure for the people of Kerala and expenses for building up a media campaign against this was unavoidable to sustain the existence of KIIFB. Moreover, such expenses incurred was within the overall budget for promotional activities approved by the General Body and the payment was authorised by the Media Management Group (MMG) of KIIFB.

Key Audit Matters	How addressed in Audit
	We have relied on the management representation in this regard.
(v) Interest paid to Kerala Non-Resident Keralites Welfare Board (KNRKWB) of Rs 1787.18 Lakhs is accounted for by the management based on the scheme workings furnished by KNRKWB which is pending for reconciliation by KIIFB due to certain practical difficulties as explained to us. Steps are being taken for reconciliation of the same.	Confirmation of balance from KNRKWB for principal loan amount has been received as at 31.03.2024. For the purpose of calculation of interest we have relied on the data set provided by management and as per management representation furnished, the computation of interest as above is realistic and correct. We have relied on the above submission of the management
(vi) The corpus fund-revolving represents the funds received every year from Government of Kerala as part of statutory contribution provided for in the State budget under financial support for infrastructure development as stated in Section 3(1A) r.w.s Section 7 of KIIFB Act, 2016 towards the objectives based on resolution of the general body and also any amounts received additionally from Government of Kerala to meet additional fund requirements as per relative government order. The amounts utilised towards direct cost of projects are recouped from the revolving/ corpus Fund for the year and amount so utilised are shown as contra item in the P&L a/c to reflect the activities undertaken to meet the objectives as per the Act. The revolving corpus fund is received on an annual basis towards financial support for Infrastructure Development by way of statutory contribution being share of KIIFB from Cess on petrol and share of	The balances under statutory contribution receivable from GoK as at 31.03.2024 of Rs. 10,61,862.03 Lakhs is considered good and recoverable by the management. The recoverability is based on financial operational model of KIIFB as per the KIIF Act, 1999 as such amounts are expected to be recouped from the statutory contribution receivable in future as per the operational model implemented by KIIFB as envisaged in the KIIF Act. Therefore, as per recovery model as above, which is built into Asset Liability Management (ALM), there is no uncertainty with regard to ultimate recovery of the above amount due from GoK as per management representation in this regard. We have placed our reliance on the management representation as above. The ALM model is placed for overseeing and monitoring at the periodical meetings of the Fund Trustee and Advisory Committee (FTAC) which comprises of eminent financial experts of the country having rich

Key Audit Matters	How addressed in Audit
KIIFB from Motor Vehicle Tax as per KIIFB Act. The balances under statutory contribution receivable from GoK as at 31.03.2024 is Rs.10,61,862.03 lakhs considered good and recoverable as the same would be recouped from statutory contribution receivable every year as per operational model of KIIFB.	and wide experience in the field of financial management to safeguard the best interest of KIIFB. The status of latest ALM was also duly taken note of by the General body in its 47th meeting held on 04.03.2024 and as per presentation made at the Board meeting ALM has been found to be stable and sound as disclosed in Note No.15 to the accompanying consolidated statement. We have placed reliance on the surveillance being exercised utilising the technical expert knowledge of the FTAC committee in respect of sound functioning of the ALM Model and also the review of soundness of ALM by the Board at its meeting as above.

Responsibilities of Management and Those Charged with Governance for Consolidated Financial results

These Consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Management (the Board) of KIIFB is responsible for the preparation of these Consolidated financial results that give a true and fair view of the consolidated state of affairs, consolidated results of operations and consolidated cash flows of the group in accordance with the accounting principles generally accepted in India and Accounting Standards issued by the Institute of Chartered Accountants of India. This responsibility also includes maintenance of adequate accounting records for safeguarding of the assets of the group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial results that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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The respective management and board of directors of the entities included in the group are responsible for overseeing the group's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the Consolidated statement as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these statements.

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

- Identify and assess the risks of material misstatement of the Consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management (the Board).
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial results, including the disclosures, and whether the statement represent the underlying transactions and events in a manner that achieves fair presentation.



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

We communicate with those charged with governance of the holding entity and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Other Matters

a) The consolidated financial results include the audited financial results of one subsidiary company, whose financial statements reflect Group's share of total assets of Rs.1089.68 lakhs as at March 31, 2024, Group's share of total revenue of Rs.922.45 lakhs and Group's share of net cash outflows of Rs.380.27 lakhs for the year ended March 31, 2024 as considered in the consolidated financial results before consolidation adjustments, which have been audited by their respective independent auditors. These financial statements have been audited by other auditor whose report has been furnished to us by the management (the Board) of KIIFB and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary, and our report in so far as it relates to the aforesaid subsidiary is based solely on the reports of such other auditor and the procedures performed by us are as stated in paragraph above.

Our opinion on the consolidated financial results is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

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b) In respect of the associate company, based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, audit trail feature was not enabled throughout the year. Since audit trail feature was not enabled, comment on tampering the audit trail is not applicable.

c) The rupee denominated external borrowings being Masala Bonds availed by KIIFB, in the year 2018-2019 and repaid in full during the current year, which are fully secured by the sovereign guarantee issued by the Government of Kerala and have the required approval of the Reserve Bank of India under the Foreign Exchange Management Act 1999. As explained to us by the management of KIIFB (the Board), on other legal issues relating to the said borrowings, as per the legal opinion received from a renowned jurist and legal expert, the issue of Masala bonds made for the borrowings by KIIFB as above, is neither illegal nor is in violation of any law, which, being a legal matter, no opinion is expressed thereon.

For Varma and Varma
Chartered Accountants
FRN.004532S

VARMA & VARMA Trivandrum Chartered Accountants

C.G.Pankajakshan
Partner
Membership No.020512
UDIN: 24020512BKGUXO5461

Place : Thiruvananthapuram
Date : 25.05.2024

STATEMENT OF IMPACT OF AUDIT QUALIFICATIONS (FOR AUDIT REPORT WITH QUALIFIED OPINION)

SUBMITTED ALONG WITH ANNUAL AUDITED FINANCIAL RESULTS - (CONSOLIDATED)

Statement on Impact of Audit Qualifications for the Financial Year ended March 31 2024

[See Regulation 52 of the Listing Regulations]

I *Figures in Lakhs Rs.*

Sl.no	Particulars	Audited Figures(as reported before adjusting for qualifications)	Audited Figures(as reported after adjusting for qualifications)
1	Tunover/Total Income	5,63,672.88	Since the qualification are of a proprietary nature, we are unable to quantify the effect of the qualification. In any case the amount involved as regards expenditure / asset covered by the qualification is not relatively substantial or pervasive which could influence users understanding of the financial statements and hence figures after adjusting the effect of qualification is not capable of being furnished as such.
2	Total Expenditure	6,60,573.17	
3	Net Profit/(Loss) *	(96,639.16)	
4	Earnings per Share	NA	
5	Total Assets	24,36,257.09	
6	Total Liabilities	24,36,257.09	
7	Net Worth **	3,32,701.92	

* Net profit/loss being Statutory contribution from GoK under Corpus fund utilised to meet the net loss (deficit from operations)for the year in P& L account transferred.

** The value of net worth is to be read with the matters stated in Note No VI (i) to the statement of consolidated financial results.

II Audit Qualification

a. Details of Audit Qualifications: (see para 1 to 3 under Basis for Qualified Opinion of Audit Report dt 25.05.2024)

1 As stated in Note No. 11 to the accompanying statement,Invoices of first level service providers to whom certain activities have been outsourced by KIIFB relating to 'Ente Keralam' programme expenditure amounting to Rs.6744.96 lakhs have been made available to our verification as directed by the Executive committee at its meeting on 01.09.2023. However the management is not able to confirm whether first level service provider is final end service provider , and internal controls in this regard need to be strengthened while entering into contracts for better transparency .The expenditure incurred as above has been charged to project costs since according to the management such costs are directly relatable to projects and on account of this no provision has been made in the budget for such direct project costs.The above expenses have been ratified by the general body at their meeting held on 04.03.2024.

b. Type of Audit Qualification : Qualified Opinion

c. Frequency of qualification: First Time

d. For Audit Qualification(s) where the impact is quantified by the auditor: Nil

e. For Audit Qualification(s) where the impact is not quantified by the auditor:

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KIIFB GOVERNMENT OF KERALA

Management's Views:

For Audit Qualification(s) where the impact is not quantified by the auditor:

1.Ente Keralam 2023 project was entrusted by Government for providing infrastructure facilities for the second-year anniversary of Government. Since the amount spend and the procedure adopted has been ratified by the General Body of KIIFB held on 04-03-2024, The issue underlying this qualification has been resolved and therefore does not hold relevance anymore. The Audit Committee has decided that only the first level of Bills of agencies entrusted by KIIFB shall be provided for audit and same has been made available to them.

i. Management's estimation on the impact of audit qualification:Nil
ii. If management is unable to estimate the impact, reasons for the same:NA
iii. Auditors' Comments on (i) or (ii) above: No comments

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a. Details of Audit Qualification: (as reproduced from the audit report)

An amount of Rs.1592.79 lakhs has been incurred for promotion and media activities through various parties to whom works were outsourced on nomination basis (single tender).This procedure is not in compliance with the stipulations in SOP for procurement of media services in force during the year requiring invitation of open tender for such works. In the absence of proper tendering, the reasonableness of the rates could not be verified by us. The above amount of Rs.1592.79 lakhs includes an amount of Rs.745 lakhs incurred for promotional campaigns in social media, international SMS services etc for which invoices of first level service providers were made available to us as directed by the executive committee and management is not able to confirm whether such first level service provider is the final end service provider. Internal controls in entering into contracts required to be strengthened for better transparency. Further appropriate audit evidences to authenticate the receipt of the services provided as claimed in the invoices of the first level service provider were not available on record .We have placed reliance on the authentication and attestation of receipt of services by the Nodal Officer media management group with the approval of payment by CEO. The above expenses have been incurred within the budget approved by the General Body.

b. Type of Audit Qualification : Qualified Opinion
c. Frequency of qualification: First Time
d. For Audit Qualification(s) where the impact is quantified by the auditor: Nil
e. For Audit Qualification(s) where the impact is not quantified by the auditor:

Management's Views:

For Audit Qualification(s) where the impact is not quantified by the auditor:

The SOP mentioned in the qualification is related to the production of content for media activities and not for content propagation. For the propagation of content, through different media agencies, the tender process is not relevant since each media is charging different rates for the content propagation. It is the management decision through which agency the propagation has to be done. If for example, the rates quoted by a premier channel will be higher than that quoted by a low viewership channel. So, if the management decides to use a high viewership media channel for propagation, then a tendering process to discover the price is not possible as each channel provides its own proprietary service. As stated above only the first level of Bills of agencies entrusted by KIIFB shall be provided for audit and same has been made available to them.

i. Management's estimation on the impact of audit qualification:Nil
ii. If management is unable to estimate the impact, reasons for the same:NA

VARMA & VARMA Chartered Accountants Trivandrum

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

iii. Auditors' Comments on (i) or (ii) above: No comments

a. Details of Audit Qualification: (as reproduced from the audit report)

3 As stated in Note No. 13 to the accompanying statement, KIIFB had incurred an expenditure of Rs.936.66 Lakhs during the year towards KSFE Software expenses which includes amounts incurred through external agency (a Government PSU - KSIE Limited) to whom the activities for server hosting and licence renewal charges of KSFE Pravasi software have been outsourced by KIIFB on nomination basis (single quote). The claims are supported by invoices of first level intermediary agencies and the management is not able to confirm whether such first level service provider is the end service provider .Internal controls needs to be strengthened while KIIFB has paid operating cost (Server hosting and License renewal charges) to KSIE Ltd during the years from 2020-21 to 2023-24 amounting to Rs.3,964.81 lakhs against the capital cost of acquisition/ development of software of Rs.3,037.94 Lakhs (Gross carrying value). The direction of the Executive Committee meeting held on 01.09.2023 and also the General Body meeting held on 04.03.2024 to expedite steps to enter into agreement with KSFE for recovery of the cost incurred on the software till date is pending to be implemented. In our opinion, such delay in execution of the agreement requires to be avoided/ minimised.

b. We are not able to express our opinion on the authenticity of expenses incurred during the period dealt with in the above paragraphs (1 to 3).

c. Type of Audit Qualification : Qualified Opinion

d. Frequency of qualification: First Time

e. For Audit Qualification(s) where the impact is quantified by the auditor: Nil

For Audit Qualification(s) where the impact is not quantified by the auditor:

Management's Views:

For Audit Qualification(s) where the impact is not quantified by the auditor:

i. KSIE is a PSU under Government of Kerala and they are executing the works through their empanelled agencies selected through their tender process. KIIFB has entrusted KSIE for providing services under IT also. On the Pravasi Chitti expenses through KSIE, the first level of Bills received by KSIE from their vendors have been provided for audit as per the decisions of the Audit Committee of KIIFB. The application development of Pravasi Chitti is still continuing and hence its development cost and its hosting and operating cost will continue incur.

Management's estimation on the impact of audit qualification:Nil.

ii. There is no impact on the qualification as all the works are undertaken after assessing the requirements economically and analysing the market cost of such services.

iii. If management is unable to estimate the impact, reasons for the same:NA

III Auditors' Comments on (i) or (ii) above: ~~No~~ Comments in Serial No 1 above

Signatories:

☑ Chief Executive Officer

☐ Joint Fund Manager Reji John

☐ Executive Committee Chairman

☐ Statutory Auditor

VARMA & VARMA Chartered Accountants Trivandrum

KIIFB GOVERNMENT OF KERALA

SURI & CO.
CHARTERED ACCOUNTANTS

Offices: Chennai, Madurai, Coimbatore, Thiruvananthapuram, Coonoor, Bengaluru, Kochi & Mumbai

Independent Auditor's Review Report on standalone unaudited results for the quarter ended 30th June 2024., 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.

Introduction

1. We have reviewed the accompanying unaudited financial results of Kerala Infrastructure Investment Fund Board (hereinafter referred to as 'KIIFB') for the quarter ended 30th June 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, as amended.

Management's Responsibility

2. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with AS 25 – Interim Financial Reporting issued by the Institute of Chartered Accountants of India.

Auditor's Responsibility

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

Conclusion:

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 & policies 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:

   (i) Note No 11.1 to the interim financial information' stating that KIIFB had revised the repayment agreement for the project IT Parks in Kochi Innovation Zone (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 Repayment Agreement has yet to be approved by the Board members, the asset is under Category 3 Project.

   (ii) Note No: 12 to the interim financial information' stating that 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 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.

   (iii) Note No: 15 to interim financial information stating that the two projects with KSFDC whose disbursement is more than 40% as per the tripartite agreement is pending execution as on 30-06-2024. The total outstanding loan balance of these projects as on 30-06-2024 is Rs 1,359.08 lakhs. Execution of loan agreement which is pending due to clearance from the concerned department of the Government of Kerala.

(iv) Note No: 17 to the interim financial information' stating that KIIFB had incurred an expenditure of Rs.869.91 Lakhs during the quarter towards KSFE Software expenses which includes an amount of Rs.821.63 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 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.

(v) 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.4,786.44 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 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 standalone financial results of KIIFB for the year ended and quarter ended March 31, 2024 were audited by another auditors whose report dated 25th May, 2024 expressed an Qualified Opinion on the standalone financial statements on the authenticity of certain expenses incurred during the year 2023-24.

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

Place: Trivandrum

Date: 12-08-2024

For Suri and Co
Chartered Accountants
FRN:004283S

GOVINDARAJAN RENGARAJAN
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Date: 2024.08.12 13:46:52 +05'30'

G Rengarajan
Partner
Mem No: 219922
UDIN: 24219922BKCLUR5137

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
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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.

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 at 30-06-2024 with KSFDC for two project loans having loan outstanding aggregating to Rs 1,359.08 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. During the current quarter one project with sub project code CAD 002-13 has reached 40% disbursement, however the repayment agreement has not been entered Steps are under process for execution of loan agreement which is pending the requisite clearance from the concerned department of the Government of Kerala.

16 The balances under statutory contribution receivable from GoK of Rs. 10,80,974.03 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.

17 KIIFB had incurred an expenditure of Rs.869.91 Lakhs during the quarter towards KSFE Software expenses which includes an amount of Rs.821.63 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 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.

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.4,786.44 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 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 up to the end of the quarter. 26 AS for the financial year 2023-2024 is pending for reconciliation. Any adjustment found required shall be made in succeeding period/year upon such reconciliation.

21 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: 2024.08.12 13:37:22 +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
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Date: 2024.08.12 13:47:58 +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 Obligations and Disclosure Requirements) Regulation, 2015

Sl No	Particulars	Quarter Ended			Year Ended
		June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024
		Unaudited	*Ref Note no.6*	*Unaudited*	*Audited*
a.	Debt Equity Ratio*	6.13	6.26	6.49	6.26
b.	Debt Service Coverage Ratio	0.16	0.10	0.23	0.18
c.	Interest Service Coverage Ratio	0.39	0.61	0.31	0.48
d	Outstanding Redeemable Preference Shares (Quantity And Value)	NA	NA	NA	NA
e	Capital Redemption Reserve/Debenture Redemption Reserve	NA	NA	NA	NA
f	Net Worth	3,32,701.92	3,32,701.92	2,82,049.28	3,32,701.92
g	Net Profit After Tax	-29,682.12	-20,539.62	-29,246.44	-97,139.88
h	Earnings Per Share	NA	NA	NA	NA
i	Current Ratio**	3.29	3.76	2.51	3.76
j	Longterm Debt to Working Capital	2.99	2.12	1.92	2.12
k	Bad Debts To Account Receivable Ratio	NA	NA	NA	NA
l	Current Liability Ratio	0.13	0.15	0.01	0.15
m	Total debt to Total Asset Ratio	0.85	0.85	0.85	0.85
n	Debtors Turnover	NA	NA	NA	NA
o	Inventory Turnover	NA	NA	NA	NA
p	Operating Margin (%)	NA	NA	NA	NA
q	Net Profit Margin (%)	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

Items included in numerator and denominator for computing the above mentioned ratios:

a) Debt-Equity Ratio

Debt-Equity ratio compares a Company's total debt to shareholders equity

Debt-Equity Ratio = Total Debt / Shareholder's Equity

Shareholder's Equity = Equity Share Capital + Reserves and Surplus

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

Earning for Debt Service = Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other

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

d) Networth

Networth is used to measure the value of an entity

Networth = Total Asset - Total Liabilities

e) Current Ratio

Current Ratio = Current Assets/ Current Liabilities

Current Assets include - Current investments, Trade receivables, cash and bank balances (including interest accrued thereon) and short term

Current Liabilities include - Trade Payables, 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 excluding current borrowing/ 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

	Analytic Ratio Computation factors	Quarter Ended			Year Ended
		June 30, 2024 (Unaudited)	March 31, 2024 (Ref Note no.6)	June 30, 2023 (Unaudited)	March 31, 2024 (Audited)
1	Total Debt	20,29,963.00	20,74,153.84	18,30,084.35	20,74,153.84
2	Shareholder's Equity	3,32,701.92	3,32,701.92	2,82,049.28	3,32,701.92
3	Earnings available for debt service/ Interest Service	18,735.32	31,380.04	12,726.16	87,313.69
4	Debt Service	1,16,456.92	2,99,723.43	55,860.82	4,87,129.08
	Net Profit before taxes	-29,682.12	-20,539.62	-29,090.29	-97,139.88
	Interest	48,360.22	51,700.05	41,560.86	1,83,464.15
	Non Cash Expenditure (Dep + Amortisation)	57.22	219.61	255.59	989.42
	Principal Repayment	68,096.70	2,48,023.38	14,299.96	3,03,664.93
5	Total Asset	23,85,787.12	24,35,900.53	21,40,565.79	24,35,900.53
6	Total Liabilities	20,53,085.20	21,03,198.61	18,58,516.51	21,03,198.61
7	Net Profit after taxes	-29,682.12	-16,475.17	-29,246.44	-96,771.09
8	Current Asset	8,61,676.59	11,55,827.14	9,75,431.00	11,55,827.14
9	Current Liabilities	2,61,525.57	3,07,148.92	3,89,249.50	3,07,148.92
10	Current Borrowings	2,46,696.55	2,85,203.82	3,66,434.86	2,85,203.82
11	Current liability excluding current borrowing	14,829.02	21,945.10	22,814.64	21,945.10
12	Net Working Capital	8,46,847.58	11,33,882.04	9,52,616.36	11,33,882.04

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD (KIIFB)

ANNUAL REPORT & ANNUAL ACCOUNTS

2023-2024

A STATUTORY BOARD UNDER FINANCE DEPARTMENT,
GOVERNMENT OF KERALA

Defining the Future

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

ANNUAL REPORT

&

ANNUAL ACCOUNTS FOR THE FINANCIAL YEAR 2023-24

www.kiifb.org

CORPORATE INFORMATION

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

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

EMAIL: financeadmin@kiifb.org

WEBSITE: www.kiifb.org

BOARD MEMBERS

Pinarayi Vijayan
Hon'ble Chief Minister of Kerala- Chairperson

K N Balagopal
Hon'ble Minister for Finance- Vice Chairperson

V Venu IAS
Chief Secretary, Government of Kerala- Member

KG Sanal Kumar
Law Secretary, Government of Kerala- Member

Rabindra Kumar Agarwal IAS
Principal Secretary- Finance- Member

V.K.Ramachandran
Member

Salim Gangadharan
Independent Member

Radhakrishnan Nair
Independent Member

TS Vijayan
Independent Member

Sushil Khanna
Independent Member

J.N. Gupta
Independent Member

Ajay Kumar
Independent Member

KM Abraham
CEO & Member Secretary

STATUTORY AUDITORS

M/s Varma & Varma, Chartered Accountants (till 31.03.2024)
Address: TC 9/1504, Galaxy, SMRA 14, Sasthamangalam PO, Trivandrum, Kerala- 695 010

M/s Suri & Co, Chartered Accountants (From 01.04.2024)
Address: TC 25/434, 44 Santhi Nagar Near Housing Board Junction, Trivandrum, Kerala- 695 001

SECRETARIAL AUDITORS

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

INTERNAL AUDITORS

K. Venkatachalam Aiyer & CO, Chartered Accountants
Sriniketan, PB No 12,
Chettikulangara, Trivandrum, 695001

REGISTRAR & TRANSFER AGENT

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

DEBENTURE TRUSTEE FOR THE BONDS ISSUED BY KIIFB

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

DEPOSITORIES

National Securities Depositories Limited
Central Depositories Services (India) Limited

BANKERS

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

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1. INTRODUCTION

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

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

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

2. ORGANIZATION

2.1 KIIF BOARD

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

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

2.2 EXECUTIVE COMMITTEE

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

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

2.3 FUND TRUSTEE AND ADVISORY COMMISSION (FTAC)

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

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

Members

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

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

2.4 DIVISIONS OF KIIFB

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

2.4.1 Finance and Administration Division (F&A)

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

2.4.2 Project Appraisal Division (PAD)

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

2.4.3 Inspection Authority (IA)

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

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

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

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

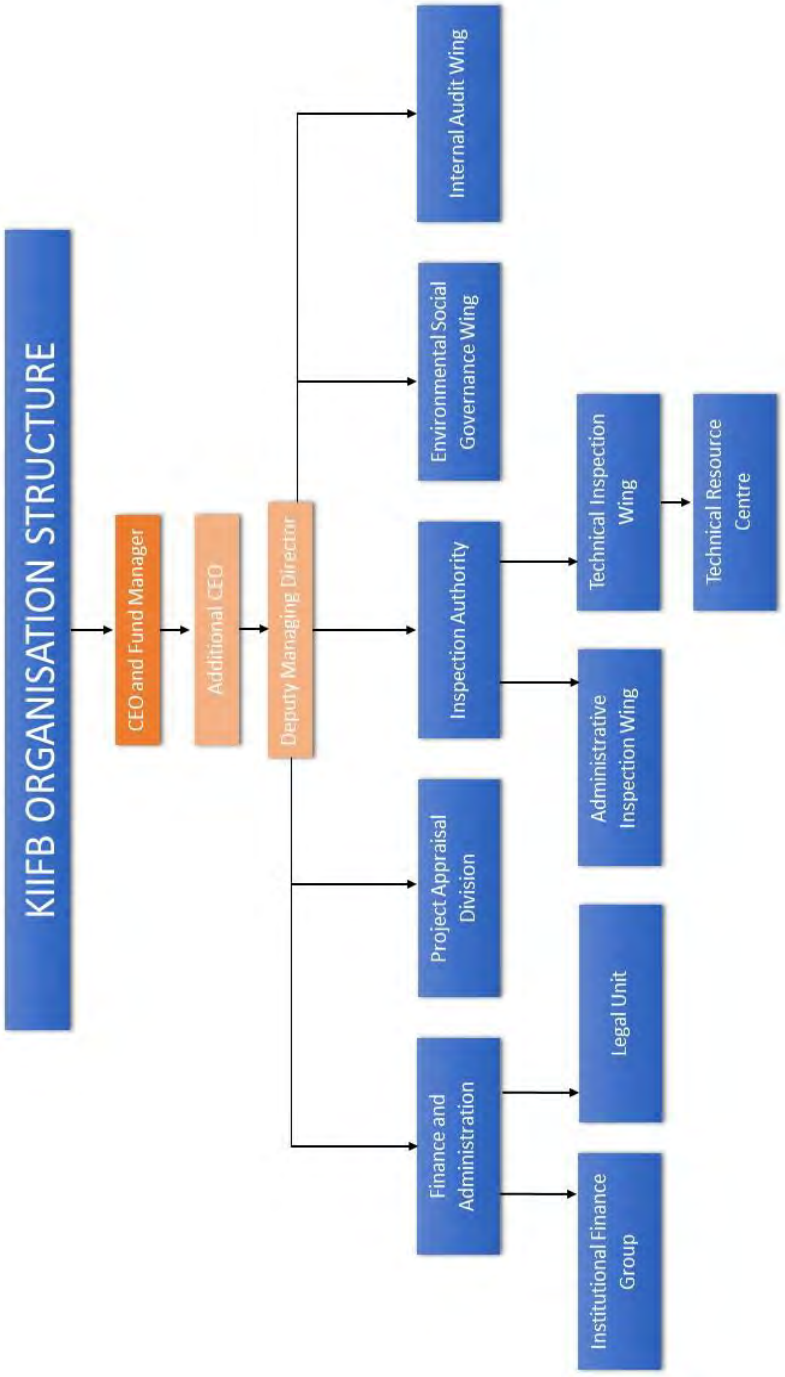
2.4.4 Environmental Social and Governance Wing (ESG)

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

2.4.5 Internal Audit Wing (IAW)

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

Organization Chart



3. BOARD'S REPORT

BOARD'S REPORT 2023-24

Dear Stakeholders,

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

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

1.1 FINANCIAL HIGHLIGHTS

INR in Lakhs

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

3.2 BUSINESS ACHIEVEMENTS

Loan Sanctions and Project Disbursements

INR in Cr

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

Sector-wise classification of Loans and Advances

INR in Cr

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

3.3 CORPUS FUND AND DEBT STRUCTURE

3.3.1 Corpus Fund

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

3.3.2 Initial Corpus Fund

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

INR in Lakhs

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

3.3.3 Revolving Corpus Fund

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

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

During the year under review, INR 50,652.64/- lakhs was credited to the initial corpus fund comprising of INR 42,250/- lakhs received from Government of Kerala vide GO No 54/2024/Fin and GO No 9210/2023/Fin (read with Order No FA-2/5034/2024/KIIFB dated 10.01.2024) towards balance of Motor Vehicle Tax which was credited to the revolving corpus fund and INR 8,402.62 lakhs received as repayment of borrowing, fully provided for in the earlier years which has been written back to the P&L and carried forwarded to the revolving corpus fund as approved by Government Orders vide GO Rt.No 4098/2024/Fin dated 18.05.2024 and GO Rt.No 4099/2024/Fin dated 18.05.2024.

3.3.4 Non-Convertible Debentures (NCDs)

During the financial year 2023-24, KIIFB has issued and allotted non-convertible bonds in the nature of debentures to the tune of INR 2,41,164 lakhs in multiple tranches backed by the guarantee of Government of Kerala. The details are provided below:

Unsecured, Redeemable, Non-Convertible Green Debentures

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

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

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

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

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

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

3.4 TRANSFER TO RESERVES

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

3.5 RECOVERY EXPENSE FUND

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

3.6 CREDIT RATING

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

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

3.7 LARGE CORPORATE DISCLOSURE

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

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

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

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

3.9 CHANGE IN THE NATURE OF BUSINESS, IF ANY

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

3.10 INTERNAL FINANCIAL CONTROL

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

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

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

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

3.12 CORPORATE SOCIAL RESPONSIBILITY

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

3.13 WHSTLE BLOWER POLICY

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

3.14 RIGHT TO INFORMATION ACT, 2005

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

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

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

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

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

3.16 DETAILS OF MEETINGS OF THE BOARD/ COMMITTEE AND COMPOSITION

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

3.17 DECLARATION OF INDEPENDENT MEMBERS

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

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

- KIIFCON Private Limited (KIIFCON) is a wholly owned subsidiary of KIIFB where KIIFB holds 100% shares of the company. KIIFCON is engaged in the business of providing consultancy services in the fields of infrastructure and related technologies. KIIFCON continues to be the subsidiary of KIIFB as on the date of this report.

- Kerala Infrastructure Fund Management Limited (KIFML), a public limited company is an associate company of KIIFB with 42.69% equity holding. KIFML is engaged in the business of acting as investment manager to Alternate Investment

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

3.19 BOARD MEMBER'S RESPONSIBILITY STATEMENT

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

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

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

3.20 AUDITS IN KIIFB

3.20.1 Statutory Audit

M/s Varma & Varma, Chartered Accountants (FRN: 004532S) carried out the Statutory Audit of KIIFB for the FY 2023-24. The five-year tenure of the firm got expired on 31.03.2024. M/s Suri & Co, Chartered Accountants (FRN: 004283S) have been appointed as the new Statutory Auditor of KIIFB for a term of three years from FY 2024-25 till FY 2026-27.

3.20.2 Auditor's Report

The Audit Report on the financial statements for the FY 2023-24 is a part of the Annual Report. The Statutory Auditors of KIIFB, M/s Varma & Varma, Chartered Accountants have given qualified opinion on the accounts of KIIFB for the financial year 2023-24. The report for the FY 2023-34 is attached as ***Annexure A.***

3.20.3 Secretarial Audit

Pursuant to Regulation 24A of SEBI (LODR) Regulations, 2015, KIIFB has appointed M/s Mehta & Mehta, Company Secretaries (ICSI Unique Code: P1996MH007500) as Secretarial

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

3.20.4 Internal Audit

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

ToR envisages the Internal Audit specifically:

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



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

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

3.20.5 Risk Based Internal Audit (RBIA)

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

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

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

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

The RBIA at KIIFB is envisaged in two stages.

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

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

3.20.6 Status of Audit

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

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

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

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

3.20.7 Structure of Internal Audit



3.21 SIGNIFICANT AND MATERIAL ORDERS PASSED BY REGULATORS OR COURTS

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

3.22 LISTING

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

3.23 DEBENTURE TRUSTEE

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

Catalyst Trusteeship Limited
GDA House, Plot No. 85, Bhusari Colony (Right), Paud Road,
Kothrud, Pune – 411 038
Ph: 020 – 66807200
Fax : 020 - 25280275

3.24 REPORT ON CORPORATE GOVERNANCE

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

3.25 COST RECORDS

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

3.26 GREEN BOND DISCLOSURES

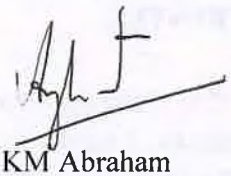
Disclosures pertaining to green debt securities issued by KIIFB as required under SEBI Circular No SEBI/HO/DDHS/P/CIR/2021/613 dated August 10, 2021 ("SEBI Operational Circular") and amendments made thereto read with additional disclosures prescribed under SEBI Circular No SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/023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

3.27 ACKNOWLEDGEMENT

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

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

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



Date 12/08/2024
Place Trivandrum

Dr KM Abraham
Member Secretary| Chief Executive Officer

ANNEXURE A
CONSOLIDATED & STANDALONE FINANCIALS

Varma & Varma
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To
The Members of Kerala Infrastructure Investment Fund Board,
Thiruvananthapuram

Report on the Audit of Consolidated Financial Statements

Qualified Opinion

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

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

Basis for Qualified Opinion

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

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

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

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

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

VARMA & VARMA Trivandrum Chartered Accountants

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

Emphasis of Matter

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

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

(ii) Interest income has been recognised on revenue generating projects in cases where there have been certain delays on implementation of the projects financed by such loans, as detailed in Note no.22.2 to the consolidated financial statements. According to the management, certain inherent delays which have occurred during implementation stage of infrastructure does not have adverse effect on the recovery of loans granted considering the operational model of KIIFB as detailed in Note no 12.3 and these loans are expected to be recovered from SPVs which are all government owned or controlled agencies and hence considered by the management as good and recoverable. Such recovery however would depend upon actual income generation from land acquisition of projects having an aggregate cost incurred till 31.03.2024 amounting to Rs.2,87,972.40 lakhs so far as it relates to income accrued on such projects.



(iii) Loan agreements are pending to be executed as on date with one SPV for loan outstanding aggregating to Rs.667.47 Lakhs although more than 40% stage of disbursement (as per the terms of Tripartite Agreement between KIIFB, SPV and the concerned Government department) has been exceeded requiring execution of such loan agreement, as stated in Note no.22.3 to the consolidated financial statements. As explained by the management, steps for execution of loan agreements is under process, which is pending for requisite clearance from the concerned departments of the Govt of Kerala.

(iv) As stated in Note No 12.1 to the consolidated financial statements, Prudential norms on Income recognition, asset classification and provisioning for long term infrastructure projects was adopted by KIIFB w.e.f 01-04-2023, vide circular resolution dated 13.04.2023 and the same has been revised in the 46th General Body Meeting of KIIFB held on 02.09.2023. KIIFB has classified projects into four categories based on the viability of projects into High, Medium, Low and no commercial viability projects.

Based on the said norms, additional provision amounting to Rs.9475.92 lakhs have been made in books of accounts for KSEB -Nilavu project towards outstanding loan amount and unrealised interest accrued till 31.03.2023 since the said project has been classified to category III during the year. No interest income has been recognised during the current year on the loans for said project as stated in Note No.12.2.

(v) As stated in Note No.2.6.1 to the consolidated financial statements, the balances under statutory contribution receivable from GoK of Rs.10,61,862.03 Lakhs upto 31.03.2024 is considered good and recoverable by the management. According to the management there is no uncertainty with regard to ultimate recovery, based on financial operational model of KIIFB as per the KIIF Act, 1999 (amended by act of 2016) as such amounts are expected to be recouped from the statutory contribution receivable in future. We have relied entirely on the management representation in this regard considering the facts of the case.

(vi) As stated in Note No.33 to the consolidated financial statements,the procedures followed for appraisal of projects by the project appraisal division offers scope for improvement by documentation of the assumptions followed in making financial projections relating to estimated costs and revenues.

(vii) As stated in Note No.18.2 to the consolidated financial statements, receivable from Information & Public Relations Department amounts to Rs.916.73 lakhs for which claims raised are pending for more than one year. However, the balance has been confirmed as at 31.03.2023.



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

(i) Overseas Keralites investment and Holding Ltd (OKIH) had entered an MOU with KSCU(KIIFB Consultancy Service Unit) on 01.03.2022.On formation of KIIFCON Pvt Ltd, all the projects of KSCU were transferred to KIIFCON vide order No. FA-7/5024/2022/KIIFB dtd 27.11.2022. Hence the project of OKIH was also transferred to KIIFCON Pvt Ltd. The project was on hold due to the unavailability of land parcels and the same was re-started on confirmation on land availability at Thalapaady, Kasargode district. This year KIIFCON has accounted Rs.0.28 lakhs as overtime expenses for the project. A draft agreement is made between KIIFCON and OKIH, however the same is not finalised till date.

(ii) KIIFCON has entered into a supplementary agreement for consultant contract with Cochin Smart Mission Limited on 17.12.2022 with a validity from 01.01.2022 for 24 months which expired on 31.12.2023. The former organization of KIIFCON, i.e., KSCU (KIIFB Consultancy Service Unit) had already entered into an agreement with CSML on 06.07.2022 and this agreement between KIIFCON and CSML includes all the terms and conditions of the original agreement vide a clause "Except for the transfer of projects from KSCU to KIIFCON, all other conditions of the original agreement dtd 06.07.2022 shall remain the same.

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

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



(iii) TDS deducted by Clients is subject to reconciliation with 26 AS, as the same is not fully updated till date.

(iv) CEO and Director of KIIFCON Mr. Satyajeet Rajan is a director in another company SAIL-SCL Kerala Ltd. In the MCA website the said company has filed annual accounts only till 31.03.2019 and the Company status is under CIRP. Mr. Satyajeet Rajan has resigned from the directorship of M/s SAIL-SCL on January 2015, however the requisite forms are not filed with ROC. Hence his status is still as director in the said company. Principal Secretary has issued a letter to M/s SAIL on 21.02.2024 to file requisite forms with ROC with effect from his cessation of directorship from the company i.e., January 2015. However, the same is yet to take place and the status is same in MCA website till date.

(v) Company has undertaken a Pilot project of GIS mapping at 8 wards of cochin municipality for M/s CSML. Company has submitted a proposal of Rs. 2,50.83 lakhs +GST@18% on 08.11.2022 and the sanction was accorded on 16.11.2022. Company also submitted cost breakup on 23.02.2023 and the same was also accepted and 12.07.2023. On 06.02.2024, KIIFCON has submitted a MOP of 90% 250.83 lakhs i.e. (225.80 lakhs +GST@18%) However, the final invoice was raised for Rs. 159.43 lakhs GST i.e., 75% of 212.56 lakhs (taking 250.83 lakhs as inclusive of GST) according to the communication from M/s CSML on 23.02.024 via email regarding revision of total cost to Rs.250.83 lakhs including GST.

Our opinion is not modified in respect of these matters.

Key Audit Matters

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

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

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

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

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

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

Other Matters

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

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

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the Consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

Report on Other Legal & Regulatory Requirements

1. We report on the basis of audit report of KIIFB and the associate company M/s. Kerala Infrastructure Fund Management Limited audited by us and relying on the report of subsidiary company KIIFCON Private Limited audited by other auditors that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except for the matter stated in Basis for Qualified Opinion paragraph (1) to (3).

(b) In our opinion and based on report of the other auditors, proper books of account as required by law have been kept by the Group so far as it appears from our examination of those books except for the matters stated in Para (f) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 in respect of the associate company.

(c) The Consolidated Balance Sheet, Consolidated Profit and Loss account and the Consolidated Cash Flow Statement of the company dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

(d) The rupee denominated external borrowings being Masala Bonds availed by KIIFB, in the year 2018-2019 and repaid in full during the current year, which are fully secured by the sovereign guarantee issued by the Government of Kerala and have the required approval of the Reserve Bank of India under the Foreign Exchange Management Act 1999. As explained to us by the management of KIIFB, on other legal issues relating to the said borrowings, as per the legal opinion received from a renowned jurist and legal expert, the issue of Masala bonds made for the borrowings by KIIFB as above, is neither illegal nor is in violation of any law, which, being a legal matter, no opinion is expressed thereon.

(e) In respect of the associate company, as stated in Note No. 40.1 to the consolidated financial statements, in respect of the remuneration payable to the Managing Director, provision has been made in the accounts towards variable pay of Rs. 24 lakhs and earned leave salary of Rs. 1.59 lakhs The provision for leave salary is subject to approval of the Nomination and Remuneration Committee and AGM of the associate Company. The actual amount of variable pay based on performance criteria is pending to be fixed by the Nomination and Remuneration committee.

VARMA & VARMA Trivandrum Chartered Accountants

(f) In respect of the associate company, based on our examination which included test checks, the company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, audit trail feature was not enabled throughout the year. Since audit trail feature was not enabled, comment on tampering the audit trail is not applicable. In respect of the subsidiary company, the company has used such accounting software for maintaining its books of accounts which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all transactions recorded in the software and the audit trail feature has not been tampered with and the audit trail has been preserved by the company as per statutory requirements for record retention. The above reporting requirements is not applicable for KIIFB. Since it is not a company registered under the Companies Act, 2013 but a body corporate under a separate state enactment.

(g) In our opinion and relying on the opinion expressed in the audit report of the other auditor in the case of subsidiary company, the aforesaid Consolidated financial statements of the group comply with the Accounting Standards issued by the Institute of Chartered Accountants of India in all material aspects.

For Varma and Varma
Chartered Accountants
FRN.004532S



C.G.Pankajakshan
Partner
Membership No.020512
UDIN: 24020512BKGUXQ8839

Place : Thiruvananthapuram
Date : 25.05.2024

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

(Figures in Lakhs Rs.)

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
I. EQUITY AND LIABILITIES			
1 Initial Corpus Fund	1	3,32,701.92	2,82,049.28
2 Corpus Fund - Revolving (shown on the asset side)	2	-	-
3 **Non-current liabilities**			
(a) Long-term borrowings	3	17,88,950.02	14,32,257.88
(b) Deferred tax liabilities	11	-	368.79
(c) Other Long term liabilities	4	7,099.67	5,401.25
4 **Current liabilities**			
(a) Short-term borrowings	5	2,85,203.82	3,44,923.44
(b) Trade payables	6		32.43
Total outstanding dues of Micro Enterprise & Small Enterprise		26.65	-
Others		39.17	-
(c) Other current liabilities	7	22,152.79	17,150.77
(d) Short-term provisions	8	83.05	68.63
		24,36,257.09	**20,82,252.47**
II. ASSETS			
1 **Non-current assets**			
(a) Property, plant and equipment and Intangible Asset	9		
(i)Tangible assets		470.91	485.21
(ii)Intangible assets		586.13	1,473.66
(b) Non-current investments	10	96.36	120.97
(c) Long-term loans and advances	12	5,24,104.58	4,86,946.01
(d) Corpus fund revolving being the Statutory contribution receivable from GoK -Non current	2	7,48,862.03	4,96,975.02
(e) Other Non Current Assets	13	5,357.24	5,981.87
2 **Current assets**			
(a) Current investments	14	-	1,05,175.02
(b) Inventories	15		
(i) Unbilled Revenue		50.51	-
(c) Trade receivables	16	457.89	160.54
(d) Cash and cash equivalents	17	7,19,439.59	5,92,979.08
(e) Short term loans and advances	18	1,17,145.48	1,05,719.31
(f) Corpus fund revolving being the Statutory contribution receivable from GoK -Current	2	3,13,000.00	2,80,900.00
(g) Other current assets	19	6,686.37	5,335.78
		24,36,257.09	**20,82,252.47**
Notes forming part of consolidated financial statements		**I , II & 1-41**	

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

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

For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

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

Thiruvananthapuram
Date : 25.05.2024

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

(Figures in Lakhs Rs.)

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

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

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

AUDITOR'S REPORT

As per our report of even date attached

for Varma & Varma
Chartered Accountants
FRN.004532S

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

For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

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

Thiruvananthapuram
Date : 25.05.2024

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

(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	(96,900.29)	(85,080.99)
Adjustments for:		
Depreciation and amortisation expense	989.42	1,100.04
Interest income	(73,007.51)	(63,059.78)
Finance Cost	1,83,464.19	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
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	1,036.80	38,636.56
Changes in working capital:		
Adjustments for (increase) / Decrease in operating assets:		
Loans and Advances	15,042.65	90.38
Financial assistance made to Revenue Generating Projects	(11,455.85)	(45,998.59)
Other Non Current and Current Assets	(1,730.03)	(401.01)
Trade receivables	(297.35)	(160.53)
Inventory	(50.51)	-
Adjustments for increase / (Decrease) in operating liabilities:		
Other Current/Non current Liabilities	(12,243.65)	(2,125.33)
Trade Payables	33.39	32.43
Net Changes in working capital:	(9,664.55)	(9,926.09)
Cash generated from operations	(9,664.55)	(9,926.09)
Net income tax (paid) / refunds	969.47	782.19
Net cash from/ (used in) operating activities (A)	**(8,695.08)**	**(9,143.90)**
B. Cash flow from investing activities		
Purchase of PPE (including changes in CWIP)	(87.56)	(235.10)
(Purchase)/ disposal proceeds of Investments	-	-
Sale proceeds of PPE	-	-
Interest income received out of fixed deposit	17,196.92	16,518.73
(Purchase)/ Sale proceeds of Investments	1,22,278.09	(45,175.02)
Net cash from/ (used in) investing activities (B)	**1,39,387.45**	**(28,891.39)**
C. Cash flow from financing activities		
Loans from :-		
(i) Banks and Financial Institutions	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	(88,664.94)	(93,967.61)
Statutory contribution from GoK	42,250.00	2,47,876.35
Additional Financial Support for Infrastructure Development	2,80,828.91	-
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)	(4,69,233.29)	(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	(1,64,505.66)	(1,34,962.15)
Fund utilised for NABARD Projects	5,038.73	(12,741.68)
Net cash from/ (used in) financing activities (C)	**(4,231.86)**	**49,672.01**
Net increase (decrease) in cash and cash equivalents (A+B+C)	1,26,460.51	11,636.72
Cash and cash equivalents at the beginning of the financial year	5,92,979.08	5,81,342.36
Cash and cash equivalents at end of the year	**7,19,439.59**	**5,92,979.08**

Notes:

1. The Above cash flow statement has been prepared under indirect method prescribed in AS 3 "Cash Flow Statements ".
2. Components of cash and cash equivalents

Balances with banks		
Cash in Hand	0.12	0.03
Balance with Treasury	0.02	0.01
Term Deposits/Sweep	1,82,383.77	2,86,156.72
Other deposit, savings and current accounts	53,352.76	24,749.98
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	-
	7,19,439.59	**5,92,979.08**

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

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

For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

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

Thiruvananthapuram
Date : 25.05.2024

AUDITOR'S REPORT
As per our report of even date attached

for Varma & Varma
Chartered Accountants
FRN.004532S

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

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

All amounts in Lakhs except for specifically stated

NOTE-I

GENERAL INFORMATION

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

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

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

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

NOTE-II

SIGNIFICANT ACCOUNTING POLICIES

A. BASIS OF CONSOLIDATION

a. The consolidated financial statements incorporate the financial statements of KIIFB (the holding entity) and its wholly owned subsidiary company KIIFCON Pvt Limited" and its associate company Kerala Infrastructure Fund Management Limited (collectively known as 'the Group'). The consolidated financial statements relate to KIIFB, its subsidiary and the entity's share of profit / loss in its associate company.

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

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

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

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

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

KIIFCON Private Limited

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

Kerala Infrastructure Fund Management Ltd (KIFML)

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

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Chartered Accountants Trivandrum

B. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

a. The Consolidated financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and Accounting Standard issued by Institute of Chartered Accountants of India.

b. Subsidiary company follows Mercantile System of Accounting and recognizes significant items of income and expenditure on accrual basis, except to the extent otherwise stated in the notes. The financial statements have been prepared and presented under the historic cost convention on accrual basis of accounting, in accordance with generally accepted accounting principles ("GAAP") applicable in India. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') and pronouncements of the Institute of Chartered Accountants of India, the provisions of the Act (to the extent notified).

c. The Financial Statements are presented in INR, which is the functional currency and all values are rounded to the nearest lakhs (INR 1,00,000), except when otherwise indicated. Due to rounding, numbers presented may not add up precisely to totals provided.

USE OF ESTIMATES

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

C. PROPERTY, PLANT AND EQUIPMENT

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

Depreciation: Depreciation has been provided on Written down Value Method at the rates 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.

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Trivandrum Chartered Accountants

E. REVENUE RECOGNITION

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

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

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

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

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

F. CORPUS FUND- Revenue Recognition and Accounting of Utilisation

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

G. INVESTMENTS

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

H. BORROWING COST

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

I. INCOME RECOGNITION AND ASSET CLASSIFICATION NORMS

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

a)The assets are classified as follows :

(i) Standard Assets - up to 12 months overdue

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

(iii) Doubtful Assets – Beyond 24 months overdue

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

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

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b) Provisioning Norms

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

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

J. ACCOUNTING FOR TAXES ON INCOME

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

K. CASH FLOW STATEMENT

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

L. PROVISION, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

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

M. EMPLOYEE BENEFITS

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

(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.

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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**

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

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

Note - 2

Corpus Fund - Revolving

	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	12,88,192.10	10,38,715.75
Add: Statutory contribution received during the year	3,23,025.00	2,46,969.00
Less: Transfer to initial corpus fund (refer note 1.2)	(42,250.00)	-
Add/(less): Allotment of funds/(return) of unutilised LAC-ADS share	(94.39)	30.00
Add: Allotment of funds under PTA & CSR Fund	24.64	406.30
Add : Interest received during the period from Deposits made out of corpus fund (Refer Note 2.2)	4,486.69	1,163.71
Add : Corpus fund resumed by the Govt during the 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	**15,73,437.95**	**12,88,192.11**

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Utilisation of Corpus Fund

i)	Funds Utilised for financing of direct project cost as at year end (see Note 2.4 below)	(23,37,692.83)	(18,73,498.29)
ii)	Fund Utilised for financial assistance by way of long term loans to revenue generating projects as at year end (see Note 2.5 below)	(5,14,072.12)	(5,02,823.11)
iii)	Deficit from operations in P & L a/c recouped	(2,89,598.13)	(1,92,775.42)
(iv)	Transfer to Initial Corpus fund (refer note 1.2)	(8,402.64)	-
	Subtotal	**(31,49,765.72)**	**(25,69,096.82)**
Total-(B)		**(15,76,327.77)**	**(12,80,904.71)**
C. Reserve for financial assistance to revenue generating projects			
	Financial assistance for revenue generating projects adjusted as per contra	5,14,072.12	5,02,823.11
Total-(C)		**5,14,072.12**	**5,02,823.11**
D.	**Reserve & Surplus of Subsidiary/Associate Company**		
	Subsidiary Company -KIIFCON	389.71	178.06
	Associate Company- KIFML	(71.09)	(46.48)
	Total	**318.62**	**131.58**
Total (A)+(B)+(C)+ (D)		**(10,61,862.03)**	**(7,77,875.02)**
Less: Transferred to statutory contribution receivable from GoK (see Note 2.6 below)		**(10,61,862.03)**	**(7,77,875.02)**
		-	-

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

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

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

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

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

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

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

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

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

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

	As at 31.03.2024	As at 31.03.2023
Opening Balance	5,02,823.11	4,86,941.57
Add : Financial assistance given during the year including retention amoun	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**

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

2.6.1 The balances under statutory contribution receivable from GoK of Rs.10,61,862.03 lakhs on consolidated basis is considered good and recoverable and there is no uncertainty with regard to ultimate recovery, based on financial operational model of 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**

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Note - 3.1

KSFE Pravasi Bond

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

Maturity Profile of the KSFE Pravasi bond

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

Note - 3.2

Masala Bond @ 9.723%

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

Note - 3.3

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

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

Note 3.4

a) Domestic Bond-I

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

b) Domestic Bond-II

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

c) Green Bond

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

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

Maturity Profile of Bonds

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**

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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.

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

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10	Rural Electrification Corporation Limited	06.06.2021	400000	7 Years with 2 years moratorium Interest Rate of 8.80%	The Term loan to be repaid in 60 equal monthly instalments after initial moratorium of 2 years. In the moratorium period interest has to be serviced every month.
		22.03.2024	7047	Interest Rate 8.80%	
11	Housing and Urban Development Corporation Ltd.(HUDCO)	01.09.2021	100000	15 Years with 2 years moratorium Interest Rate of 7.45% 9.05% (w.e.f. 22.03.2024)	The Term loan to be repaid in 52 equal quarterly instalments after initial moratorium of 2 years. In the moratorium period interest has to be serviced quarterly.
		06-10-2022	200000	15 Years with 2 years moratorium Interest Rate of 9.05%/ 8.80% (w.e.f. 13.12.2023/14.09.2023)	The Term loan to be repaid in 52 quarterly installments 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).

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	11,897.85	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	1,666.66	-
	2,17,786.13	**3,44,923.44**
Total (A)+(B)	**2,85,203.82**	**3,44,923.44**

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Note- 6

Trade Payables - (KIIFCON)	**As at 31.03.2024**	**As at 31.03.2023**
Dues to MSME	26.65	32.43
Dues to Others	39.17	-
	65.82	**32.43**

6.1

Particulars	Outstanding for following periods from due date of payment			
	Less than 1 yr.	1-2 yrs.	2-3 yrs.	More than 3 yrs.
(i) MSME	26.65	-	-	-
(Previous year)	(32.43)			
(ii) Others	39.17	-	-	-
(Previous year)	-			
(iii) Disputed dues-MSME	-	-	-	-
(Previous year)	-			
(iv) Disputed dues-Others	-	-	-	-
(Previous year)	-			
Total - Current Year	**65.82**	-	-	-
Total - Previous Year	**(32.43)**			

Note - 7

Other Current Liabilities	**As at 31.03.2024**	**As at 31.03.2023**
Sundry Creditors for Expenses (Note 7.1)	1,575.17	718.29
Guarantee Commission Payable	14,805.15	13,085.45
Statutory Liabilities	1,533.59	983.99
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	50.29	53.70
Audit Fee Payable	14.70	13.81
Other payables	660.00	-
Total	**22,152.79**	**17,150.77**

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

Note - 8

Short-term provisions	**As at 31.03.2024**	**As at 31.03.2023**
Provision for income tax- KIIFCON	83.05	68.63
	83.05	**68.63**

Note - 9

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 - 9 Property, Plant and Equipment and Depreciation statement

Note - 10

Non-current investments	**As at 31.03.2024**	**As at 31.03.2023**
Investment in Associate Company - Kerala Infrastructure Fund Management	96.36	120.97
Total	**96.36**	**120.97**

10.1 **Carrying amount of Investment in Associate Company**

Cost of Investment	167.45	167.45
Opening Carrying value	120.97	137.87
Less: Share of loss	(24.61)	(16.90)
Closing Carrying value	**96.36**	**120.97**

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

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Note - 11

Deferred Tax Asset

Particulars	**As at 31.03.2024**	**As at 31.03.2023**
Opening Balance	(368.79)	(363.44)
Add : Deferred Tax Asset \(Liability) for the year	3,436.48	(5.35)
Closing Deferred Tax Asset /(liability)	**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 - 12

Long Term Loans & Advances	**As at 31.03.2024**	**As at 31.03.2023**
(Considered good)		
Financial assistance made to Revenue Generating Projects	4,26,758.68	3,99,373.48
(contra by credit to Financial assistance Reserve for revenue)		
Accrued Interest on Loans for projects*	99,450.74	87,572.53
Total-(A)	**5,26,209.42**	**4,86,946.01**
* Represents interest not yet fallen due		
(Considered doubtful)		
Financial assistance made to Revenue Generating Projects	30,323.88	30,117.04
Accrued Interest on Loans for projects	10,134.24	9,267.80
Less : Provision for conversion of Loan into Non income generating project (Net)	(40,458.12)	(39,384.84)
Total-(B)	-	-
Total(A+B)	**5,26,209.42**	**4,86,946.01**
Less : Provision for Standard Asset	(2,104.84)	-
Total	**5,24,104.58**	**4,86,946.01**

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

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

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

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

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

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

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

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

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

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Note - 13

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

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

Note - 14

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

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

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

Note 15: Inventories	**As at 31.03.2024**	**As at 31.03.2023**
Unbilled Revenue As at 01.04.2023	-	-
Add: Increase Unbilled Revenue during the Year	50.51	-
Less: Decrease Unbilled Revenue during the Year	-	-
Unbilled Revenue As at 31.03.2024	**50.51**	**-**

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

Note - 16	**As at 31.03.2024**	**As at 31.03.2023**
Trade Receivables - (KIIFCON)		
Trade Receivables	457.89	160.54
	457.89	**160.54**

16.1

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

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Note - 17

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

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

Note - 18

Short Term Loans and Advances	**As at 31.03.2024**	**As at 31.03.2023**
Advances and other Receivables (refer note 18.1, 18.2)	2,371.21	2,269.68
Current maturity of Financial assistance made to Revenue Generating Projects '(contra by credit to Financial assistance Reserve for revenue)	87,313.44	1,03,449.63
Current maturity of interest accrued w.r.t Financial assistance made to Revenue Generating Projects	27,921.77	-
Less : Provision for Standard Asset	(460.94)	-
Total	**1,17,145.48**	**1,05,719.31**

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

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

Note - 19

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

Note- 20

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

Note - 21	**For the year ended 31.03.2024**	**For the year ended 31.03.2023**
Interest income from deposits and investments		
Interest earned during the year	21,683.61	17,682.44
Less : Interest received during the period from Deposits made out of corpus fund (Refer note 2.2)	(4,486.69)	(1,163.71)
	17,196.92	**16,518.73**

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Note - 22	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**

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

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

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

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

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

Note - 23	For the year ended 31.03.2024	For the year ended 31.03.2023
Other Income		
Income from Consultancy Division-KIIFCON	-	206.91
Miscellaneous Income	7.01	1.52
Interest on Income Tax refund	45.01	119.87
Provision for Revenue generating project written back	8,402.64	-
Total	**8,454.66**	**328.30**

Note - 24 **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 12.2)	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**

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

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

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24.3 Allocation of Expenses towards Projects includes cost incurred towards 'Ente Keralam' program during the year amounting to Rs.6744.96 lakhs. Government of Kerala vide G.O 2/2023/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 - 25

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

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

Note - 26

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

Note - 27

Other Expenses	**For the year ended 31.03.2024**	**For the year ended 31.03.2023**
Technical & Consultancy Charges	2,881.33	1,529.90
Professional Fee	555.41	260.65
Promotional and advertisement Expenses (Refer Note 27.3 below)	2,895.26	661.03
Meeting and Conference expense	21.60	24.58
Repairs and Maintenance	30.18	41.28
Electricity & Water Charges	19.18	19.99
Rent and Utility Charges	251.48	263.19
Telephone & Internet Charges	4.30	4.46
Provision for standard asset	2,565.78	-
Vehicle Hire Charges	171.43	145.06
Printing and Stationery	13.80	17.21
Miscellaneous Expense	49.54	33.12
Receivable Written Off	-	540.33
Payments to the auditor (Refer Note 27.1 below)	22.10	20.17
GST on Reverse charge mechanism	352.27	311.35
Software Charges	162.92	124.62
KSFE Software operating and hosting charges (Refer Note 29)	936.66	1,289.24
Business Promotion Expenses	1.82	-
Travelling &Accommodation Expense	4.34	-
Total	**10,939.40**	**5,286.18**

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27.1 Details of Payments to the Auditor **Amount in Lakh Rs.**

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

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

Amount in Lakhs Rs.

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

27.3 Promotional and advertisement expenses includes an amount of Rs.1295.46 lakhs incurred towards providing infrastructure facilities to "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 operations of KIIFB which is built up as a premier agency providing quality infrastructure for the People of Kerala. The expenses were fully budgeted and authorised by the Media Management Group(MMG) of KIIFB.

Note - 28

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

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Note - 29

KIIFB has incurred an expenditure of Rs.936.66 Lakhs during the year towards KSFE Software expenses which includes an amount of Rs 861.22 incurred through external agency (a Government PSU - KSIE Limited) to which the activities for server hosting and licence renewal charges of KSFE 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.

Note - 30

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

Note - 31

Capital Commitments

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

Note - 32

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

Note - 33

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

Note - 34

Contingent Liability

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

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

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

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

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

34.4 Income tax demand of Rs.190.30 Lakhs (including interest for delayed payment) has been raised by the DCIT -TDS u/s.201 of the Act on KIIFB by treating the Board as an assessee in default for non-deduction /delay in the remittance of TDS on works bills raised by contractors on SPVs/Advance payments to SPVs on the above account. The management is of the firm view that there is no liability for tax deduction in the hands of board as the privity of contract under Section 194C is between the 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.

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

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

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

Note - 35

Related Party Disclosures in accordance with AS-18

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

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Note - 36

Segment Reporting

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

Note - 37

Internal Audit System - During the current reporting year, concurrent audit has been completed up to the quarter ended 31.03.2024, of which report of Q3 and Q4 are to be placed in the ensuing Internal audit management committee. Further all 15 areas in multiple frequency of Risk Based Internal Audit (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 38

Disclosure with respect to Subsidiary Company

38.1 CIF values of imports are Nil

38.2 Earnings in Foreign Exchange is NIL

38.3 Expenditure in Foreign Exchange is Nil

38.4 Estimated amount of contracts remaining to be executed in the Capital Account -₹ Nil.

38.5 The Subsidiary Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

Note 39

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

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

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

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Note 40

Disclosure with respect to Associate Company

40.1 The company has appointed Shri. Dr Kamalakannan Ellangovan as Managing Director during the immediately preceding financial year w.e.f. 23.12.2022 and has paid managerial remuneration of fixed pay amounting to Rs. 24 lakhs. Provision has been made in the accounts towards variable pay of Rs. 24 lakhs and earned leave salary of Rs. 1.59 lakhs. The provision for leave salary is subject to approval of the Nomination and Remuneration Committee and AGM of the Company. The actual amount of variable pay is based on performance criteria is pending to be fixed by the Nomination and Remuneration Committee.

40.2 The company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility. However, audit trail feature was not enabled throughout the year.

Note 41

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

For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

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

Thiruvananthapuram
Date : 25.05.2024

AUDITOR'S REPORT
As per our report of even date attached

for Varma & Varma
Chartered Accountants
FRN.004532S

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

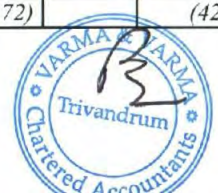
Note 9

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)*		*(00.05)*	-	*(00.05)*	-	-
2	Computer	250.68	0.64	12.95	-	264.27	40	191.49	26.53	218.02	46.25	59.19
	(Previous Year)	*(212.84)*	*(25.10)*	*(12.74)*	-	*(250.68)*		*(156.27)*	*(35.22)*	*(191.49)*	*(59.19)*	*(56.57)*
3	Communication Equi	4.06	0.06	0.05	-	4.17	40	3.68	0.18	3.86	0.31	0.38
	(Previous Year)	*(03.78)*	-	*(00.28)*	-	*(04.06)*		*(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)*		*(18.92)*	*(05.67)*	*(24.59)*	*(52.64)*	*(45.82)*
5	Photostat Machine	1.72	-	-	-	1.72	40	1.66	0.03	1.69	0.03	0.06
	(Previous Year)	*(01.72)*	-	-	-	*(01.72)*		*(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	1.65	2.43
	(Previous Year)	*(04.81)*	*(00.64)*	*(01.31)*	-	*(06.76)*		*(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)*		*(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)*		*(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	83.76	34.34
	(Previous Year)	*(69.61)*	-	-	-	*(69.61)*		*(29.21)*	*(06.06)*	*(35.27)*	*(34.34)*	*(40.40)*
10	Computer & Accesso	171.93	-	-	-	171.93	40	117.92	21.60	139.52	32.41	54.01
	(Previous Year)	*(153.63)*	*(02.55)*	*(15.75)*	-	*(171.93)*		*(87.18)*	*(30.74)*	*(117.92)*	*(54.01)*	*(66.45)*
11	Interior Decoration	146.93	-	-	-	146.93	10	36.69	11.02	47.71	99.22	110.24
	(Previous Year)	*(90.66)*	*(26.98)*	*(29.29)*		*(146.93)*		*(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)*





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

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

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

9.3 The Gross carrying value and net carrying value of intangible asset towards software for KSFE 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 KIIFB GOVERNMENT OF KERALA

VAMA & VAMA Trivandrum Chartered Accountants

Varma & Varma
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS

To
The Members of Kerala Infrastructure Investment Fund Board,
Thiruvananthapuram

Report on the Audit of Standalone Financial Statements

Qualified Opinion

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

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

Basis for Qualified Opinion

1. As stated in Note No.19.3, invoices of first level service providers to whom certain activities have been outsourced by KIIFB relating to 'Ente Keralam' programme expenditure amounting to Rs.6744.96 lakhs have been made available to our verification as directed by the Executive committee at its meeting on01.09.2023. However the management is not able to confirm whether first level service provider is final end service provider , and internal controls in this regard need to be strengthened while entering into contracts for better transparency .The expenditure incurred as above has been charged to project costs since according to the management such costs are directly relatable to projects and on account of this no provision has been made in the budget for such direct project costs. The above expenses have been ratified by the general body at their meeting held on 04.03.2024.

2. An amount of Rs.1592.79 lakhs has been incurred for promotion and media activities through various parties to whom works were outsourced on nomination basis (single tender).This procedure is not in compliance with the stipulations in SOP for procurement of media services in force during the year requiring invitation of open tender for such works. In the absence of proper tendering, the reasonableness of the rates could not be verified by us. The above amount of Rs.1592.79 lakhs includes an

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

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

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

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

VARMA & VARMA Trivandrum Chartered Accountants

TC 9/1504, Galaxy, SMRA-14, Sasthamangalam P O, Thiruvananthapuram-695010
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We conducted our audit in accordance with the Standards on Auditing (SAs) issued by ICAI. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of KIIFB in accordance with the Code of Ethics issued by ICAI and we have fulfilled our other ethical responsibilities in accordance with the said Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the audit of the financial statements.

Emphasis of Matter

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

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

(ii) Interest income has been recognised on revenue generating projects in cases where there have been certain delays on implementation of the projects financed by such loans, as detailed in Note no.17.2 to the standalone financial statements. According to the management, certain inherent delays which have occurred during implementation stage of infrastructure does not have adverse effect on the recovery of loans granted considering the operational model of KIIFB as detailed in Note no 10.3 and these loans are expected to be recovered from SPVs which are all government owned or controlled agencies and hence considered by the management as good and recoverable. Such recovery however would depend upon actual income generation from land acquisition of projects having an aggregate cost incurred till 31.03.2024 amounting to Rs.2,87,972.40 lakhs so far as it relates to income accrued on such projects.



(iii) Loan agreements are pending to be executed as on date with one SPV for loan outstanding aggregating to Rs.667.47 Lakhs although more than 40% stage of disbursement (as per the terms of Tripartite Agreement between KIIFB, SPV and the concerned Government department) has been exceeded requiring execution of such loan agreement, as stated in Note no.17.3 to the standalone financial statements. As explained by the management, steps for execution of loan agreements is under process, which is pending for requisite clearance from the concerned departments of the Govt of Kerala.

(iv) As stated in Note No 10.1, Prudential norms on Income recognition, asset classification and provisioning for long term infrastructure projects was adopted by KIIFB w.e.f 01-04-2023, vide circular resolution dated 13.04.2023 and the same has been revised in the 46th General Body Meeting of KIIFB held on 02.09.2023. KIIFB has classified projects into four categories based on the viability of projects into High, Medium, Low and no commercial viability projects.

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

(v) As stated in Note No.2.6.1 to the accounts, the balances under statutory contribution receivable from GoK of Rs.10,62,129.01 Lakhs upto 31.03.2024 is considered good and recoverable by the management. According to the management there is no uncertainty with regard to ultimate recovery, based on financial operational model of KIIFB as per the KIIF Act, 1999 (amended by act of 2016) as such amounts are expected to be recouped from the statutory contribution receivable in future. We have relied entirely on the management representation in this regard considering the facts of the case.

(vi) As stated in Note No.28 to the accounts the procedures followed for appraisal of projects by the project appraisal division offers scope for improvement by documentation of the assumptions followed in making financial projections relating to estimated costs and revenues.

(vii) As stated in Note No.14.2 to the accounts, receivable from Information & Public Relations Department amounts to Rs.916.73 lakhs for which claims raised are pending for more than one year. However, the balance has been confirmed as at 31.03.2023.

Our opinion is not modified in respect of these matters.

VARMA & VARMA Chartered Accountants Trivandrum

Key Audit Matters

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

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

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

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

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

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

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

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

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

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

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of KIIFBs internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on KIIFBs ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause KIIFB to cease to continue as a going concern.

VARMA & VARMA Trivandrum Chartered Accountants

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

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

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

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

Report on Other Legal & Regulatory Requirements

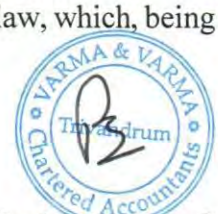
1. We report that:

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit except for the matter stated in Basis for Qualified Opinion paragraph (1) to (3).

(b) In our opinion, proper books of account as required by law have been kept by KIIFB so far as it appears from our examination of those books.

(c) The standalone Balance Sheet, standalone Profit and Loss account and the standalone Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.

(d) The rupee denominated external borrowings being Masala Bonds availed by KIIFB, in the year 2018-2019 and repaid in full during the current year, which are fully secured by the sovereign guarantee issued by the Government of Kerala and have the required approval of the Reserve Bank of India under the Foreign Exchange Management Act 1999. As explained to us by the management of KIIFB, on other legal issues relating to the said borrowings, as per the legal opinion received from a renowned jurist and legal expert, the issue of Masala bonds made for the borrowings by KIIFB as above, is neither illegal nor is in violation of any law, which, being a legal matter, no opinion is expressed thereon.



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

For Varma and Varma
Chartered Accountants
FRN.004532S

VARMA & VARMA Trivandrum Chartered Accountants

C.G.Pankajakshan
Partner
Membership No.020512
UDIN: 24020512BKGUXP6063

Place : Thiruvananthapuram
Date : 25.05.2024

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

(Figures in Lakhs Rs.)

	Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
I.	**EQUITY AND LIABILITIES**			
1	Initial Corpus Fund	1	3,32,701.92	2,82,049.28
2	Corpus Fund - Revolving (shown on the asset side)	2	-	-
3	**Non-current liabilities**			
	(a) Long-term borrowings	3	17,88,950.02	14,32,257.88
	(b) Deferred tax liabilities	9	-	368.79
	(c) Other Long term liabilities	4	7,099.67	5,401.25
4	**Current liabilities**			
	(a) Short-term borrowings	5	2,85,203.82	3,44,923.44
	(b) Other current liabilities	6	21,945.10	17,058.86
			24,35,900.53	**20,82,059.50**
II.	**ASSETS**			
1	**Non-current assets**			
	(a) Property, plant and equipment and Intangible Asset	7		
	(i)Tangible assets		470.91	485.21
	(ii)Intangible assets		586.13	1,473.66
	(b) Non-current investments	8	425.52	425.52
	(c) Deferred tax assets	9	-	-
	(d) Long-term loans and advances	10	5,24,104.58	4,86,946.01
	(e) Corpus fund revolving being the Statutory contribution receivable from GoK -Non current	2	7,49,129.01	4,97,106.59
	(f) Other Non Current Assets	11	5,357.24	5,981.87
2	**Current assets**			
	(a) Current investments	12	-	1,05,175.02
	(b) Cash and cash equivalents	13	7,19,031.43	5,92,470.47
	(c) Short term loans and advances	14	1,17,282.31	1,05,791.71
	(d) Corpus fund revolving being the Statutory contribution receivable from GoK -Current	2	3,13,000.00	2,80,900.00
	(e) Other current assets	15	6,513.40	5,303.44
			24,35,900.53	**20,82,059.50**
	Notes forming part of standalone financial statements	**I , II & 1-33**		

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

AUDITOR'S REPORT
As per our report of even date attached

For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

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

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 Varma & Varma
Chartered Accountants
FRN.004532S

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

For KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

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

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.

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Trivandrum Chartered Accountants

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**

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.

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Trivandrum Chartered Accountants

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:

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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	4,26,758.68	3,99,373.48
(contra by credit to Financial assistance Reserve for revenue)		
Accrued Interest on Loans for projects*	99,450.74	87,572.53
Total-(A)	**5,26,209.42**	**4,86,946.01**
* Represents interest not yet fallen due		
(Considered doubtful)		
Financial assistance made to Revenue Generating Projects	30,323.88	30,117.04
Accrued Interest on Loans for projects	10,134.24	9,267.80
Less : Provision for conversion of Loan into Non income generating project (Net)	(40,458.12)	(39,384.84)
Total-(B)	-	-
Total(A+B)	**5,26,209.42**	**4,86,946.01**
Less : Provision for Standard Asset	(2,104.84)	-
Total	**5,24,104.58**	**4,86,946.01**

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

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

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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 KIIFML 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**

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD KIIFB GOVERNMENT OF KERALA

VARMA & VARMA Chartered Accountants Trivandrum

	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

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

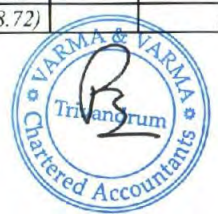
Note 7

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)*





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.





No.INFRA-3/1/2018-FIN Dated: 03-09-2024

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

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

DR A JAYATHILAK I A S
ADDITIONAL CHIEF SECRETARY

ANNEXURE B
SECRETARIAL AUDIT REPORT

Mehta & Mehta

COMPANY SECRETARIES

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FORM MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March,2024

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

To,

The Members

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

2nd Floor, Felicity Square, MG Road,

Statue, Trivandrum, Kerala- 695 001

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

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

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

(i) The Depositories Act, 1996 and the Regulations and the byelaws framed there under;

(ii) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.

(iii) Foreign Exchange Management (Debt Instruments) Regulations, 2019 (to the extent applicable)

(iv) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -

  (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  (b) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021
  (c) The Securities Contracts (Regulation) Act, 1956 and rules made thereunder
  (d) Securities and Exchange Board of India (Credit Rating Agencies) Regulations, 1999
  (to the extent applicable)

(v) Other laws specifically applicable to KIIFB:

  (a) The Kerala Infrastructure Investment Fund Board Act, 1999 ("the Act") amendments, ordinance, scheme and rules made there under;
  (b) Other Regulations as applicable and circulars/ guidelines issued thereunder.

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

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

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

We further report that:

- *Kerala Infrastructure Investment Fund Board (KIIFB) is a statutory body* constituted by Kerala Infrastructure Investment Fund Act, 1999 (as amended by Kerala Infrastructure Investment Fund (Amendment) Act, 2016) under the Department of Finance, Government of Kerala. Kerala Infrastructure Investment Fund Board (KIIFB), not being a company, the provisions of the Companies Act, 2013 and Secretarial Standards/Guidelines issued by ICSI, are not applicable to the entity.

- KIIFB is a "High-Value Debt Listed Entity (HVDLE) with effect from 22.12.2023. Accordingly, The Board of KIIFB has taken note of the various compliance requirements to be adhered by KIIFB as per SEBI LODR in the 47th meeting held on 04.03.2024.

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

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

- As per the Kerala Infrastructure Investment Fund Act, 1999 and its amendments, the KIIFB board shall consist of fourteen members, of which seven of them should be independent members, at present there is one vacancy for an independent member on the board. However, the KFIIB act does not specify any timeline for filling up the vacancies on the board.

- It has been observed that, Bombay Stock Exchange (BSE) has imposed penalty for non-compliance with SEBI (LODR) Regulations 50(l) and 52(7)/(7A), pertaining to the late submission of a board meeting notification and a statement on the utilization of issue proceeds respectively. KIIFB has formally contested through a representation for the waiver of the imposed penalty from the Bombay Stock Exchange (BSE), and the matter is currently pending for decision from the Bombay Stock Exchange (BSE).

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

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

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



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

For **Mehta & Mehta,**

Company Secretaries

(ICSI Unique Code P1996MH007500)

MEHTA & MEHTA COCHIN

Arun Kannamangalam Kamalolbhavan

Partner

FCS No.: 9609 Place: Trivandrum UDIN:F009609F000950527

CP No. : 11657 Date: 12.08.2024 PR No.: 3686/2023

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

Annexure A

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

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

1) Maintenance of secretarial records is the responsibility of the management of the KERALA INFRASTRUCTURE INVESTMENT FUND BOARD [KIIFB]. Our responsibility is to express an opinion on these secretarial records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification of available Document test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the "KIIFB".

4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.

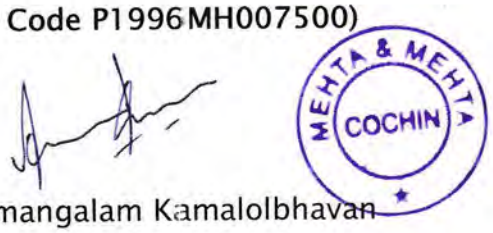


5) The compliance of the provisions of relevant and applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6) As regard the books, papers, forms, reports and returns filed by the "KIIFB" under the provisions referred in Secretarial Audit Report in Form MR-3, the adherence and compliance to the requirements of the said regulations is the responsibility of management. Our examination was limited to checking the execution and timeliness of the filing of various forms, reports, returns and documents that need to be filed by the "KIIFB" with various authorities under the said regulations. We have not verified the correctness and coverage of the contents of such forms, reports, returns and documents.

7) The secretarial audit report is neither an assurance as to the future viability of the "KIIFB" nor of the efficacy or effectiveness with which the management has conducted the affairs of the "KIIFB".

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



Arun Kannamangalam Kamalolbhavan
Partner

FCS No.: 9609	Place: Trivandrum	UDIN:F009609F000950527
CP No. : 11657	Date: 12.08.2024	PR No.: 3686/2023

Mehta & Mehta

COMPANY SECRETARIES

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CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

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

To,

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

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

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

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

MEHTA & MEHTA COCHIN

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Mumbai • Navi Mumbai • Pune • Cochin • Kolkata • Vapi • Aurangabad • Hyderabad • Ahmedabad • Delhi • Kolhapur • Bengaluru

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

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

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

MEHTA & MEHTA COCHIN

Arun Kannamangalam Kamalolbhavan
Partner

FCS No.: 9609
CP No. : 11657

Place: Trivandrum
Date: 12.08.2024

UDIN: F009609F000950472
PR No.: 3686/2023

ANNEXURE C
REPORT ON CORPORATE GOVERNANCE

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

REPORT ON CORPORATE GOVERNANCE FY 2023-24

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

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

2.0. Board Members

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

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

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

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

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

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

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

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

2.4. Meetings and attendance during the year:

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

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

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



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

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

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

Nil

3.0. Executive Committee/ Audit Committee

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

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

SL No	Name	Designation
1	Shri K N Balagopal	Chairperson

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

3.1. Meetings and attendance during the year

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

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

3.2. Audit Committee Constitution

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

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

3.3. Terms of Reference (ToR) of Audit Committee

3.3.1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

3.3.2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity.

3.3.3. Approval of payment to statutory auditors for any other services rendered by the statutory

auditors.

3.3.4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   3.3.4.1. Matters required to be included in the director's responsibility statement to be included in the board's report.
   3.3.4.2. Changes, if any, in accounting policies and practices and reasons for the same.
   3.3.4.3. Major accounting entries involving estimates based on the exercise of judgment by management.
   3.3.4.4. Significant adjustments made in the financial statements arising out of audit findings.
   3.3.4.5. Compliance with listing and other legal requirements relating to financial statements.
   3.3.4.6. Disclosure of any related party transactions.
   3.3.4.7. Modified opinion(s) in the draft audit report.

3.3.5. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval.

3.3.6. Reviewing with the management, the quarterly financial statements before submission to the board for approval.

3.3.7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process.

3.3.8. Approval or any subsequent modification of transactions of the listed entity with related parties.

3.3.9. Scrutiny of inter-corporate loans and investments.

3.3.10. Valuation of undertakings or assets of the listed entity, wherever it is necessary.

3.3.11. Evaluation of internal financial controls and risk management systems.

3.3.12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

3.3.13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

3.3.14. Discussion with internal auditors of any significant findings and follow up there on.

3.3.15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

3.3.16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

3.3.17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders and creditors.

3.3.18. To review the functioning of the whistle blower mechanism.

3.3.19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate.

3.3.20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.

3.3.21. Reviewing the utilization of loans and/ or advances from/investment in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments.

3.3.22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity.

4.0. Nomination & Remuneration Committee

4.1. Constitution of Nomination & Remuneration Committee

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

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

4.2. Meetings and attendance during the year- NA

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

Board

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

Senior Management

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

General

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

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

5.0. Stakeholders Relationship Committee

5.1. Constitution of Stakeholders Relationship Committee

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

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

5.2. Meetings and attendance during the year- NA

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

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

6.0. Risk Management Committee

6.1. Constitution of Risk Management Committee

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

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

6.2. Meetings and attendance during the year- NA

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

6.3.1. To formulate a detailed risk management policy which shall include:
- 6.3.1.1. A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Committee.
- 6.3.1.2. Measures for risk mitigation including systems and processes for internal control of identified risks.
- 6.3.1.3. Business continuity plan.

6.3.2. To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the organization;

6.3.3. To monitor and oversee implementation of the risk management policy, including evaluating the adequacy of risk management systems;

6.3.4. To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;

6.3.5. To keep the Board Members informed about the nature and content of its discussions, recommendations and actions to be taken;

6.3.6. The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee.

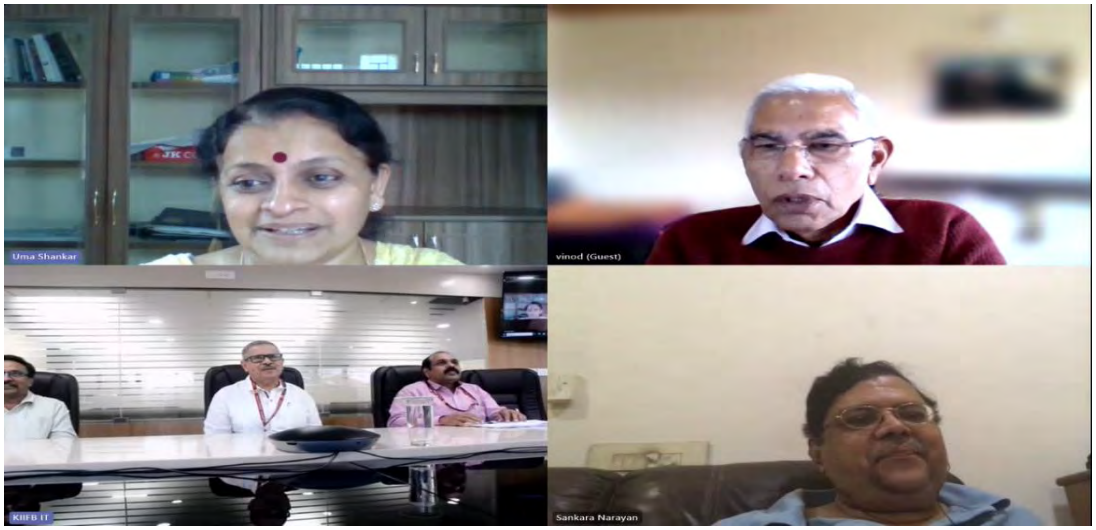
6.3.7. To review risk disclosure statements in any public documents or disclosures.

6.3.8. To Carry out any other function, as required by the provisions of SEBI (LODR) and directives of Government.

7.0. Fund Trustee & Advisory Commission (FTAC)

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

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



8.0. Investment Management Committee

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

9.0. Remuneration of Board Members

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

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

9.2. Criteria of making payments to Non-Executive Members

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

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

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

10.0. General Meeting

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

11.0. Disclosures

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

12.0. Code of conduct

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

13.0. Means of communication

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

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

14.0. Website

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

15.0. Address for correspondence

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

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

16.0. Certification on Corporate Governance

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

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

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

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

Dr KM Abraham
Chief Executive Officer| Member Secretary
DIN: 05178826

Date 12/08/2024

Place Trivandrum

Annexure C.1

Mehta & Mehta

COMPANY SECRETARIES

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

CERTIFICATE ON CORPORATE GOVERNANCE

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

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

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

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

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

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

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

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

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

MEHTA & MEHTA COCHIN

Arun Kannamangalam Kamalolbhavan
Partner

FCS No.: 9609 | Place: Trivandrum | UDIN: F009609F000950395
CP No. : 11657 | Date: 12.08.2024 | PR No.: 3686/2023

Annexure C.2

Certificate

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

To
The Board of Members
Kerala Infrastructure Investment Fund Board

We certify that -

I. We have reviewed the financial statements and cash flow statement for the **FY 2023-24** and to the best of our knowledge and belief:

a) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
b) These statements together present a true and fair view of the KIIFB's affairs and are in compliance with existing accounting standards, applicable laws and regulations;

II. To the best of our knowledge and belief, no transactions entered into by KIIFB during the year **2023-24** are fraudulent or illegal in nature.

III. We accept responsibility for establishing and maintaining internal controls and have evaluated the effectiveness of the internal control systems of the KIIFB and have disclosed to the Auditors and the Executive Committee (presently functioning as the Audit Committee), deficiencies, if any, in the design or operation of the internal control, of which we are aware of and steps have taken or propose to take to rectify these deficiencies.

IV. We have indicated to the Auditors and the Executive Committee-
i. There has not been any significant changes in internal control over the financial reporting during the year;
ii. There has not been any significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements; and
iii. Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the organization's internal control system over the financial reporting (no such instances during the year under review).

Date 12/08/2024
Place Trivandrum

Dr KM Abraham
Member Secretary|
Chief Executive Officer

Reji John
Joint Fund Manager

ANNEXURE D
GREEN BOND DISCLOSURES

Kerala Infrastructure Investment Fund Board

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

Part -I

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

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

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

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

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

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

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

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

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

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

Sl. No.	Project Name& Code	FS Amount (in Rs. Crores)	Total GDB amount Disbursed (in Rs. Crores)	Green Building – Reporting Standards & Performance Measures				
				GRIHA 3 star (Base -56 points)	Savings as per EDGE- L1			
					Energy(%) (Base - 20)	Water (%) (Base - 20)	Embodied Energy(%) (Base - 20)	Operational CO_2 (tCO_2/Year)
1	District Hospital, Kozhencherry (HF W002-55)	₹ 31.45	**₹ 3.25**	56	35.44	21.57	46.63	123.93
2	Kannur Corporation Office (LSG001-04)	₹ 25.74	**₹ 9.47**	60	39.25	40.18	32.38	382.71
3	Registration Complex, Nemom (RGD007 -06)	₹ 20.88	**₹2.26**	62	32.92	42.49	42.54	240.42
4	Development of Taluk Hospital, Feroke (HFW002-24)	₹ 17.09	**₹1.99**	63	40.89	54.85	51.79	293.17
5	Establishment of International Research Institute for Ayurveda – Phase 1 (AYS001-01)	₹ 69.05	**₹8.12**	57	40.02	28.06	35.00	15.10
6	MCC Thalassery, Phase -II (HFW002-31)	₹ 398.31	**₹15.77**	68	47.72	30.88	28.07	897.90
7	District Hospital Palakkad (HFW002-35)	₹ 98.89	**₹ 3.98**	66	42.52	55.40	54.67	1,321.03
8	GMC Kottayam SSB Block (HFW005-06)	₹ 268.60	**₹11.48**	60	28.10	56.34	23.00	451.14
9	TH Kayamkulam(HFW002-22)	₹ 45.67	**₹2.43**	61	24.58	40.66	41.93	381.45
	Total		**₹ 58.75**		**36.82**	**41.15**	**39.55**	**4106.85**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

ANNEXURE D.1

SURI & CO.
CHARTERED ACCOUNTANTS

Offices: Chennai, Madurai, Coimbatore, Thiruvananthapuram, Coonoor, Bengaluru, Kochi & Mumbai

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

The Board of Directors,

KIIFB

Thiruvananthapuram - 695001

Kerala, India

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

Management's Responsibility

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

suriandco.com | tvm@suriandco.com | +91 - 471 - 2333053

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

GSTIN - 32AABFS5023Q1Z4

4. The preparation of the Statement is the responsibility of the Management of the board including the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances

5. The Management is also responsible for providing the relevant supporting records and documents for our verification.

6. The management is also responsible for ensuring accuracy of the data provided for verification.

Auditors Responsibility

7. Our responsibility is to express a limited assurance conclusion on the accuracy of the amount spent on Green Framework projects which have been accurately extracted from the audited standalone financial statements for the year ended March 31,2024.

8. The audited standalone financial statements referred to in paragraph 7 above, have been audited by another Chartered Accountant, who has issued a modified audit opinion vide report dated 25-05-2024.

SURI & CO. CHARTERED ACCOUNTANTS

9. Our responsibility is to verify and ensure the correctness of payments allocated to green projects during the period from 03-07-2023 to 31-03-2024.

10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

11. We conducted our examination of the statements in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

Opinion

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



Restriction on Use

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

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

GOVINDARAJAN RENGARAJAN

Digitally signed by GOVINDARAJAN RENGARAJAN
Date: 2024.08.01 18:04:48 +05'30'

SURI & CO. THIRUVANANTHAPURAM CHARTERED ACCOUNTANTS

G Rengarajan

Partner

Membership No: 219922

UDIN: 24219922BKCLUF3823

Place: Kochi

Date: 01-08-2024

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD
Green Bond Disbursement details for the period from 03-07-2023 to 31-03-2024

Annexure 1

Sl. No.	Date of Payment	Package Code	Package Name	KIIFB Account No	KIIFB IFSC	Beneficiary Name	Beneficiary Bank Acent no	Beneficiary IFSC	AMOUNT	Eligibility Criteria as per clause 2(1)(q) of SEBI NCS Regulations
1	11-10-2023	LSG001-04-01	Construction of Office Building for Kannur Municipal Corporation - Civil and Electrical Works	12670100016046	BARB0PALAYA	Impact	2607214000006	CNRB0002607	13,86,653.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
2	11-10-2023	LSG001-04-01	Construction of Office Building for Kannur Municipal Corporation - Civil and Electrical Works	12670100016046	BARB0PALAYA	Impact.	2607214000006	CNRB0002607	27,73,308.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
3	11-10-2023	LSG001-04-01	Construction of Office Building for Kannur Municipal Corporation - Civil and Electrical Works	12670100016046	BARB0PALAYA	URALUNGAL LABOUR CONTRACT CO-OPERATIVE SOCIETY LTD-CTR-LSG001-04-001 (Projects)	162464006000392	KSBK0001624	6,12,90,087.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
4	25-10-2023	HFW002-24-01	Development of Taluk Hospital Feroke in Kozhikkode District	12670100016046	BARB0PALAYA	WAPCOS Limited SPV-Retentions	38164024014	SBIN0070750	1,71,563.00	Item no. (v) "Energy Efficiency including Efficient and Green
5	25-10-2023	HFW002-24-01	Development of Taluk Hospital Feroke in Kozhikkode District	12670100016046	BARB0PALAYA	WAPCOS Limited SPV-Deductions	38164024014	SBIN0070750	3,01,253.00	Item no. (v) "Energy Efficiency including Efficient and Green
6	25-10-2023	HFW002-24-01	Development of Taluk Hospital Feroke in Kozhikkode District	12670100016046	BARB0PALAYA	Vellapally Constructions-CTR-HFW002-24-001 (Projects)	37081000002611	SIBL0000037	49,22,951.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
7	26-10-2023	HFW002-24-05	Development of Taluk Hospital, Feroke - GRIHA site visit	12670100016046	BARB0PALAYA	SPV-Projects - WAPCOS	38164024014	SBIN0070750	47,344.00	Item no. (v) "Energy Efficiency including Efficient and Green
8	30-10-2023	AYS001-01-01	Establishment of International Research Institute of Ayurveda (IRIA), Kannur	12670100016046	BARB0PALAYA	KITCO	783418346	IDIB000E020	6,26,917.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
9	30-10-2023	AYS001-01-01	Establishment of International Research Institute of Ayurveda (IRIA), Kannur	12670100016046	BARB0PALAYA	KITCO.	783418346	IDIB000E020	11,00,824.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
10	30-10-2023	AYS001-01-01	Establishment of International Research Institute of Ayurveda (IRIA), Kannur	12670100016046	BARB0PALAYA	Silpa Projects and Infrastructure	374081000000095	SIBL0000374	2,33,48,956.43	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
11	30-10-2023	HFW002-55-02	DH Kozhencherry	12670100016046	BARB0PALAYA	HITES	38554347349	SBIN0004350	1,51,638.00	Item no. (v) "Energy Efficiency including Efficient and Green
12	30-10-2023	HFW002-55-02	DH Kozhencherry	12670100016046	BARB0PALAYA	HITES.	38554347349	SBIN0004350	2,73,714.00	Item no. (v) "Energy Efficiency including Efficient and Green
13	30-10-2023	HFW002-55-02	DH Kozhencherry	12670100016046	BARB0PALAYA	Vellapally Constructions-CTR-HFW002-55-001 (Projects)	37081000002611	SIBL0000037	61,58,128.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
14	02-11-2023	HFW002-35-06	Development of District Hospital Palakkad-Physical infrastructure	12670100016046	BARB0PALAYA	HITES.	38554347349	SBIN0004350	4,27,036.00	Item no. (v) "Energy Efficiency including Efficient and Green
15	02-11-2023	HFW002-35-06	Development of District Hospital Palakkad-Physical infrastructure	12670100016046	BARB0PALAYA	SRI VENKATACHALAPATHY CONSTRUCTIONS PRIVATE LIMITED-CTR-HFW002-35-001 (Projects)	921030030421539	UTIB0001369	1,21,70,504.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
16	22-11-2023	LSG001-04-01	Construction of Office Building for Kannur Municipal Corporation - Civil and Electrical Works	12670100016046	BARB0PALAYA	Impact	2607214000006	CNRB0002607	3,78,019.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
17	22-11-2023	LSG001-04-01	Construction of Office Building for Kannur Municipal Corporation - Civil and Electrical Works	12670100016046	BARB0PALAYA	Impact.	2607214000006	CNRB0002607	7,56,040.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
18	22-11-2023	LSG001-04-01	Construction of Office Building for Kannur Municipal Corporation - Civil and Electrical Works	12670100016046	BARB0PALAYA	URALUNGAL LABOUR CONTRACT CO-OPERATIVE SOCIETY LTD-CTR-LSG001-04-001 (Projects)	162464006000392	KSBK0001624	1,67,08,459.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
19	22-11-2023	HFW002-24-01	Development of Taluk Hospital Feroke in Kozhikkode District	12670100016046	BARB0PALAYA	WAPCOS Limited SPV-Retentions	38164024014	SBIN0070750	1,54,044.00	Item no. (v) "Energy Efficiency including Efficient and Green

20	22-11-2023	HFW002-24-01	Development of Taluk Hospital Feroke in Kozhikkode District	12670100016046	BARB0PALAYA	WAPCOS Limited SPV-Deductions	38164024014	SBIN0070750	2,70,490.00	Item no. (v) "Energy Efficiency including Efficient and Green
21	22-11-2023	HFW002-24-01	Development of Taluk Hospital Feroke in Kozhikkode District	12670100016046	BARB0PALAYA	Vellapally Constructions-CTR-HFW002-24-001 (Projects)	37081000002611	SIBL0000037	57,37,234.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
22	30-11-2023	HFW002-55-02	DH Kozhencherry	12670100016046	BARB0PALAYA	HITES.	38554347349	SBIN0004350	5,04,000.00	Item no. (v) "Energy Efficiency including Efficient and Green
23	30-11-2023	HFW002-55-02	DH Kozhencherry	12670100016046	BARB0PALAYA	Vellapally Constructions-CTR-HFW002-55-001 (Projects)	37081000002611	SIBL0000037	1,43,64,000.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
24	22-12-2023	AYS001-01-01	Establishment of International Research Institute of Ayurveda (IRIA), Kannur	12670100016046	BARB0PALAYA	KITCO.	783418346	IDIB000E020	22,05,395.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
25	22-12-2023	AYS001-01-01	Establishment of International Research Institute of Ayurveda (IRIA), Kannur	12670100016046	BARB0PALAYA	Silpa Projects and Infrastructure-CTR-AYS001-01-001 (Projects)	374081000000095	SIBL0000374	2,98,04,032.63	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
26	18-01-2024	LSG001-04-01	Construction of Office Building for Kannur Municipal Corporation - Civil and Electrical Works	12670100016046	BARB0PALAYA	Impact	2607214000006	CNRB0002607	2,41,285.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
27	18-01-2024	LSG001-04-01	Construction of Office Building for Kannur Municipal Corporation - Civil and Electrical Works	12670100016046	BARB0PALAYA	Impact.	2607214000006	CNRB0002607	4,82,570.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
28	18-01-2024	LSG001-04-01	Construction of Office Building for Kannur Municipal Corporation - Civil and Electrical Works	12670100016046	BARB0PALAYA	URALUNGAL LABOUR CONTRACT CO-OPERATIVE SOCIETY LTD-CTR-LSG001-04-001 (Projects)	162464006000392	KSBK0001624	1,06,64,783.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
29	27-01-2024	HFW002-22-01	Development of Government Taluk Hospital Kayamkulam in Alappuzha District - Package I (Civil Work)	12670100016046	BARB0PALAYA	SPV-Retentions - KSHB	38848246144	SBIN0070263	6,08,129.58	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
30	27-01-2024	HFW002-22-01	Development of Government Taluk Hospital Kayamkulam in Alappuzha District - Package I (Civil Work)	12670100016046	BARB0PALAYA	SPV-Deductions - KSHB	38848246144	SBIN0070263	10,67,834.31	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
31	27-01-2024	HFW002-22-01	Development of Government Taluk Hospital Kayamkulam in Alappuzha District - Package I (Civil Work)	12670100016046	BARB0PALAYA	GKV Associates-CTR-HFW002-22-001 (Projects)	342081000000019	SIBL0000342	2,26,49,219.28	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
32	03-02-2024	HFW002-55-02	DH Kozhencherry	12670100016046	BARB0PALAYA	HITES	38554347349	SBIN0004350	2,66,730.00	Item no. (v) "Energy Efficiency including Efficient and Green
33	03-02-2024	HFW002-55-02	DH Kozhencherry	12670100016046	BARB0PALAYA	HITES.	38554347349	SBIN0004350	4,63,770.00	Item no. (v) "Energy Efficiency including Efficient and Green
34	03-02-2024	HFW002-55-02	DH Kozhencherry	12670100016046	BARB0PALAYA	Vellapally Constructions-CTR-HFW002-55-001 (Projects)	37081000002611	SIBL0000037	1,03,27,864.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
35	09-02-2024	AYS001-01-01	Establishment of International Research Institute of Ayurveda (IRIA), Kannur	12670100016046	BARB0PALAYA	KITCO.	783418346	IDIB000E020	16,63,392.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
36	09-02-2024	AYS001-01-01	Establishment of International Research Institute of Ayurveda (IRIA), Kannur	12670100016046	BARB0PALAYA	Silpa Projects &Infrastruture (I) Pvt. Ltd.-CTR-AYS001-01-001 (Projects)	KFCMLP1002746127	FDRL0001030	2,24,79,324.21	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
37	13-02-2024	HFW002-24-01	Development of Taluk Hospital Feroke in Kozhikkode District	12670100016046	BARB0PALAYA	WAPCOS Limited SPV-Retentions	38164024014	SBIN0070750	2,08,161.00	Item no. (v) "Energy Efficiency including Efficient and Green
38	13-02-2024	HFW002-24-01	Development of Taluk Hospital Feroke in Kozhikkode District	12670100016046	BARB0PALAYA	WAPCOS Limited SPV-Deductions	38164024014	SBIN0070750	3,65,516.00	Item no. (v) "Energy Efficiency including Efficient and Green
39	13-02-2024	HFW002-24-01	Development of Taluk Hospital Feroke in Kozhikkode District	12670100016046	BARB0PALAYA	Vellapally Constructions-CTR-HFW002-24-001 (Projects)	37081000002611	SIBL0000037	77,52,762.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
40	19-02-2024	RGD007-06-01	CONSTRUCTION OF REGISTRATION COMPLEX AT NEMOM IN THIRUVANANTHAPURAM DISTRICT-CIVIL WORKS	12670100016046	BARB0PALAYA	KSCCLTD(SPV-Retentions)	27606200005703	DLXB0000276	4,79,322.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings

41	19-02-2024	RGD007-06-01	CONSTRUCTION OF REGISTRATION COMPLEX AT NEMOM IN THIRUVANANTHAPURAM DISTRICT-CIVIL WORKS	12670100016046	BARB0PALAYA	KSCCLTD(SPV-Deductions)	27606200005703	DLXB0000276	7,66,916.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
42	19-02-2024	RGD007-06-01	CONSTRUCTION OF REGISTRATION COMPLEX AT NEMOM IN THIRUVANANTHAPURAM DISTRICT-CIVIL WORKS	12670100016046	BARB0PALAYA	B.Murugan-CTR-RGD007-06-001 (Projects)	3004010000250	PUNB0030010	2,13,77,762.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
43	22-02-2024	HFW002-31-04	Development of Malabar Cancer Centre, Thalasseri (2nd phase) in Kannur District - CIVIL & MEP works	12670100016046	BARB0PALAYA	WAPCOS Limited SPV-Deductions	38164024014	SBIN0070750	34,43,600.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
44	22-02-2024	HFW002-31-04	Development of Malabar Cancer Centre, Thalasseri (2nd phase) in Kannur District - CIVIL & MEP works	12670100016046	BARB0PALAYA	MALANI CONSTRUCTION CO-CTR-HFW002-31-001 (Projects)	154102000002141	IBKL0000154	9,81,42,573.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
45	26-03-2024	HFW005-06-01	CONSTRUCTION OF PROPOSED SUPER SPECIALITY BLOCK FOR GOVT.MEDICAL COLLEGE KOTTAYAM (PHASE II)	12670100016046	BARB0PALAYA	HITES.	38554347349	SBIN0004350	38,90,000.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
46	26-03-2024	HFW005-06-01	CONSTRUCTION OF PROPOSED SUPER SPECIALITY BLOCK FOR GOVT.MEDICAL COLLEGE KOTTAYAM (PHASE II)	12670100016046	BARB0PALAYA	CHERIAN VARKEY CONSTRUCTION CO PVT LTD-CTR-HFW005-06-001 (Projects)	396704010013064	UBIN0551929	11,08,65,000.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
47	27-03-2024	HFW002-31-04	Development of Malabar Cancer Centre, Thalasseri (2nd phase) in Kannur District - CIVIL & MEP works	12670100016046	BARB0PALAYA	WAPCOS Limited SPV-Retentions	38164024014	SBIN0070750	14,02,723.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
48	27-03-2024	HFW002-31-04	Development of Malabar Cancer Centre, Thalasseri (2nd phase) in Kannur District - CIVIL & MEP works	12670100016046	BARB0PALAYA	WAPCOS Limited SPV-Deductions	38164024014	SBIN0070750	24,63,086.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
49	27-03-2024	HFW002-31-04	Development of Malabar Cancer Centre, Thalasseri (2nd phase) in Kannur District - CIVIL & MEP works	12670100016046	BARB0PALAYA	MALANI CONSTRUCTION CO-CTR-HFW002-31-001 (Projects)	154102000002141	IBKL0000154	5,22,43,103.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
50	30-03-2024	HFW002-35-06	Development of District Hospital Palakkad-Physical infrastructure	12670100016046	BARB0PALAYA	HITES	38554347349	SBIN0004350	13,62,034.00	Item no. (v) "Energy Efficiency including Efficient and Green
51	30-03-2024	HFW002-35-06	Development of District Hospital Palakkad-Physical infrastructure	12670100016046	BARB0PALAYA	HITES.	38554347349	SBIN0004350	11,94,267.00	Item no. (v) "Energy Efficiency including Efficient and Green
52	30-03-2024	HFW002-35-06	Development of District Hospital Palakkad-Physical infrastructure	12670100016046	BARB0PALAYA	SRI VENKATACHALAPATHY CONSTRUCTIONS PRIVATE LIMITED-CTR-HFW002-35-001 (Projects)	921030030421539	UTIB0001369	2,46,38,595.00	Item no. (v) "Energy Efficiency including Efficient and Green Buildings
									58,75,42,911.44	

Reji John

REJI JOHN
Joint Fund Manager
Kerala Infrastructure Investment Fund Board

ANNEXURE D.2

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

I ESSENTIAL INDICATORS

1 Energy consumption and energy intensity

Parameter	FY-2023-2024	FY 2022-2023	Remarks
Total electricity consumption (A) in kwh	70,510		Projects commenced in FY 2023-24
Total fuel consumption Petrol (B) in litres	4,053		
Total fuel consumption Diesel (B1) in litres	1,14,172		
Energy consumption through other sources (C) kwh	11,156		
Total energy consumption	45,45,721		
Total project cost in crores	976		
Energy intensity MJ/Crores	4,659		
Energy intensity (optional) – the relevant metric may be selected by the entity			

2 Does the entity have any sites/ facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the

No

3 Provide details of the following disclosures related to water, in the following format:

Parameter	FY-2023-2024	FY 2022-2023	Remarks
Water withdrawal by source (in kilolitres)			
(i) Surface water	10,05,475		
(ii) Groundwater	10,67,231		
(iii) Third party water	10,01,548		
(iv) Seawater / desalinated water	50		
(v) Others	200		
Total volume of water withdrawal (in kilolitres) (i + ii + iii +	30,74,505		
Total volume of water consumption (in kilolitres)	30,74,505		
Water intensity per crore of	3,151		
Water intensity (optional) – the			

4 Has the entity implemented a mechanism for Zero Liquid Discharge? If yes, provide details of its coverage and implementation.

No

5 Please provide details of air emissions (other than GHG emissions) by the entity, in the following format:

Parameter	Please specify unit	FY-2023-2024**	FY 2022-2023
NOx	µg/m3	21.7	
SOx	µg/m3	16.3	
Particulate matter (PM)	µg/m3	76.3	
Persistent organic pollutants (POP)	µg/m3	38.9	
Volatile organic compounds (VOC)	µg/m3	0	
Hazardous air pollutants (HAP)	µg/m3	0	
Others – please specify			

** Details pertaining to the project serial no-2 in Table -1

6 Provide details of yearly greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity, in the following format:

Parameter	FY 2023-2024			
		Emission factor	Co2 Emission (kg)	
Quantity of Diesel purchased for own vehicles and	90398	2.64	238651	Scope 1
Quantity of Petrol purchased for own vehicles	1848	2.27	4195	
Quantity of CNG used for the own vehicles in litres	4095	0.001872792	8	
Air conditioned area(Sq.m)	2187	*5.7*	83	
Electricity purchased in kwh	73347	0.000716	52516	Scope-2

Parameter	FY 2023-2024			
Quantity of Diesel purchased for own vehicles and	0	2.64	0	Scope 1
Quantity of Petrol purchased for own vehicles	0	2.27	0	
Quantity of CNG used for the own vehicles in litres	0	0.001872792	0	
Air conditioned area in square meter	0	*5.7*	0	
Electricity purchased in kwh	*0.00*	0.000716	0	Scope-2

Parameter	Unit	FY 2023-2024	FY 2022-2023
Total Scope 1 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs,	*Metric tonnes of CO2 equivalent*	*450.483*	*0*
Total Scope 2 emissions (Break-up of the GHG into CO2, CH4, N2O, HFCs, PFCs,	*Metric tonnes of CO2 equivalent*	*0.001*	*0*
Total Scope 1 and Scope 2 emissions per Cr of		*450.483*	*0*

	Total Scope 1 and Scope 2 emission intensity (optional) –			

7 Does the entity have any project related to reducing Green House Gas emission? If Yes, then provide details

Yes, All projects have provisions for solar power generation systems. In addition projects adopted GHG emissions reductions through CFC and HCFC-free refrigerent and halon free fire suppression systems, low emissions glazings, planting of tree etc.

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

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

9 Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.

GRIHA green building reporting framework followed for all the projects incorporates construction management practices like segregation of construction waste, its safe storage and on-site/off-site recycling.

10 If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife

Location of operations/offices	Type of operations	Whether the conditions of
NA		

11 Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year:

Name and brief details of project	EIA Notification No.	Date	Whether conducted by independe	Results
Development of Malabar Cancer Center as	S.O. 1533 (E)	14th September ,2006	Yes (WAPCOS, a NABET	Yes
Relevant Web link	https://seiaakerala.in/home/			

12 Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air

S. No.	Specify the law / regulation	Provide details of the	Any fines / penalties / action	Corrective action
NA				

II LEADERSHIP INDICATORS

1 Provide break-up of the total energy consumed (in Joules or multiples) from renewable,non-renewable sources, in the below format:

Parameter	FY-2023-2024	FY 2022-2023
From renewable sources		
Total electricity consumption (A) in kwh	64033	0
Total fuel consumption (B) in litres	39731.05	0
Energy consumption through other sources (C) in kwh	3044	
Total energy consumed from	439591.5	0
From non-renewable sources		

2 Provide the following details related to water discharged:

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

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

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

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

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

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

8	Disclose any significant adverse impact to the environment, arising from the value chain of the entity. What mitigation or adaptation measures have

	NA
9	Percentage of value chain partners (by value of business done with such partners) that were assessed for environmental impacts.
	NA

4. REPORT ON THE FUNCTIONS OF KIIFB

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

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

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

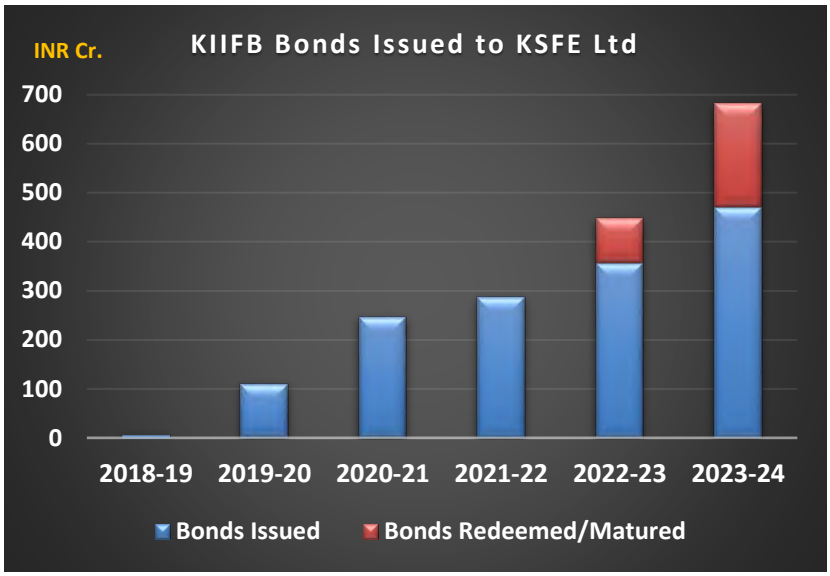
4.1 KEY ACTIVITIES OF FINANCE AND ADMINISTRATION (F&A) DIVISION

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

4.1.1 Fund Mobilisation during FY 2023-24.

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

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



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

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

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

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

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

(iii) Receipts from Government during 2023-24

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

(iv) Fund Availed during 2023-24

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

4.1.2 Keraleeyam - 2023

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

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

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

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

4.2 KEY ACTIVITIES OF PROJECT APPRAISAL DIVISION (PAD)

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

4.2.1 Projects Approved by KIIFB

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

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

A. Infrastructure

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

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

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

B. Industrial Infra

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

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

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

4.2.2 Highlights of selected projects

1. **Nayarthodu Bridge**

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

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

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

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

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



Fig 1.1



Fig 1.2

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

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

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

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

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

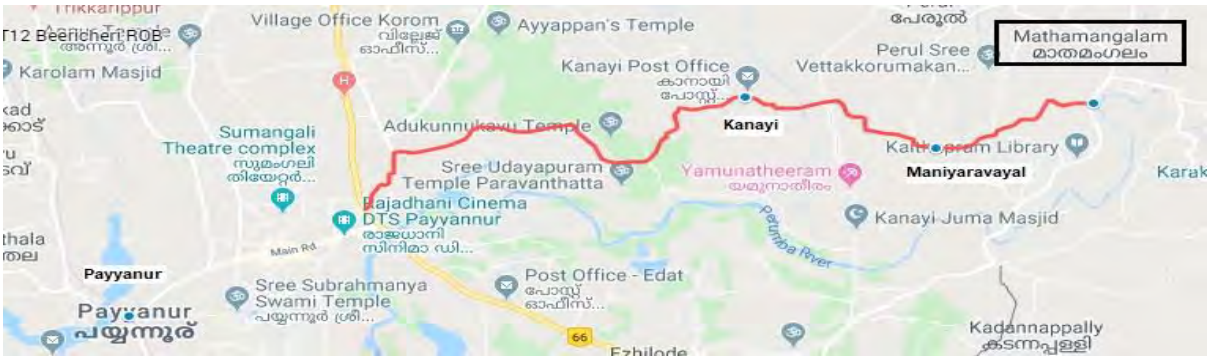


Fig 1. Map showing Payyannur –Ambalathara-Kanai-Maniyaravayal-Mathaangalam Road

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



Fig 2.1



Fig 2.2

3. Thennilapuram Bridge & Arangattukadavu Bridge in Palakkad District

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

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

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

ii. **Arangattukadavu Bridge:** A four-span bridge of total length of 103.40m. The bridge has an overall width of 11m comprising of 7.5m carriage way and 1.5m wide footpath on both sides. The approach road for a length of 60m on Manappadam side and 50m length on Padur side are provided.

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

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



Fig 3.1 Thennilapuram Bridge



Fig 3.2 Arangattukadavu Bridge

4. Construction of school building to GHSS Mupliyam - Thrissur

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

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

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

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



Fig 4.1 Existing Buildings

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

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



Fig 4.2 Academic block in progress

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

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

The masterplan of the project is as below:

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

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



Fig 5.1



Fig 5.2

6. KFON (Kerala Fibre Optic Network)

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

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

Achievements:

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

- Total approved outlay of the project is Rs.1516.76 Cr
- Overall Physical Progress: 96%
- SPV: KFON
- Proposed date of completion: 30.09.2024



Fig 6.1 KFON ISP Room Network Rack



Fig 6.2 NOC Network Monitoring Room

7. C.K. Omkarnathan Indoor stadium at Wayanad

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

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



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



Fig 7.2 Olympic-size swimming pool(50mx25m)

8. V R Krishna Iyer Stadium, Thalassery, Kannur

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

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



Fig 8.1 Indoor stadium



Fig 8.2 Pavilion gallery under construction

9. Kerala's Educational Renaissance

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

Revamping and upgrading infrastructure:

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

DETAILS OF PROJECTS UNDER HIGHER EDUCATION DEPARTMENT

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

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

Details of Hostel projects under various universities in Kerala:

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

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

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

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

Translational Research Centres

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

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

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

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

Center of Excellence projects

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

10. Thrissur Zoological Park

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

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



Fig 10.1 Areial view of Puthur Zoological Park

11. Fencing - Man Animal Conflict in Forest

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

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

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



Fig 11.1 Rail Fencing

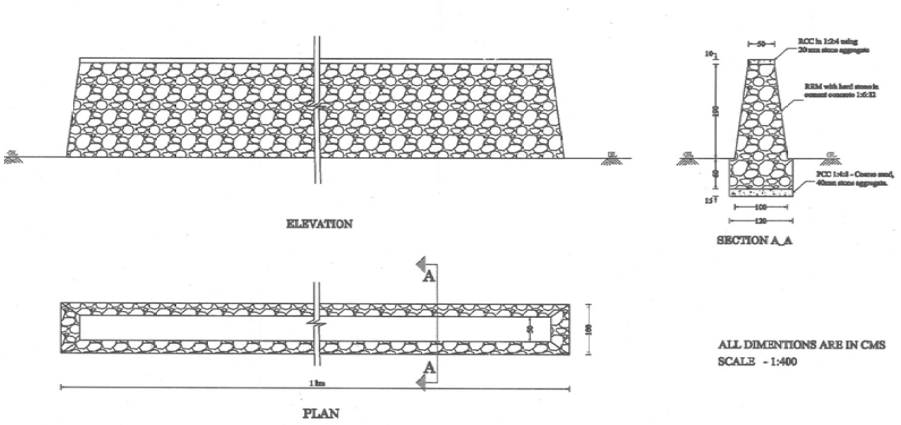


Fig 11.2 Elephant Proof Wall

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

12. General Hospital, Ernakulam

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

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

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

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



Fig 12.1 GH Ernakulam – Elevation

Project Synopsis

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



Fig 12.2 GH Ernakulam



Fig 12.3 GH Ernakulam -Reception and waiting area



Fig 12.4 GH Ernakulam - ICU & Labour room

13. Taluk Hospital Payyanur

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

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



Fig 13.1 TH Payyanur

Project Synopsis

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



Fig 13.2 TH Payyanur - Elevation



Fig 13.3 TH Payyanur – Interior view

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

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

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

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



Fig 14.1 Regulator cum Foot bridge with Navigation Lock at Anjarakandy

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

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

The following are the two parts proposed in the project.

a) Project A: 400kV substation with two 400/220kV, 315MVA Interconnection Transformers by Line in Line out arrangement of 400kV Thirunelveli- Pallikara PGCIL DC line. It is also a power highway for Koodamkulam power evacuation.

b) Project B: 4 Numbers of 220kV transmission line are proposed for downstream evacuation of power from this substation bus as follows:

1) 220kV Kottayam-Pallom and 220kV Kottayam-Ambalamugal lines by LILO of Pallom-Ambalamugal feeder at 220kV Kottayam bus.

2) 220kV Kottayam -Ettumannoor and 220kV Kottayam-Eramallur double circuit lines by upgradation and LILO of existing 66kV Ettumanoor-Vaikom line to 220/110kV using the existing RoW.





Fig 15.1

16. West Coast Canal Waterways Project

The development of West Coast Canal from Kovalam to Bakel which stretches for about 616 km is a priority project of the Government of Kerala. The alignment is proposed along the west coast of Kerala connecting backwaters and rivers. The West Coast Canal starts from Kovalam in Thiruvanathapuram district and ends at Bakel of Kasaragodu district. Out of the 616km, the stretch from Kollam to Kozhikode (328Km) is declared as a National Water Way (NW-3) by the Government of India and is under the control of the Inland Waterway Authority of India. A balance portion of 288km is considered as State Water Way and is being maintained by State of Kerala (lnland Navigation Department). The West Coast Canal which connects Kovalam in the south and Neeleswaram in the north stretches for 590km including 43km uncut portions between Vadakara -Mahe and Mahe & Valapattanam. For extending the canal up to Bakel further by another 26km, (Total 616km), 6.5km need to be cut as a new portion. Moreover, the state has a good length of feeder canals (1200km) which also forms part of inland waterways. The development of Inland waterways can play an important role in the growth of the state's economy.

Inland waterways have played a crucial role in the transportation of men and materials in Kerala. But, due to the invention of faster modes of transport, waterways are now in a polluted and neglected condition. High proximity to the major tourist spots which are unique in Kerala reveals the feasibility of the project.

Kerala, often designated as God`s Own Country, is a long strip of land between Arabian sea on West and Western Ghats on East. Inland navigation facilities in backwaters provides for a major chunk of tourism industry in this state and these water bodies were used for commercial Inland water transport since unknown past. These back waters were linked by artificial canals constructed along the West Coast and most of these canals were developed during the 19^{th} century. Improvements in infrastructures in inland navigation sector is a thrust area need attention which in turn improve tourism sector, improve passenger transport, improve goods and cargo transport, improve state GDP and generate employment potential. Environmental regeneration of canals and surrounding eco system is another intangible benefit.

Realizing the need to develop the waterway with utmost priority, the SPV, Kerala Waterways and Infrastructure Limited (KWIL) was formed by the Government for the development of waterways in Kerala.

Hence, promoting the IWT sector to divert a reasonable share of traffic is needed. Development of waterways has several advantages namely sustainable means of transport, better mechanism for flood control, preservation of ecosystem, enhancing the recreational activities and tourism potential of the region, besides decongestion of heavily trafficked corridors in the city.

The master plan for development of waterways in Kerala provides a framework for the development of waterways based on Government of Kerala's top priority for the development of Kovalam- Bakel stretch of West Coast Canal (616 km).

Development of following WCC Reaches is intended to develop under KIIFB funding.

1. Reach 1 (Akkulam- Kovalam): KIIFB approved Rs.124.74 Cr amount for Land Acquisition. Land Acquisition is progressing.
2. Reach 9 (Kallai to Eranhikkal): DPR under preparation.
3. Reach 11 (Mahe to Valappattanam): KIIFB approved Rs.650.50 Cr amount for Land Acquisition part. Land Acquisition is progressing.
4. Reach 13 (Neeleswaram- Bekal): KIIFB approved Rs. 178.15 Cr amount for Land Acquisition part. Land Acquisition is progressing.

The rehabilitation project affected people from Akkulam to Varkala in Reach 2 is also funded by KIIFB. Rehabilitation of people is progressing.

Economic Development Opportunities

Inland waterways have not been utilized to their full potential despite the fact that there are benefits over traditional road and rail transport network in terms of cost, infrastructure overloading, congestion, noise, and air pollution. The proposed study shall assess Economic Development Opportunities (EDOs) for the integrated development of economy along WCC, thereby transforming WCC into an economic and trade corridor of Kerala. The proposed study would be undertaken for each section of the canal so that inherent socio-economic development opportunities are explored and assessed. The appointed Consultant shall identify all thrust sectors and associated EDOs in the Influence Area of allocated section of waterway for exploring revenue opportunities which have strong economic linkages with the proposed WCC.

A project will be formulated aiming to transform the west coast canal into an economic corridor of Kerala. Through this, development opportunities will be created in sectors like industry, renewable energy, transport, tourism, trade and agriculture. Land for various developmental activities along the waterways will be made available to the investors on the basis of the State's PPP policy. A total amount of Rs.300 Cr is earmarked for undertaking this project using the pooled fund under KIIFB.

For the purpose of this study, Influence Area of WCC is defined as the area which falls between WCC and a line drawn parallel to the alignment of WCC 3-7 kms apart on both sides.

KWIL has entrusted agencies for the work of Concept Planning for Transit Oriented Development along the West Coast Canal and Assessment of Economic Development Opportunities for the stretches -2, 3, 4, 5, 6 and 8. Study report of reach 2 and stretch 8 are

completed.

Based on the master plan, various opportunities identified by the agencies. A total of 3047 Ares of land was identified at Reach 2 and 5927.90 Ares of land identified at Reach 8. Out of the total identified land, financial sanction for the acquisition of 1511.50 Ares land in Reach 2 and 1756.90 Ares of land in reach 8 given by KIIFB after the approval of 47th board of KIIFB. The amount sanctioned for land acquisition and Master plan preparation of all the reaches is Rs. 105.73 Cr.

One of the EDOs identified in stretch 2 is the Varkala Canal (including the historic chilakkoor tunnel between Arivalam and Thottilpalam) and it was proposed to develop it as a premium tourist destination. The 24th EC of KIIFB has approved the project 'Construction of walkways, canal beautification, and landscaping of the canal banks between Arivalam and Thottilpalam in Varkala' for an outlay of Rs. 24.98 crores. The work is tendered.

Successful implementation of the potential EDOs identified during the study will help the State in showcasing it as an investor friendly state and to attract more investors to our State.

17. Construction of Revenue Tower at Mattannur in Kannur District

The Government has announced the construction of Revenue towers across the state with KIIFB assistance. The Mini Civil Station/Revenue Tower Projects are intended for housing the various offices, such as Government offices/Public Sector Undertakings presently functioning in rented buildings, under one roof for the convenience of public. The Kerala State Housing Board, being a statutory body and the premier housing agency of the Government had so far implemented six Revenue Tower projects, has been engaged as the Special Purpose Vehicle for implementing the project.

Accordingly, it was decided to construct a Revenue Tower at Mattannur in Kannur District. The project consists of the construction of one main building, a Revenue Tower and a three-storied building for accommodating canteen and guest house. The main revenue Tower building that is presently proposed is an eight storied structure having a total plinth area of 9300 sqm.

A mini civil station is proposed for housing office of Special Tahsildar-LA, Excise circle office, AEO office, KSEBL Electrical section, AE office, SRO, ICDS Iritty, Town Employment Exchange, Legal Metrology Office, and Judicial Sitting Room.
The ground floor of the Main Block is intended as parking area for cars and two wheelers. Ground floor of the canteen block consists of Dining area, Kitchen, Staff rest room and in first and second floor guest house is proposed. The facilities for differently abled and elderly people are provided in each block as per the standards.

The Financial Sanction accorded by KIIFB for the project is Rs.22.53 Crore. Physical progress is 85% and expected to be completed by September 2024.



Fig 17.1 Revenue Tower at Mattannur

18. Construction of Mini Civil Station at Vellarikkund in Kasaragod District

The Mini Civil station comprises of four floors (4 storied) with plinth area of 3615.78 sqm and a Canteen block in two floors (2 storied) with a plinth area of 440.86 sqm.

The Ground Floor of Main Block (Plinth area is 472.41 sqm) is intended as a parking area for cars and two wheelers. The First Floor (Plinth area is 789.12 Sqm) is intended to accommodate Computer Server Room, Video Conference Hall, General Conference Hall, Taluk Industries Office, Taluk Statistical Office, Taluk Supply Office, Taluk Legal Metrological Office, Labour Office, Investigator's Room, Dining Hall for Ladies & Gents, and toilets for Ladies & Gents.

The Second Floor (Plinth area is 931.50 Sqm) is intended to accommodate Election Wing Room, Clerk's Room, Lobby & visitor's area, Conference Halls (30-seater & 15-seater), Taluk Office, Record Room, Dining Halls for Ladies & Gents, Toilets for Ladies & Gents.
The Third Floor (Plinth area is 1263.28 Sqm) is intended to accommodate Joint Regional Transport Office, PWD Office, Other Office Space, Town Employment Office, Soil Conservation Office, Lobby & Visitor's area, Record Room, Electrical Room, Dining Halls for Ladies & Gents, Toilets for Ladies & Gents.

The Financial Sanction accorded by KIIFB for the project is Rs.10.08 crore. The works of the Mini Civil station have been completed and has started functioning.



Fig 18.1 Mini Civil Station at Vellarikkund

19. Construction of IT Building at Technocity

The construction of IT building at the Technocity campus, Thiruvananthapuram under E&IT dept is one of the prestigious projects funded by KIIFB. The building has B+G+2 floors having a total built-up area of 2 lakh sqft constructed following the green building norms. A cafeteria building is also constructed near the IT building for housing food court. M/s Kerala State IT Infrastructure Ltd- KSITIL is the designated SPV for the project.

The first floor in the IT building at Technocity has been converted into 29 Smart Business Centres as per the requirement of M/s Technopark. These are partitioned spaces in which interior furnishing has been done with the number of seats varying from 10 to 29. This work includes the interior partitions, flooring, false ceiling, HVAC, lighting works etc. The total outlay sanctioned for the project is Rs.100 crore and the work has been completed.



Fig 19.1 IT Building at Technocity

20. Technology Innovation Zone Project, Kochi

Kerala Technology Innovation Zone, a worldwide innovation incubator hub unifying multiple technology sectors under one roof, is being established by the Kerala Government. The zone will develop top-notch infrastructural facilities to support domestic businesses and help multi-sector technology incubators launch and build their start-ups. The Kerala Technology Innovation Zone is meant to serve as a one-stop shop for technology innovation, offering mentorship for establishing a profitable business, idea consolidation, incubation, acceleration, and even a phalanx of angel investors prepared to fund a viable concept. Serving as a self-sufficient ecosystem, the TIZ promotes the interests of aspiring young innovators and business owners. Furthermore, TIZ will house a wide range of industries in a single physical site. This will promote collaboration across sectors, which may result in creative new products that serve the public interest.

TIZ-2 envisages that each sector such as ICT, Electronics, IoT, Robotics, Biotech and other vibrant industries, will be a separate incubator vertical, with a dedicated infrastructure and support system from KSUM for itself. Additionally, distinct research facilities for several industries will be housed in the zone. The 13.2 acres of land in KINFRA Hitech Park in Kalamassery are being developed into the Kerala Technology Innovation Zone (KTIZ). The Zone is made up of constructed start-up modules, luxurious fabrication labs, R&D lab facilities, commercial office spaces, SOHOs, malls, and dorms, among other things.

The Technology Innovation Zone Project consists of multiple buildings in which Building 1 of built-up area 2.07 lakh Sq. ft and Building 2 of 43,000 Sq. ft are being done with KIIFB funding and has been entrusted with M/s KSITIL for implementation for a total outlay of Rs.251.13 cr.

Physical Progress

- TIZ building 1- 70%.
- TIZ building 2- 55%.

Proposed date of completion

- TIZ building 1- 30/06/2024.
- TIZ building 2- 31/12/2024.





Fig 19.2 Technology Innovation Zone Building 1 at Kochi Innovation Zone

21. Modernizing Water Transport in Alappuzha Canals

The canals crisscrossing Alappuzha town were constructed with the major objective of providing water-transport. Due to negligence, the canals have become non-operational and are highly contaminated.

The Alappuzha town canal system comprises 9 main canals & 104 link canals. The main canals are Vada canal, Commercial canal, Western junction canal, Alappuzha-Ambalappuzha Canal, East junction canal, Murinjapuzha canal, Alappuzha-Cherthala canal, Upputti canal, and Kottaram thodu.

The canals of Alappuzha Town are blocked at several locations due to slit accumulation and waste dumping. Hence, for making water transport facilities through the canal network, cleaning and desilting is a necessity. The need for implementing the project is for ensuring navigability, water Quality Improvement, maintaining continuous flow in canals and low salinity levels for facilitating crop cultivation and an added feature of cultural heritage development.

The project is proposed to be executed in two phases:

Alappuzha Canal Phase I:

Phase 1 of the project includes:

- Cleaning, deepening, and strengthening the banks of canal after dewatering through construction of temporary bunds at regular intervals across 9 major canals and 2 sub-canals (23.00 km) namely Vadai canal, Commercial Canal, East Junction Canal, West Junction Canal, Murinjapuzha Canal, Uppotti Canal, Kottaram Thodu, Ambalappuzha Canal, A.S Canal, Kavil Thodu (Sub canal), Shadhamani Thodu (Sub canal).
- Demolition of earthen bunds across A.S canal and replacing with box culverts (9 nos.)
- Supply of Weed Harvester for removing water Hyacinth and other water weeds from the canals.
- Strengthening of banks of A.S canal and sub canal using coir geo-textiles.

Alappuzha Canal Phase II:

Phase 2 of the project includes:

- Improvements to sub canals and balance protection works to the main canals in Alappuzha town.
- Demolition and Construction of single box Culvert (2 nos) on AS canal.
- Improvements of Kappithodu in Ambalappuzha L.A Constituency at Ambalappuzha South and North Panchayath.
- Improvements of AS canal (balance portion) and Madayanthodu.

Implementing Agency/SPV: - KIIDC
Financial Sanction - Rs.96.51 Crores for Phase I and Phase II together
Physical Progress
Phase I- 100%.
Phase II- 36%.



Fig 21.1 Phase I canal cleaning



Fig 21.2 Phase II canal cleaning

COMPLETED KIIFB PROJECTS

SL. No	Department	No of Sub Projects/Components Completed	Fund sanctioned by KIIFB (in Rs. Cr)
1	Ayush	Land Acquisition for IRIA Phase II	₹ 114.00
2	Cultural Affairs Department	1. Sree Narayana Guru cultural complexes in Kollam 2. Land Accusation for Lalithambika Antharjanam Cultural Complex at Kottayam	₹ 63.36
3	Fisheries Department	Fishing Harbour at 2 locations and 24 fisheries schools	₹ 37.50
4	Forest & Wildlife Department	Man-Animal Conflict: Fencing completed in 35 locations. Thrissur zoological park: 2 components completed	₹ 158.40
5	General Education Department	468 School buildings, 44705 Hitech classrooms, 11257 Hitech Labs *(as clustered in 115 Sub projects out of 143 Subprojects)*	₹ 2,112.23
6	Health & Family Welfare Department	GMC Thiruvananthapuram, Taluk Hospital-Punalur, 2 General Hospital (Ernakulam & Alappuzha), 43 Dialysis Centres, 7 CCU and 8 Cathlabs	₹ 391.07
7	Higher Education Department	28 College buildings in various locations	₹ 237.04
8	IT Department	Construction of IT Building at Technocity (2 lakh sq.ft)	₹ 100.00
9	Industries Department	1. Land Acquisition for Petrochemical Park 2. Development of Industrial Park by takeover of land from M/S Hindustan Newsprint Ltd-Land Acquisition and Development Works 3. Bio 360 Life Science Park - Phase II Land Acquisition	₹ 1,479.23
10	Public Works Department	73 Roads/Bridges projects	₹ 2,692.71
11	Labour & Skills Department	Upgradation of Govt. ITIs in Kerala on 4 locations	₹ 29.23
12	PWD-NHAI	National highway land acquisition (NH66)	₹ 5,580.74
13	Power Department	GIS PACKAGE-II Upgradation of 110kV Substation to 220kV Gas Insulated Substation	₹ 224.82

14	Registration Department	43 Sub Registrar Offices clustered in 7 subprojects	₹ 57.58
15	Revenue Department	1 Mini civil station (Construction of Mini Civil station, Vellarikundu)	₹ 10.09
16	SC/ST Development Department	Pre-Metric Hostels, ITIs, Model Residential School Buildings (17 Nos)	₹ 99.76
17	Sports & Youth Affairs Department	11 Stadiums include Sports facilities and synthetic tracks	₹ 119.40
18	Tourism Department	5 components in Alappuzha heritage project	₹ 15.15
19	Water Resources Department	1. 27 WSS Projects including transmission lines implementation at various locations 2. 3 Regulator Cum Bridge Projects at various locations 3. Reformation of damaged sunken sea wall and Construction of groyne field project at Chellanam -Phase 1	₹ 1,308.47
Total			**₹ 14,830.76**

4.3 KEY ACTIVITIES OF INSPECTION AUTHORITY (Administrative)

The Administrative Inspection Wing (AIW) conducts inspections in the offices of various Special Purpose Vehicles (SPVs). During the inspection the tender documents, work awarding details, bill processing details etc. are verified. During the inspection the physical progress of the work and the availability of technical personnel in field will be assessed. The deviations/irregularities/slackness etc. detected on execution, operation and management of projects and suggestions thereon are being intimated periodically to the Special Purpose Vehicles/ Administrative Departments as well as the Technical Inspection Wing/Project Appraisal Division /Finance & Administration Division of KIIFB. The SPVs are now convinced of the necessity of the compliance of KIIFB guidelines as well as the prevailing Rules/ Codes due to repeated instructions and by the firm stand taken by AIW against deviations/violation of approved principles.

The AIW is also verifying all the Contract Documents in PFMS. As per the 'Contract File Approval' process, SPVs must upload the project documents from Tripartite Agreement, Technical Sanction and tender publication to site hand over details in the Contract File. The SPVs are asked to rectify the procedure lapses, omissions, non- compliance of Rules, Codes and Guidelines and to correct the defective and in-complete document, if any, found on scrutiny. The Contract File is approved and locked as and when all the required documents are uploaded after completing necessary formalities as per the guidelines in force. The firm and stringent stands taken by AIW on the compliance of KIIFB guidelines as well as the prevailing Rules/ Codes the SPVs have tremendously helped to maintain standardized process in the implementation of KIIFB Projects and to avoid violations of approved principles. During the period from 01.04.2023 to 31.03.2024, AIW has received 514 new contract files in PFMS for approval and 480 were approved. A total of 2130 Contract Files were received for re-confirmation and all of them have been reconfirmed. During the period 57 numbers of inspections were conducted. A total of 537 Bill Files were scrutinized and remarks offered.

Summary of Action Taken during the period from April 2023 to March 2024.

Number of New Contract Files received	514
Number of New Contract Files approved	**480**
Number of re-confirmation file received and duly approved	**2130**
Number of Inspections conducted in Project sites & Offices of SPVs	**57**
Number of bill files scrutinized and remarks offered	**537**

AIW The Administrative Inspection Wing also inspects various project sites to verify the status of the projects and to ensure the availability of Technical Personnel in the ongoing work sites in addition to the inspections in the offices of SPVs. During the period from 01.04.2023 to 31.03.2024, inspections were conducted in 35 project Sites for the assessment of availability of Technical Personnel and the physical progress of the projects and 22 office visits were also conducted for verification of projects related files. AIW has also conducted inspections in KWA, KSFDC and KILA to examine the pendency in submission of final bills of completed projects. AIW also conducted an inspection on the completed projects of various departments to see whether the completed structures are put in use. Inspections were also conducted to examine the utilization of Mobilization Advance sanctioned to NBCC for Sabarimala Edathavalam Project and at KMSCL regarding the procurement of medical equipment and furniture for various hospitals. An inspection was also conducted on the utilization of procured equipment (weed harvester) by KIIDC and various equipment and furniture used by various hospitals.

4.4 KEY ACTIVITIES OF INSPECTION AUTHORITY (Technical)

The Inspection Authority (Technical) is responsible for examining the technical aspects and providing technical services related to infrastructure projects funded by KIIFB. The functions can be broadly classified into five areas viz.

(1) Technical Examination & Quality Monitoring

(2) Internal Process Advisory Support

(3) Technical Support Services

(4) Information Management Services

(5) Capacity Building Services.

Various actions taken and activities carried out during 2023-2024 under the above five umbrellas are summarised below:

4.4.1 Technical Examination & Quality Monitoring

Technical wing of Inspection Authority conducts intensive technical examinations and inspections to evaluate the design, engineering, contractual and quality aspects of projects during planning and implementation. Necessary corrective actions are proposed based on the design, input materials, construction process and works procedures after conducting project specific evaluations. The physical progress is evaluated to analyse the lapses from SPV and contractor's side to take corrective actions in a time bound manner. Regular inspections are conducted to assess the functioning of Quality Management practices followed by SPV's to ensure that durable and functionally efficient infrastructure facilities are built by strictly adhering to public works norms, good engineering practices and quality standards. The inspections also focus on correctness of measurement, accuracy of billing and other payment related aspect to ensure that no construction contractors obtain an undue advantage.

During this period, Inspection authority (Technical) has conducted 2069 inspections, issued 45 Field Observation sheets, 1126 Observation Memos, 742 Technical Observation Note and submitted 20 Inquiry/Inspection Reports to government. Closure Report has also been issued to 982 OMs during this period. The details are as below:

Department	No. of Inspections	No: of FOS issued	No: of TON issued	No: of OMs issued	No: of OMs closed	No: of IR issued
Transportation	463	16	190	229	254	14
Bridges and Elevated Structures	172	23	22	111	83	0
General Civil Works	909	6	314	400	348	5

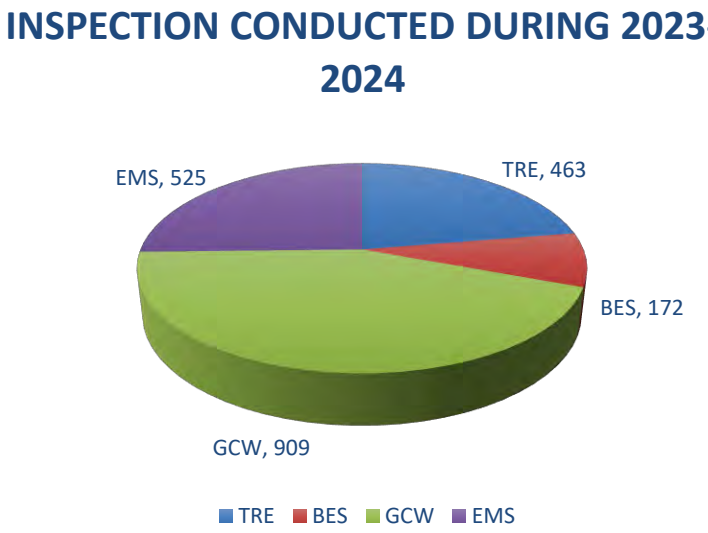
Electromechanical	525	0	216	386	297	1
Total	**2069**	**45**	**742**	**1126**	**982**	**20**

FOS - Field Observation Sheet

TON - Technical Observation Note

OM - Observation Memo

IR - Inspection/Inquiry Report



Scrutiny of 83 selected paid bills of various SPVs were also carried out during this period and the report on same has been submitted for necessary action by concerned.

- **Mobile Quality Management Unit (KIIFB Auto Lab)**

KIIFB QA/QC team ensures to give technical support in the quality relative aspects of projects from initial phase itself; also facilitates timely identification of flaws in construction and intimate the respective teams in TIW. Team make use of Autolab (Vehicle furnished with most advanced equipments) - lab on wheels for effective handling of site inspections including sample collections and site level investigations.

Autolab has conducted a total of 241 inspections during the period 01.04.2023 to 31.03.2024 including 183 number of Routine Inspections, (86-TRE routine inspection,83 GCW Routine inspection,14 BES Routine inspection),12 number of Falling weight deflectometer test(6 third part works), 32 roughness test and traffic volume surveys for 10 road stretches.



Autolab





FWD Test at Peerumedu Devikulam Road



DCPT Test at Vazhimukku- Kaliyikkavila Road



Asphalt Density Guage Tester at Perambra Bypass





Rebar locator and Rebound Hammer Test at Thanur Stadium



Ultrasonic Pulse Velocity (UPV) Test at Moolethara Canal, Palakkkad

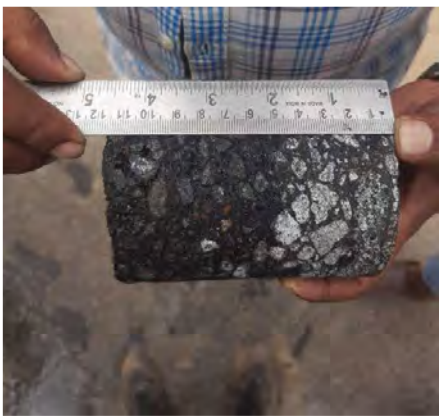


Field Dry Density (FDD) Test in shoulder



Full Depth Reclamation (FDR) UCS
Casting at Pathanapuram-Enath Road





Core Cutting and thickness check at Mananthavady- Kaithakkal Road





Asphalt Mixing Plant Inspection and Temperature check at Anamala – Chalakkudy Road

- **Central testing lab**

Central testing lab at KIIFB Head Quarters conducted quality tests on samples collected from various sites during inspections apart from testing at network labs.

- **Quality/Progress monitoring studio**

Quality monitoring studio in KIIFB HQ visually monitor the field level operations during site inspections and assess the quality and physical progress of works. Technical support to field level inspection engineers is also given from this studio if expert opinion is required from Senior officials. During this period videos of 497 inspections and 151 quality testing were transmitted directly from sites which are recorded and tagged.

- **Technical review support**

Technical Resource Centre continued to support projects with a view to facilitate its implementation based on updated site conditions, within the budgeted cost and complying with safety and quality requirements. Supports were provided to projects that required assistance at various stages as noted below.

i) Project development support

ii) Technical review and support for preparation of project execution documents (PED)

iii) Review of PEDs

The type of projects supported include hill highways, state highways, major district roads, roads implemented under FDR, grade separated junctions, junction improvements, etc.

Technical review and support for road projects include horizontal and vertical alignment, land acquisition, road safety, hydrology, pavement, utility impacts, cost, constructability etc.

Support services are provided by an experienced multidisciplinary team with assistance from specialist project advisors.

KIIFB - TRC undertakes projects for review during each stage prior to fund release like concept stage or under appraisal, Technical or Design review stage for approval and then prior to Project Execution Stage. All the review activities are based on the Codes & Standards, i.e., Indian codal references or Local guidelines.

A project is reviewed based on DPR/ DAR, design basis report, Soil Investigation report, Architectural, Structural & MEP drawings and analysis model received from SPV and is primarily aimed for improving the overall functionality, compliance to byelaws, sustainability, and structural optimization. The review report highlights the possibility in design optimization, errors or omissions in design assumptions, sustainability and functionality improvements.

- **Independent quality audit**

In order to strengthen the quality management system of all SPVs and to help them to follow a comprehensive check on all quality related aspects, audit by an independent agency is essential. This will help in timely identification of flaws in construction process and ensure the correctness of process and procedure in implementation of public works. Accordingly, third party quality audit process was made mandatory in all KIIFB projects as per the decision of the 38th GB of KIIFB. Further to the above decision, M/s RITES ltd, (a Government of India enterprise), a multi-disciplinary consultancy organization in the fields of transport, infrastructure and related technologies was designated as the agency for conducting Independent Quality Audit for all KIIFB Projects. In this report period, projects costing approximately 2163.52 Crores has been assigned to M/s RITES for conducting IQA which started from 01.04.2023. This includes 27 transportation projects costing 1118.15 Crores and 24 non-transport projects costing 1045.37 Crores. Transportation projects costing less than 20 Crores and non-transportation projects costing less than 10Crore have been assigned to the Quality Audit Cell (QAC) under Technical Resource Centre (TRC) of KIIFB.

- **Introduction of PMC agency**

In order to ensure completion of projects assigned to SPVs by confirming the standards stipulated by KIIFB, it was approved in the 40th GB to introduce Project Management Consultancy in KIIFB projects. Category of PMC agency shall be:

- Central Public Sector enterprises

- Accredited agencies in PMC category belonging to approved list issued by GoK.
- Reputed Project Management Consultants selected through competitive bidding.

Accordingly, M/S RITES, a public sector enterprise, is appointed as PMC agency for Transportation projects above 20 Cr and GCW above 10Cr. Accordingly 27 projects costing Rs. 1385 Crores under transportation sector was allotted to RITES for PMC services during this period.

The selection of Government of Kerala accredited agencies for the PMC services are completed and M/s HABITAT Technologies have been selected as PMC in building projects. 18 Projects costing 365 Crores is allotted to M/s HABITAT for PMC services.

K-Rail has been appointed as PMC agency for transport sector projects under KRFB and KMRL. A tripartite agreement has been executed with KRFB, K-Rail and KIIFB.

A tripartite agreement was executed between KMRL, RITES and KIIFB engaging RITES as PMC agency for bridges projects under KMRL.

4.4.2 Internal Process Advisory Support

One of the major functions of TIW is to provide Technical Advisory Service to other KIIFB divisions as well as SPV whenever cases requiring such services are referred to. Technical advisory services in respect of (1) Fund release advise (2) TS Advice (3) Deviation/Variation in contracts (4) Court cases (5) RTI support (6) Design Advisory (7) Miscellaneous Advisory are usually carried out by Technical Inspection Wing.

The Technical inspection wing support the scrutiny of designs & schemes if any cases referred from other departments. Also provide advisory services with a value for money perspective and ensure that principles of public work system are strictly followed with regard to:

- Functional Design vs Sectoral Standards
- Cost rationalization by reviewing scope, standard and specification.
- Review of Engineering Design & Value Engineering options
- Innovative options through introduction of new materials, process, and technologies
- Use of advanced tools for design optimization

Major interventions during this period are:

- **Suspension of work**

Directions were given to concerned SPVs for suspension of work in 5 projects based on the observations of Technical Inspection Wing. The reason for suspension includes low progress and substandard quality in the works which were informed in advance to SPVs through various Field Observation sheets (FOS), Technical Observation Note (TON), Observation Memos (OMs) and Inspection/ Inquiry reports. Some SPVs have complied the directions and submitted detailed action plans along with documents sought by KIIFB for considering revocation of suspension. Accordingly, instruction for revoking of suspension with conditions were issued for 3 projects out of 5 suspended projects. In order to closely monitor the compliance of directions and progress of works after the issue of notice on revocation, regular intensive inspection of all the 2 works are conducted once in two weeks and status reports were presented to competent authority regularly.

- **Centage deduction for non-deployment of required technical personnel in KIIFB funded projects.**

KIIFB has formulated the criteria for technical staff requirement based on the project value by adopting the principles of best engineering practices and referring to the requirements stipulated by various governmental departments. Directions were issued to all Administrative Departments & SPVs to ensure the deployment of technical personnel as per the criteria given by KIIFB. In order to ensure the compliance of stipulations as per the guidelines issued and to provide a penal provision for noncompliance, the proposal to reduce the centage by an amount calculated on the factored portion of eligible centage based on the inputs from the inspection authority has been implemented as approved by KIIF Board.

- **Performance Evaluation of SPVs**

39th meeting of the KIIF Board has authorized CEO to carry out half yearly evaluation on performance of the SPVs in project implementation w.e.f July 01, 2020, using the structured template approved by Board. Accordingly, the performance review of SPVs has been conducted upto the period from 01.01.2023 to 30.06.2023. The report has been prepared after analysing the capacity of all SPVs on various managerial and professional parameters as per the template approved by the KIIF Board. The report up to the period from 01.07.2022 to

31.12.2022 has been shared with FTAC, KIIFB Board/EC and to respective departments and SPVs. The 5th report for the period 01.01.2023 to 30.06.2023 is completed.

4.4.3 Technical Support Services

Following were the major initiatives under this head during this period:

- **Project Development Support Services**
- **Project Engineering Support Services**
- **Project Execution Support Services**
- **Organisational & Process Support to SPVs**
- **Technical Consultancy Services**

Following various cells under Technical Resource Centre extend supports to SPVs in the above areas.

1. BIM/Virtual Design Cell (VDC)

Modern Infrastructure Management requires creation of a digital replica of project to be constructed, in the planning stage itself. Modelling skills in areas relating to BIM / VDC unit need to be acquired by all practicing professionals in Infrastructure sector. In order to equip the SPV professionals with the above techniques necessary support are provided from this unit. BIM based modelling with Specification, Schedule and cost integration in 5D mode is proposed to be introduced in all major identified projects in KIIFB for monitoring, controlling, inspection planning, bill checking, and post completion asset management activities.

BIM would act as an instrumental tool for an agency like KIIFB to effectively monitor and inspect the project progress and quantify the visual progress to a cost-based valuation. Therefore, KIIFB envisages to use BIM as a comprehensive process for design development and project management, collaborating with all other stakeholders of the project to create a Virtual Design & Construction Model.

During this period, Virtual Design Cell has completed LOD 300 Level Detailing for 25 Projects, 2D layout preparation from BIM for 14 Projects and supported TIW in design review for 4 Projects.

2. Project Support cell (Transportation, Building, Electromechanical)

Project Support Cell is an important technical advisory initiative taken to do the technical review and PED preparation for projects under various stages viz Under Appraisal Projects, TS awaiting Projects, TS Issued & Work Not Awarded Projects, Work Awarded/ Just Started Projects under Transportation & Non-Transportation Sector. Major support areas are surveys and investigations.

Project Support Cell (Transportation) - Technical review and support of road projects included surveys and investigations, road design -horizontal and vertical alignment, land acquisition limits, intersection improvements, road safety, pavement, utility impacts, cost, constructability, etc. The support extends to Hill highways, Major district roads, and projects selected for implementation under Full Depth Reclamation method.

About 19 road projects in the above categories were supported during this period. In addition to these, another 20 projects were supported through NATPAC.

Project Support Cell (Buildings and Electromechanical Services) – Review or design support to SPV is initiated to ascertain design adequacy of the structure, compliance to codal provisions, identify service-related clashes or functionality issues and availability of detailed GFC drawings as per standards, thereby ensuring safety and economy of project. Review may be undertaken during any of the following four stages:

(i) DPR stage / under appraisal

(ii) Projects for which sanction has been issued by KIIFB and TS is yet to be issued

(iii) Approved Projects for which TS has been issued by SPV and works not awarded

(iv) Works awarded and ongoing

The various types of projects that were reviewed by the team includes buildings for educational (schools, colleges etc)/ institutional (hospitals) purposes, office/ market buildings, theatre complexes, stadia, water supply projects including schemes for supply, maintenance & conveyance of drinking water & overhead reservoirs, etc.

The team has performed design review of around 70 projects and review of around 410 PED projects during the period. The timely intervention of the team has helped SPVs to achieve a

safe & optimised design and also indirectly helped to avoid cost escalation due to delay in project implementation.

A few major projects for which design support was extended are given below:

1. Kadakkal Fish Market
2. Anchal Fish Market
3. Punalur Fish Market
4. Nedumangad Market
5. Erattupetta Municipality
6. Valanchery Municipality
7. DH, Kollam
8. Digital Science Park
9. Blesson George Indoor Stadium, Pathanamthitta
10. Pandalam Municipal Office
11. Athani market in Wadakkanchery
12. Feroke Municipal Office
13. Ottupara Fish Market, Wadakkancherry
14. Kottakkal Market
15. Koothattukulam Municipal Office
16. School buildings for KILA

3. Quality Audit Cell (QAC)

Implementation of quality management systems in SPVs is an essential prerequisite for successful completion of projects. Quality audit is a tool for analysing the level on compliance of requirements of quality management system. Being a new skill, SPVs are to be equipped with adequate technical capability in handling the quality audit process in project execution. The introduction of Independent Quality Audit (IQA) process in all packages approved by KIIFB through auditors empanelled/ approved by KIIFB is done through Quality Audit Cell. Third party quality audit process as a mandatory one for releasing payments against payment milestones exceeding 40 %, 80% and 100% value in all packages approved by KIIFB.

During this period, Quality Audit Cell has prepared various check lists such as DPR, Design, Procedure & Implementation by taking necessary inputs and suggestions from TIW Officers.

The cell has also supported TIW for various activities such as data collection from SPVs, procurement of equipment, Project Awareness Events, Auto lab inspection, sampling, testing & report preparation, drone survey etc.

4. Sustainability Support Cell (SSC)

A sustainability support cell has been created in TRC to assist KIIFB divisions and SPVs by providing necessary technical inputs for implementing sustainable infrastructure technology option in different sectors. Major works of SSC during this period are creation of Sustainable Infrastructure Management (SIM) framework for KIIFB, work on compliance of Masala Bond covenants, Assistance to F & A for a proposal to float Green Bonds, Specific project level studies and Documentation etc. SSC team involved in Design Review Process and provides support for ESG division under KIIFB

Major interventions during this period are:

- **Implementation of alternate technology**

Vide GO under reference, government had issued orders for implementation of alternate technology options in KIIFB road works. Accordingly, rate analysis for 6 alternate technologies has been prepared with data from DSR & MORTH and inputs from advisory committee, viz, (i) Geo cells & Geogrids (ii) Full Depth Reclamation (FDR) (iii) Micro surfacing (iv) Segmental Blocks (v) Soil Nailing (vi) Hydroseeding.

As an initial step, Full Depth Reclamation (FDR), which is one of the alternate technologies suggested, was proposed to be undertaken as separate package in roads falling under various divisions of KRFB.

29 roads across various divisions of KRFB was identified to be constructed using FDR technology. Contract awarded for Trivandrum (5 roads) and Kollam (4 roads) divisions.

- **Road safety Audit**

NATPAC is appointed as third party for conducting Road Safety Audit of those road projects which are nearing completion. NATPAC has completed Road Safety Audit (RSA) for 26 roads for a total length of 331.08 kms and findings submitted to SPV.

Isolation blocks

In view of the Covid pandemic it was decided to set up 10 bedded Isolation wards for contagious diseases in 140 LAC using pre-engineered technology. KMSCL was appointed as Special Purpose Vehicle for the project, and it was decided that KIIFB shall place a team of engineers as a Technical Support Unit in KMSCL through its technical resource centre for supervision and monitoring.

The Steering Committee of Government of Kerala approved the amount of Rs:1,24,95,829/- (Rupees One Crore Twenty-Four Lakhs Ninety-Five Thousand Eight Hundred and Twenty Nine only)- in principle for one location. During the report period 50 Isolation blocks have been completed and handed over and other 32 projects are under various stages of construction.

Consultancy Services

As per the 42nd Board approval of setting up consultancy service in KIIFB and as per the proceedings dated 08.10.2021 it was decided to set up a functional organization for consultancy services at KIIFB as KIIFB Consultancy Services Unit. KIIFCON Pvt Ltd, a subsidiary of KIIFB was incorporated on 17th August 2022 to take up the consultancy activities in the field of transportation, power, ports etc. KIIFB's new step is to create a sustainable and innovative solutions and operate globally as professional consulting engineers. KIIFB Consultancy Services offers Consulting & Advisory Services, Design & Engineering services, Project & Contract Management, Quality Management services, Transaction Advisory Services, Environment Services to various sectors including Transportation, Buildings, Power, Energy etc. KIIFB Consultancy Services would offer comprehensive solutions to the Engineering Industry in Kerala. KIIFB Technical Consultancy Services Unit concentrates in three different fields.

1. Project Development Services
2. Project Engineering Services
3. Project Execution Services.

Following are the projects currently executing by KIIFCON:

1. Project Management Consultancy for Cochin Smart City Mission Ltd
2. Client Engineer for Wayside Amenities – Reststop project

3. Technical consultant for Industrial Rubber Park
4. Authority Engineer for Beach Development of Kovalam and adjoining beaches
5. Consultant for Development of Land parcels owned by KSRTC.
6. Consultant for Route Rationalisation of KSRTC.
7. General consultant for Urban Sustainability Development of Cochin.

4.4.4 Information Management Services

- **Infrastructure Information Management (GIS)**

The Infrastructure Information Management work using Geographical Information Systems (GIS) in KIIFB is aimed at contributing to efficiency in project planning, monitoring and management by bringing in disparate data on to a common referencing system and having the ability to visualise project information in their geographical context. With focus on ensuring quality and completion schedules, project information is analysed in GIS to provide inputs for the planning of inspection visits and monitoring project progress. As on April, 2024, the KIIFB geodatabase contains information on 635 road projects out of which 84 are completed, 107 are ongoing and 138 are under appraisal. For 1847 works contract packages under general civil works 854 are completed, 387 are in progress and 163 are under appraisal. Physical progress information captured monthly for individual packages through the PMAS App are compiled to update the geodatabase and provide actionable inputs for management action as necessary. The progress records in the preceding there months are compared, and packages flagged up that show no progress or have figures failing logical checks. Aspects relating to Quality, Schedule and Finance are also checked and maps generated for packages that get filtered as per conditions framed up. These maps are shared to inspection teams to aid in devising field inspection schedules. Topographical survey requirements are met through empanelled agencies. Field verifications on the submitted data are carried out by the in-house surveying team using Total Station and DGPS for ensuring quality as well as compliance with the Terms of Reference. As on date this work has been done for 45 road projects. Towards aiding project management, the geospatial data is also made available in the web-based mapping interface, Spatial Project Monitoring System (SPMS) whereby authorised users can access latest project details. The procurement process for an aerial

LiDAR is on for the purpose of generating topographical data as well as for progress monitoring purposes.

4.4.5 Capacity Building Services

Capacity Building Services aim in providing various Technical Support Services as below:

- Administrative support to Technical Support Units
- Trainings for internal technical personnel
- Trainings for SPV personnel & other project associated professionals
- Internship Programs
- Infrastructure awareness programs

These services are extended either through agencies or through Technical Resource Centre (TRC)

Technical Resource Centre & Coordination

KIIFB Technical Resource Centre is managed by CMD, under the technical co-ordination of Technical Inspection Wing (TIW) to facilitate all technical requirements of SPV's. In addition, technical assistance is imparted to SPVs and other divisions of KIIFB through Technical Resource Centre (TRC)

Following were the major initiatives/interventions during this period:

Technical Support to SPVs

Technical Supports were given to various SPVs by providing manpower, hardware and software for BIM Implementation etc.

Internship Programmes

18 Interns selected from the rank list was inducted and trained under various division of KIIFB (TRC/TIW/PAD).

Training programs

Familiarization session on PFMS and KIIFB procedures was conducted for SPVs by KIIFB.

The officials of KIIFB attended various training programmes/ workshops such as:

1.EPC-An Effective Way of Implementing Infrastructure Projects

2.IMPACT 2023

3.Technical Talk on “Understanding Super Pave Type Performance Testing & Design Fundamentals” organized by KHRI

4.hands-on training programme on "Experiential Learning: Barrier Free Built Environments" organized by Dept. of Architecture & Planning, CET

5."Full Depth Reclamation Technology," organized by NATPAC in association with KIIFB.

6.Bentley technical session

7. Two-day Indo - German workshop on “Adapting to Climate Hazards to become Climate Resilient”.

8.18th annual conference “SMART & SUSTAINABLE ROADS” organised by Indian Infrastructure

9. Reinforced Soil Sensitization-Maccaferri

10. Workshop on "Ensuring quality in KIIFB projects & Project Monitoring and Resource Management in KIIFB projects”.

11. Two-day workshop on “Emerging Trends in Building Construction”

12.SMART CITIES: An Interdisciplinary approach.

4.5 KEY ACTIVITIES OF ENVIRONMENTAL SOCIAL AND GOVERNANCE WING

The Environmental Social and Governance (ESG) wing endeavours to facilitate the integration of ESG principles within our organizational culture. This involves incorporating ESG considerations into the fundamental activities, decision-making processes, and strategic frameworks of KIIFB/SPVs. The goal is to ensure that the conduct of business at KIIFB is more sustainable, responsible, and participative, considering not only financial performance but also its impact on the environment, society, and corporate governance. ESG Wing also assists the Institutional Finance Group in its forays into the sector of sustainable investments and undertaking the necessary due diligence activities.

ESG Risk Management Framework at KIIFB is implemented through the following steps (i) Institutionalization of ESG into the system (ii) Capacitating the stakeholders on integration of ESG aspects into projects(iii) Adoption of sustainable practices focusing on carbon emission reduction, (iv) Climate Resilience Incorporation in Infrastructure Designs. The major activities are as follows.

Institutionalization of ESG into the system

- Adopted a Climate Resilience Policy and revised and adopted the ESG Policy, and Green Finance Framework.
- Mobilised Green Domestic Bond (Rs.302 Crores) during September 2023 and disbursed Rs.63.01 Crores for buildings designed and executed in line with GRIHA 3-star rating requirements and BRSR requirements as per SEBI circular no.SEBI/HO/DDHS/DDHS-RACPOD1/P/CIR/2023/023 dated 6th February 2023.
- Decided to extend sustainability certification to infrastructure projects other than buildings through the ENVISION rating system.
- Developed an ESG Screening Tool/Checklist for risk assessment.
- Developed ESMS, (Environmental & Social Management Systems) ESMP (Environmental & Social Management Plan), and Green Building Compliance templates and cascaded to SPVs.
- Development of ESG Manual, SOP, and EHS Policy in progress

Capacitating the stakeholders on integration of ESG aspects into projects

- Green Building Rating Systems (GRIHA, IGBC, and EDGE)
- ESG Screening Tool/Checklist

- Climate Resilience design inclusion in DPRs
- ESMP and ESMS
- Climate data inventory

Adoption of sustainable practices focusing on carbon emission reduction

Green building rating

- Shortlisted 80 projects (about 10 Lakhs sq.m) for Green Building Certification. On completion, this is expected to reduce 82,600 TCO2 eq/year than normal designs with an average cost increment of about 1.34% which will be recouped in 3-5 years of operation.
- Identified 68 projects for GRIHA certification and 40 registered.
- Identified 5 projects for EDGE L1 certification and 5 registered.
- Identified 7 projects for Indian Green Building Council (IGBC) certification and 1 registered.
- Disbursed proceeds for green domestic bonds for 8 green building projects

Climate Resilience incorporation in infrastructure designs

- Resilience and climate resource repository prepared.
- Developed DPR template in alignment with the Climate Resilience Policy
- Attempted in 6 sectoral projects in collaboration with SPVs & gap assessment report prepared

Independent Auditor's Review Report on standalone unaudited results for the quarter ended 30th June 2024., 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.

Introduction

1. We have reviewed the accompanying unaudited financial results of Kerala Infrastructure Investment Fund Board (hereinafter referred to as 'KIIFB') for the quarter ended 30th June 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, as amended.

Management's Responsibility

2. Management is responsible for the preparation and fair presentation of this interim financial information in accordance with AS 25 – Interim Financial Reporting issued by the Institute of Chartered Accountants of India.

Auditor's Responsibility

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

Conclusion:

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 & policies 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:

   (i) Note No 11.1 to the interim financial information' stating that KIIFB had revised the repayment agreement for the project IT Parks in Kochi Innovation Zone (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 Repayment Agreement has yet to be approved by the Board members, the asset is under Category 3 Project.

   (ii) Note No: 12 to the interim financial information' stating that 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 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.

   (iii) Note No: 15 to interim financial information stating that the two projects with KSFDC whose disbursement is more than 40% as per the tripartite agreement is pending execution as on 30-06-2024. The total outstanding loan balance of these projects as on 30-06-2024 is Rs 1,359.08 lakhs. Execution of loan agreement which is pending due to clearance from the concerned department of the Government of Kerala.

(iv) Note No: 17 to the interim financial information' stating that KIIFB had incurred an expenditure of Rs.869.91 Lakhs during the quarter towards KSFE Software expenses which includes an amount of Rs.821.63 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 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.

(v) 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.4,786.44 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 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 standalone financial results of KIIFB for the year ended and quarter ended March 31, 2024 were audited by another auditors whose report dated 25th May, 2024 expressed an Qualified Opinion on the standalone financial statements on the authenticity of certain expenses incurred during the year 2023-24.

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

Place: Trivandrum

Date: 12-08-2024

For Suri and Co
Chartered Accountants
FRN:004283S

GOVINDARAJAN RENGARAJAN Digitally signed by GOVINDARAJAN RENGARAJAN Date: 2024.08.12 13:46:52 +05'30'

G Rengarajan
Partner
Mem No: 219922
UDIN: 24219922BKCLUR5137

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
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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.

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 at 30-06-2024 with KSFDC for two project loans having loan outstanding aggregating to Rs 1,359.08 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. During the current quarter one project with sub project code CAD 002-13 has reached 40% disbursement, however the repayment agreement has not been entered Steps are under process for execution of loan agreement which is pending the requisite clearance from the concerned department of the Government of Kerala.

16 The balances under statutory contribution receivable from GoK of Rs. 10,80,974.03 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.

17 KIIFB had incurred an expenditure of Rs.869.91 Lakhs during the quarter towards KSFE Software expenses which includes an amount of Rs.821.63 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 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.

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.4,786.44 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 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 up to the end of the quarter. 26 AS for the financial year 2023-2024 is pending for reconciliation. Any adjustment found required shall be made in succeeding period/year upon such reconciliation.

21 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: 2024.08.12 13:37:22 +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 13:47:58 +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 Obligations and Disclosure Requirements) Regulation, 2015

Sl No	Particulars	Quarter Ended			Year Ended
		June 30, 2024	March 31, 2024	June 30, 2023	March 31, 2024
		Unaudited	*Ref Note no.6*	*Unaudited*	*Audited*
a.	Debt Equity Ratio*	6.13	6.26	6.49	6.26
b.	Debt Service Coverage Ratio	0.16	0.10	0.23	0.18
c.	Interest Service Coverage Ratio	0.39	0.61	0.31	0.48
d	Outstanding Redeemable Preference Shares (Quantity And Value)	NA	NA	NA	NA
e	Capital Redemption Reserve/Debenture Redemption Reserve	NA	NA	NA	NA
f	Net Worth	3,32,701.92	3,32,701.92	2,82,049.28	3,32,701.92
g	Net Profit After Tax	-29,682.12	-20,539.62	-29,246.44	-97,139.88
h	Earnings Per Share	NA	NA	NA	NA
i	Current Ratio**	3.29	3.76	2.51	3.76
j	Longterm Debt to Working Capital	2.99	2.12	1.92	2.12
k	Bad Debts To Account Receivable Ratio	NA	NA	NA	NA
l	Current Liability Ratio	0.13	0.15	0.01	0.15
m	Total debt to Total Asset Ratio	0.85	0.85	0.85	0.85
n	Debtors Turnover	NA	NA	NA	NA
o	Inventory Turnover	NA	NA	NA	NA
p	Operating Margin (%)	NA	NA	NA	NA
q	Net Profit Margin (%)	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

Items included in numerator and denominator for computing the above mentioned ratios:

a) Debt-Equity Ratio

Debt-Equity ratio compares a Company's total debt to shareholders equity

Debt-Equity Ratio = Total Debt / Shareholder's Equity

Shareholder's Equity = Equity Share Capital + Reserves and Surplus

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

Earning for Debt Service = Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other

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

d) Networth

Networth is used to measure the value of an entity

Networth = Total Asset - Total Liabilities

e) Current Ratio

Current Ratio = Current Assets/ Current Liabilities

Current Assets include - Current investments, Trade receivables, cash and bank balances (including interest accrued thereon) and short term

Current Liabilities include - Trade Payables, 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 excluding current borrowing/ 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

	Analytic Ratio Computation factors	Quarter Ended			Year Ended
		June 30, 2024 (Unaudited)	March 31, 2024 (Ref Note no.6)	June 30, 2023 (Unaudited)	March 31, 2024 (Audited)
1	Total Debt	20,29,963.00	20,74,153.84	18,30,084.35	20,74,153.84
2	Shareholder's Equity	3,32,701.92	3,32,701.92	2,82,049.28	3,32,701.92
3	Earnings available for debt service/ Interest Service	18,735.32	31,380.04	12,726.16	87,313.69
4	Debt Service	1,16,456.92	2,99,723.43	55,860.82	4,87,129.08
	Net Profit before taxes	-29,682.12	-20,539.62	-29,090.29	-97,139.88
	Interest	48,360.22	51,700.05	41,560.86	1,83,464.15
	Non Cash Expenditure (Dep + Amortisation)	57.22	219.61	255.59	989.42
	Principal Repayment	68,096.70	2,48,023.38	14,299.96	3,03,664.93
5	Total Asset	23,85,787.12	24,35,900.53	21,40,565.79	24,35,900.53
6	Total Liabilities	20,53,085.20	21,03,198.61	18,58,516.51	21,03,198.61
7	Net Profit after taxes	-29,682.12	-16,475.17	-29,246.44	-96,771.09
8	Current Asset	8,61,676.59	11,55,827.14	9,75,431.00	11,55,827.14
9	Current Liabilities	2,61,525.57	3,07,148.92	3,89,249.50	3,07,148.92
10	Current Borrowings	2,46,696.55	2,85,203.82	3,66,434.86	2,85,203.82
11	Current liability excluding current borrowing	14,829.02	21,945.10	22,814.64	21,945.10
12	Net Working Capital	8,46,847.58	11,33,882.04	9,52,616.36	11,33,882.04

Schedule 1 - Consent Letter of the Debenture Trustee

CATALYST
Believe in yourself... Trust us!

CL/DEB/24-25/730 **Date : 26-Jul-2024**

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, Secured, Non-Convertible Debentures aggregating upto ₹ 3000.00 Crores.

We refer to your letter dated 26.07.2024, 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 : Saish Bhayye

Designation : Assistant Manager

Annexure A

Fee Structure for transaction CL/DEB/24-25/730

PERTICULARS	AMOUNT
Acceptance fees (one-time, non-refundable, payable on our appointment)	₹ 1,00,000.00
Annually Trusteeship Fees(Amount/Percentage)	₹ 75,000.00

Annually Fees are payable in advance each year from 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 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 actual basis.

Please return the second copy this letter duly signed by Authorized Officer from your company.

Yours Faithfully,

For Catalyst Trusteeship Limited

Name : Saish Bhayye

Designation : Assistant Manager

We accept the above terms.

For Kerala Infrastructure Investment Fund Board

KANDATHIL MATHEW ABRAHAM

Digitally signed by KANDATHIL MATHEW ABRAHAM
Date: 2024.08.16 10:13:19 +05'30'

Name : Dr. KM Abraham ,CFA

Designation : Chief Executive Officer

Schedule 2 - Credit Rating Letter(s) and Rating Rationale from the Credit Rating Agencies

Rating Letter - Intimation of Rating Action

Scan this QR Code to verify authenticity of this rating

Letter Issued on : August 26, 2024
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 - 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:

	Long Term Instruments	Short Term Instruments
Total Rated Quantum (Rs. Cr.)	3000.00	0.00
Quantum of Enhancement (Rs. Cr.)	0.00	0.00
Rating(s)	ACUITE Provisional AA (CE)	Not Applicable
Outlook	Stable	Not Applicable
Most recent Rating Action(s)	Assigned	Not Applicable
Date of most recent Rating Action(s)	August 26, 2024	Not Applicable
Rating Watch	Not Applicable	Not Applicable

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 **July 22, 2025** 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 **July 23, 2025** subject to receipt of surveillance fee as applicable. If the rating(s) is reviewed before **July 22, 2025**, 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

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	3000.00	ACUITE Provisional AA (CE) (Stable) | Assigned
Total Quantum Rated		**3000.00**	-

DISCLAIMER

An Acuit® rating does not constitute an audit of the rated entity and should not be treated as a recommendation or opinion that is intended to substitute for a financial adviser's or investor's independent assessment of whether to buy , sell or hold any security. Acuit® ratings are based on the data and information provided by the issuer and obtained from other reliable sources. Although reasonable care has been taken to ensure that the data and information is true, Acuit® , in particular, makes no representation or warranty, expressed or implied with respect to the adequacy, accuracy or completeness of the information relied upon. Acuit® is not responsible for any errors or omissions and especially states that it has no financial liability whatsoever for any direct, indirect or consequential loss of any kind arising from the use of its ratings.Acuit® ratings are subject to a process of surveillance which may lead to a revision in ratings as and when the circumstances so warrant. Please visit our website (www.acuite.in) for the latest information on any instrument rated by Acuit® , Acuit® ıs rating scale and its definitions.

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.

Acuite RATINGS & RESEARCH

Press Release

August 26, 2024

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD
Rating Assigned and Reaffirmed

Product	Quantum (Rs. Cr)	Long Term Rating	Short Term Rating
BOND	2649.92	ACUITE AA | CE | Stable | Reaffirmed	-
BOND	3000.00	Provisional | ACUITE AA | CE | Stable | Assigned	-
BOND	0.08	Provisional | ACUITE AA | CE | Stable | Reaffirmed	-
Total Outstanding	5650.00	-	-

Rating Rationale

Acuite has reaffirmed the long-term rating of **ACUITE AA (CE) (read as ACUITE double A (Credit Enhancement))** to the Rs.2649.92 Cr. unsecured non- convertible bonds of KERALA INFRASTRUCTURE INVESTMENT FUND BOARD (KIIFB). 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. 0.08 Cr. unsecured non- convertible bonds of KERALA INFRASTRUCTURE INVESTMENT FUND BOARD (KIIFB). The outlook is **'Stable'.**

Acuite has assigned the long term rating of **Provisional ACUITE AA (CE) (read as Provisional ACUITE double A (Credit Enhancement))** to the Rs. 3000.00 Cr. unsecured non- convertible bonds of KERALA INFRASTRUCTURE INVESTMENT FUND BOARD (KIIFB). The outlook is **'Stable'.**

The conversion of provisional rating of proposed bond Rs 3000.08 Cr. of KIIFB 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 assigned for the proposed bond issuance amounting to Rs. 3000.00 crs takes into account strength from the structure, the escrow and payment mechanisms, DSRA and FD. 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 issue, 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. As per 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 (Applicable only for CE Ratings)

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 (Applicable only for CE & SO Ratings)

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) (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

Acuite believes that KIIFB will maintain 'stable' outlook for the near to medium term. The outlook may be changed to 'positive' if there is considerable improvement in the revenue stream or profitability. The outlook may be changed to 'negative' if the revenue stream gets affected due to the financial constraints of GoKe or any shortfall in the liquidity buffers earmarked for the issue.

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

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
• Default Recognition: https://www.acuite.in/view-rating-criteria-52.htm
• Explicit Credit Enhancements: https://www.acuite.in/view-rating-criteria-49.htm
• Non-Banking Financing Entities: https://www.acuite.in/view-rating-criteria-44.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
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	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	0.06	ACUITE Provisional 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)
	Bond	Long Term	34.04	ACUITE AA (CE) | Stable (Assigned)
	Bond	Long Term	34.04	ACUITE AA (CE) | Stable (Assigned)
	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)
	Proposed Bond	Long Term	0.02	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	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	238.34	ACUITE Provisional 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	143.28	ACUITE AA (CE) | Stable (Reaffirmed)
14 Mar 2024	Proposed Bond	Long Term	0.02	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	143.28	ACUITE AA (CE) | Stable (Reaffirmed)
	Bond	Long Term	143.28	ACUITE AA (CE) | Stable (Reaffirmed)
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	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)
	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)
11 Jan 2024	Proposed Bond	Long Term	413.42	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)
	Proposed Bond	Long Term	83.60	ACUITE Provisional 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)
	Bond	Long Term	143.28	ACUITE AA (CE) | Stable (Assigned)
	Bond	Long Term	143.28	ACUITE AA (CE) | Stable (Assigned)
02 Nov 2023	Proposed Bond	Long Term	699.98	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)
	Proposed Bond	Long Term	800.00	ACUITE Provisional AA (CE) | Stable (Assigned)
30 Sep 2023	Bond	Long Term	42.86	ACUITE AA (CE) | Stable (Assigned)
	Proposed Bond	Long Term	699.98	ACUITE Provisional AA (CE) | Stable (Reaffirmed)
	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)
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	22 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	23 Apr 2024	9.10	26 Mar 2034	34.04	Simple	ACUITE AA | CE | Stable | Reaffirmed
Not Applicable	INE658F08201	Bond	23 Apr 2024	9.10	26 Mar 2030	34.04	Simple	ACUITE AA | CE | Stable | Reaffirmed
Not Applicable	INE658F08193	Bond	23 Apr 2024	9.10	26 Mar 2031	34.04	Simple	ACUITE AA | CE | Stable | Reaffirmed
Not Applicable	INE658F08185	Bond	23 Apr 2024	9.10	26 Mar 2032	34.04	Simple	ACUITE AA | CE | Stable | Reaffirmed
Not Applicable	INE658F08151	Bond	23 Apr 2024	9.10	26 Mar 2028	34.04	Simple	ACUITE AA | CE | Stable | Reaffirmed

Not Applicable	INE658F08177	Bond	23 Apr 2024	9.10	26 Mar 2029	34.04	Simple	ACUITE AA | CE | Stable | Reaffirmed
Not Applicable	INE658F08169	Bond	23 Apr 2024	9.10	26 Mar 2033	34.04	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	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.	0.02	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.	3000.00	Simple	Provisional | ACUITE AA | CE | Stable | Assigned

Contacts

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To,
Ajosh Krishna Kumar
GM
Kerala Infrastructure Investment Fund Board
2nd floor, Felicity Square, Koder Ln, Palayam,
Thiruvananthapuram, Kerala 695001

August 21, 2024

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
Proposed Non-convertible debentures $,^	INR29,999.99	Provisional IND AA(CE)/Stable	Assigned
Non-convertible debentures $	INR26,499.2	IND AA(CE)/Stable	Affirmed

$Credit ratings with (CE) suffix indicates that the instruments are supported by an external explicit credit enhancement.

^The rating on the proposed NCDs is provisional and is contingent upon execution of certain documents and/ occurrence of certain steps.

In issuing and maintaining its ratings, India Ratings relies on factual information it receives from issuers and underwriters and from other sources India Ratings believes to be credible. India Ratings conducts a reasonable investigation of the factual information relied upon by it in accordance with its ratings methodology, and obtains reasonable verification of that information from independent sources, to the extent such sources are available for a given security.

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.

Users of India Ratings ratings should understand that neither an enhanced factual investigation nor any third-party verification can ensure that all of the information India Ratings relies on in connection with a rating will be accurate and complete. Ultimately, the issuer and its advisers are responsible for the accuracy of the information they provide to India Ratings and to the market in offering documents and other reports. In issuing its ratings India Ratings must rely on the work of experts, including independent auditors with respect to financial statements and attorneys with respect to legal and tax matters. Further, ratings are inherently forward-looking and embody assumptions and predictions about future events that by their nature cannot be verified as facts. As a result, despite any verification of current facts, ratings can be affected by future events or conditions that were not anticipated at the time a rating was issued or

affirmed.

India Ratings seeks to continuously improve its ratings criteria and methodologies, and periodically updates the descriptions on its website of its criteria and methodologies for securities of a given type. The criteria and methodology used to determine a rating action are those in effect at the time the rating action is taken, which for public ratings is the date of the related rating action commentary. Each rating action commentary provides information about the criteria and methodology used to arrive at the stated rating, which may differ from the general criteria and methodology for the applicable security type posted on the website at a given time. For this reason, you should always consult the applicable rating action commentary for the most accurate information on the basis of any given public rating.

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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.

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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

*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.

Source: KIIFB, NSDL

India Ratings Assigns Kerala Infrastructure Investment Fund Board's Proposed NCDs 'Provisional IND AA(CE)'/Stable; Affirms Existing Rating

Aug 21, 2024 | 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
Proposed Non-convertible debentures $,^	-	-	-	INR29,999.99	Provisional IND AA(CE)/Stable	Assigned
Non-convertible debentures*,$	-	-	-	INR26,499.2	IND AA(CE)/Stable	Affirmed

$Credit ratings with (CE) suffix indicates that the instruments are supported by an external explicit credit enhancement. Please refer to section DISCLOSURES FOR CE RATING for additional details as per SEBI Master Circular dated 6 July 2023.

^The rating on the proposed NCDs is provisional and is contingent upon 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 on the basis of the pledged revenue, the strength of the structured payment mechanism based on the draft term sheet, and the likely adequate debt service coverage.

Detailed Rationale of the Rating Action

The instrument ratings are 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. The 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.

Ind-Ra has rated the proposed NCDs at the same level as the existing ones 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 a debt service reserve account (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 bond holders in case of a cross default. In the new structure, the GoKe takes the responsibility of replenishing the upfront fixed deposit (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 the proposed 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 NCDs are fully redeemed as per draft 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 GoKe for the proposed bonds.

For the existing NCDs, 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 NCDs are fully redeemed. The guarantee is also available to replenish DSRA, if it is utilised to meet debt payment obligations. 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 GoKe for the existing bonds.

The proposed and existing NCD ratings are further notched up based on the transaction structure. The ratings also factor in the legal and financial strengths of the transaction structure, which will be monitored and controlled by the debenture trustee (DT). The payment mechanism of both proposed and existing bonds is backed by a bond servicing account (BSA), a pre-funded (initial DSRA & FD to be created one day before the pay-in date) one-quarter DSRA and an FD sufficient to meet one-quarter interest and principal obligations throughout the bond tenor. The DSRA and FDs are liened in favour of the trustee and can be used only for debt servicing.

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
- Fiscal prudence in FY24 and FY25

Weaknesses

- Potential revenue risk during an adverse economic situation
- Kerala's moderate economic performance
- State's high debt burden

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. The NCDs will be 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 proposed bonds, respectively. Also, the terms of the proposed bonds are similar as the existing set of bonds, basis the draft term sheet and draft NCD documents except for the availability of the corpus fund. The corpus fund has been enhanced to INR33,270 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 bond holders. As per the draft documents received from the management, the structure remains similar for the proposed bonds as well except for the corpus fund. 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 as well as infusing funds to meet any shortfall in redeeming NCDs to the bond holders in case of a cross default. In the new structure, the GoKe takes 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.

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.

The 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 would 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 structure payment mechanism is provided in detail for proposed NCDs in the Any Other Information section below.

Transaction Structural Features: Both existing and proposed bonds are also secured by an exclusive charge on KIIFB's BSA, DSRA account 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 the deed of guarantee for existing bonds and the draft deed of guarantee for the proposed bonds, respectively. 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 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.

In case of cross default/acceleration under agreements (subject to relevant cure periods) for any financial indebtedness of KIIFB or its subsidiaries, KIIFB would repay bond holders 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.

Shortfall Guarantee from GoKe: For the 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/ 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 would specifically provide 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 the proposed bonds. The structure payment mechanism is provided in detail for the proposed NCDs in the Any Other Information section below.

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.

Fiscal Prudence in FY24 & FY25: As per the provisional accounts by the Comptroller and Auditor General of India, in FY24, there was a shortfall in total receipts (INR132.66 billion) which led to a cut down of the total expenditure (INR199.52 billion). The shortfall in receipts largely emanated from the receipts from the union government (grants: INR44.25 billion & tax devolution: INR73.32 billion) as own revenues were marginally lower (SOTE: INR5.0 billion and SONTR: INR7.7 billion). On the other hand, there was curtailment of current expenditure to the tune of INR196.19 billion in FY24 (P) compared to budget estimates. Favourably, the capex target was broadly met as it was 98.0% of the FY24 (Budget Estimate) in FY24. All this resulted in the revenue deficit of the state improving to 1.5% of GSDP in FY24 (P) (FY24 (BE): 2.1%). Consequently, the fiscal deficit stood at 2.8% of GSDP in FY24 (P) much lower than 3.5% as per FY24BE.

For FY25, the state government expects the revenue deficit to be 2.1% and the fiscal deficit to be 3.4% of GSDP. The overall gross market borrowings of the state amounted to INR424.38 billion (3.6% of GSDP) in FY24. The state borrowed INR136.08 billion in March 2024, by way of dated securities of various tenors, with a weighted average yield of 7.42%, closer to that of dated securities issued by other states. The net market borrowings stood at INR266.38 billion (2.3% of GSDP) in FY24.

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 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 28.9% than 30.2% of the national level in FY23. The share of services was higher at 62.6% than the sector's share in the national economy of 54.4% in FY23. With a CAGR of 4.3%, Kerala's economy grew slower than the nation's gross value-added growth rate of 5.6% during FY12-FY23. The state's contribution to the national economy was 3.8% in FY23 (FY12: 4.1%).

State's High Debt Burden: The debt of the state has been budgeted at 34.2% of GSDP in FY25 which would be higher than the corresponding indicative debt estimate of 32.8% of GSDP for the state government, as per the 15th financial commission. The guarantees stood at INR503.7 billion in FY23, growing 13.5% yoy, and once included in the state debt, the combined liabilities of the state stood at 39.4% of GSDP in FY23 (FY21: 43.2%).

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). They are likely to receive INR31,300 million during FY25 as their share of MVT and petroleum cess from the GoKe. 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. 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 one-quarter interest and principal obligations in the form of FDs worth INR1,549.81 million have been created (for the existing 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 debt service coverage ratio 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). 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 debt service coverage ratio 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 NCD rating is supported by the credit profile of the GoKe, the nature of the pledged revenue, the strength of the structured payment mechanism based on the term sheet for the existing bonds and draft term sheet for the proposed bonds, and the likely adequate debt service coverage ratio.

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
- Fiscal prudence in FY24 and FY25

Weaknesses
- Potential revenue risk during adverse economic situation
- Kerala's moderate economic performance
- State's high debt burden

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.

Fiscal Prudence in FY24 & FY25: As per the provisional accounts by the Comptroller and Auditor General of India, in FY24, there was a shortfall in total receipts (INR132.66 billion) which led to a cut down of the total expenditure (INR199.52 billion). The shortfall in receipts largely emanated from the receipts from the union government (grants: INR44.25 billion & tax devolution: INR73.32 billion) as own revenues were marginally lower (SOTE: INR5.0 billion and SONTR: INR7.7 billion). On the other hand, there was curtailment of current expenditure to the tune of INR196.19 billion in FY24 (P) compared to budget estimates. Favourably, the capex target was broadly met as it was 98.0% of the FY24 (Budget Estimate) in FY24. All this resulted in the revenue deficit of the state improving to 1.5% of GSDP in FY24 (P) (FY24 (BE): 2.1%). Consequently, the fiscal deficit stood at 2.8% of GSDP in FY24 (P) much lower than 3.5% as per FY24BE.

For FY25, the state government expects the revenue deficit to be 2.1% and the fiscal deficit to be 3.4% of GSDP. The overall gross market borrowings of the state amounted to INR424.38 billion (3.6% of GSDP) in FY24. The state borrowed INR136.08 billion in March 2024, by way of dated securities of various tenors, with a weighted average yield of 7.42%, closer to that of dated securities issued by other states. The net market borrowings stood at INR266.38 billion (2.3% of GSDP) in FY24.
The debt of the state has been budgeted at 34.2% of GSDP in FY25 which would be higher than the corresponding indicative debt estimate of 32.8% of GSDP for the state government, as per the 15th financial commission (FC). The guarantees stood at INR503.7 billion, growing 13.5% in FY23, and once included in the state debt, the combined liabilities of the state stood at 39.4% of GSDP in FY23 (FY21: 43.2%).

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 28.9% than 30.2% of the national level in FY23. The share of services was higher at 62.6% than the sector's share in the national economy of 54.4% in FY23. With a CAGR of 4.3%, Kerala's economy grew slower than the nation's gross value-added growth rate of 5.6% during FY12-FY23. The state's contribution to the national economy was 3.8% in FY23 (FY12: 4.1%).

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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

For Existing and Proposed Bonds
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

1. **Shortfall Guarantee from GoKe:** For the 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 would specifically provide 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 structure payment mechanism is provided in detail for proposed NCDs in the Any Other Information section below.

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 would specifically provide 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.

2. **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 the absence of the pending steps/documentation.

2) PENDING STEPS/ DOCUMENTATION CONSIDERED WHILE ASSIGNING PROVISIONAL RATING AND RISKS ASSOCIATED WITH THE PROVISIONAL NATURE OF THE CREDIT RATING:

S.no.	Pending Critical Documentation while Assigning 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 deviating from the draft documents submitted at the time of provisional rating, the transaction structure would be weak.
2	Deed of hypothecation	
3	Debenture trust deed	
4	Deed of guarantee	
5	Accounts agreement	
6	Creation of DSRA and fixed deposit	Non-creation of DSRA and FD 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.

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 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's BSA III 7 days prior to the relevant servicing date (T-7).
T-7	DT should independently monitor the adequacy of availability of such fund in KIIFB's BSA III seven 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's BSA III by T-5th day, DT should advise KIIFB to immediately bridge the shortfall, under intimation to the GoK.
T-3	In the event of shortfall persisting on T-3rd day, DT would transfer the requisite funds from the 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 the upfront FD on T+1st day and in the event of any shortfall, DT shall notify KIIFB to fund the shortfall within five days (T+6).
T+7	DT shall check the amount available in the 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 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 would specifically provide 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 guaranteed 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 KIIFB 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 would specifically provide 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 guaranteed obligations are not met by the state government within 30 days of guaranteed 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 Financials Indicators

Particulars (INR billion) - KIIFB	FY24	FY23

Total Income	56.29	53.34
EBITDA	8.73	5.75
EBITDA margins (%)	15.51	10.77
Debt/EBITDA(x)	20.49	24.92
Adjusted interest service coverage (x)*	6.58	5.45

*Adjusted ISCR is calculated basis cash ISCR (including liquidity buffers such as cash and bank balances and investments).
Source: KIIFB, Ind-Ra

Particulars (as % of GSDP) - GoKe	FY24RE	FY25BE
Revenue balance	-2.10	-2.10
Fiscal balance	-3.40	-3.40
Total debt	34.30	34.20

Source: GoKe FY25 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	19 July 2024	10 April 2024	6 March 2024	27 December 2023	10 November 2023	7 July 2023	5 Ju
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	Pro AA(C
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

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
Non-convertible debenture	Medium

Note: The complexity indicator has been assigned as moderate because of the pre-default guarantee agreement executed between the GoKe and KIIFB.
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	INR428.6	IND AA(CE)/Stable
Non-convertible debentures *	INE658F08011	3 July 2023	8.49	3 July 2028	INR428.6	IND AA(CE)/Stable
Non-convertible debentures *	INE658F08045	3 July 2023	8.49	3 July 2029	INR428.6	IND AA(CE)/Stable
Non-convertible debentures *	INE658F08029	3 July 2023	8.49	3 July 2030	INR428.6	IND AA(CE)/Stable
Non-convertible debentures *	INE658F08052	3 July 2023	8.49	3 July 2031	INR428.6	IND AA(CE)/Stable
Non-convertible debentures *	INE658F08078	3 July 2023	8.49	2 July 2032	INR428.6	IND AA(CE)/Stable
Non-convertible debentures *	INE658F08060	3 July 2023	8.49	4 July 2033	INR428.6	IND AA(CE)/Stable
Non-convertible debentures	INE658F08086	22 December 2023	8.95	22 December 2027	INR2,142.8	IND AA(CE)/Stable
Non-convertible debentures	INE658F08128	22 December 2023	8.95	22 December 2028	INR2,142.8	IND AA(CE)/Stable
Non-convertible debentures	INE658F08110	22 December 2023	8.95	21 December 2029	INR2,142.8	IND AA(CE)/Stable
Non-convertible debentures	INE658F08102	22 December 2023	8.95	20 December 2030	INR2,142.8	IND AA(CE)/Stable
Non-convertible debentures	INE658F08094	22 December 2023	8.95	22 December 2031	INR2,142.8	IND AA(CE)/Stable
Non-convertible debentures	INE658F08144	22 December 2023	8.95	22 December 2032	INR2,142.8	IND AA(CE)/Stable
Non-convertible debentures	INE658F08136	22 December 2023	8.95	22 December 2033	INR2,142.8	IND AA(CE)/Stable
Non-convertible debentures$	INE658F08151	26 March 2024	9.10	26 March 2028	INR1,214.2	IND AA(CE)/Stable
Non-convertible debentures$	INE658F08177	26 March 2024	9.10	26 March 2029	INR1,214.2	IND AA(CE)/Stable
Non-convertible debentures$	INE658F08201	26 March 2024	9.10	26 March 2030	INR1,214.2	IND AA(CE)/Stable
Non-convertible debentures$	INE658F08193	26 March 2024	9.10	26 March 2031	INR1,214.2	IND AA(CE)/Stable
Non-convertible debentures$	INE658F08185	26 March 2024	9.10	26 March 2032	INR1,214.2	IND AA(CE)/Stable
Non-convertible debentures$	INE658F08169	26 March 2024	9.10	26 March 2033	INR1,214.2	IND AA(CE)/Stable
Non-convertible debentures$	INE658F08219	26 March 2024	9.10	26 March 2034	INR1,214.2	IND AA(CE)/Stable
TOTAL					**INR26,499.2**	

*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.
Source: KIIFB, NSDL

Contact

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Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies and project finance companies.
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For more information, visit www.indiaratings.co.in.

Solicitation Disclosures

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APPLICABLE CRITERIA

Local and State Government Rating Criteria

Evaluating Corporate Governance

Policy for Credit Enhanced (CE) Ratings

Rating of Public Sector Entities

Policy on Provisional Ratings

The Rating Process

DISCLAIMER

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KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

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

Finance and Administration Division

website: www.kiifb.org

Defining the Future

CERTIFIED TRUE COPY OF THE EXCERPTS FROM MINUTES OF THE 47th BOARD MEETING OF KERALA INFRASTRUCTURE INVESTMENT FUND BOARD

Place of meeting: - **Chief Minister's Conference Hall, Government Secretariat,Statue, Trivandrum**

Date of Meeting: **04.03.2024**

Agenda 10. Status of fund mobilization during the Financial Year 2023-24 & Borrowing Plan for the Financial Year 2024- 25.

Decision

The Board :-

- noted the status of fund mobilization during the financial year 2023-24 as on 31.01.2024.
- authorized the Chief Executive Officer to raise up to INR 10,000 crore of funds during FY 2024-25 for project payments and to ensure an adequate buffer. This is subject to the condition that in the case of any fund mobilization from multilateral/ foreign financial institutions, the terms and conditions shall be finalized with the approval of the Board.
- authorized the Chief Executive Officer to take all incidental steps and to sign necessary documents for mobilizing funds.

Reji John

Reji John
Joint Fund Manager

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD
(A Statutory Body under Finance Department, Government of Kerala)
Finance and Administration Division
website: www.kiifb.org
Defining the Future

KERALA INFRASTRUCTURE INVESTMENT FUND BOARD (KIIFB)

Circular Resolution No.6/2024
Dated 12.07.2024

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

CL/24-25/10532 ***(Annexure IIA)***

DUE DILIGENCE CERTIFICATE TO BE GIVEN BY THE DEBENTURE TRUSTEE AT THE TIME OF FILING THE DRAFT OFFER DOCUMENT/ INFORMATION 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 500,01,00,000 (INDIAN RUPEES FIVE HUNDRED CRORES AND ONE LAKH ONLY), WITH A GREEN-SHOE OPTION TO RETAIN OVERSUBSCRIPTION OF UP TO INR 500,01,00,000 (INDIAN RUPEES FIVE HUNDRED CRORES AND ONE LAKH ONLY), AGGREGATING TO TOTAL ISSUE SIZE NOT EXCEEDING INR 1000,02,00,000 (INDIAN RUPEES ONE THOUSAND CRORES AND TWO LAKHS ONLY) BY WAY OF PRIVATE PLACEMENT BY KERALA INFRASTRUCTURE INVESTMENT FUND BOARD ("ISSUER").

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) The Issuer has made adequate provisions for and/or has taken steps to provide for adequate security for the debt securities to be issued and listed. – **Not Applicable**.

b) The Issuer has obtained the permissions / consents necessary for creating security on the said property(ies). – **Not Applicable**.

c) The Issuer has made all the relevant disclosures about the security and its continued obligations towards the holders of debt securities. – **Not Applicable**.

d) Issuer has adequately disclosed all consents/ permissions required for creation of further charge on assets in offer document / information memorandum and all disclosures made in the offer document / information memorandum with respect to creation of security are in confirmation with the clauses of debenture trustee agreement**. – Not Applicable.**

e) Issuer has given an undertaking that charge shall be created in favour of debenture trustee as per terms of issue before filing of listing application. – **Not Applicable**.

f) Issuer has disclosed all covenants proposed to be included in debenture trust deed (including any side letter, accelerated payment clause etc.), offer document / placement memorandum.

We have satisfied ourselves about the ability of the Issuer to service the debt securities.

Place: Mumbai
Date: October 01, 2024

For Catalyst Trusteeship Limited

CATALYST TRUSTEESHIP LIMITED

For CATALYST TRUSTEESHIP LIMITED

Authorised Signatory

Ms. Kalyani Pandey
Compliance Officer

Schedule 5 - In-principle Approval from the Stock Exchange

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

BSE - PUBLIC

Schedule 6 - Consent Letter of Registrar and Transfer Agent

CAMEO CORPORATE SERVICES LIMITED

Ref: CAM/DIR/KIIFB/Debentures/2023-24 14th Aug, 2024

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.3000 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

KANTHADAI SREEPRIYA

Digitally signed by KANTHADAI SREEPRIYA
Date: 2024.08.14 11:54:36 +05'30'

Sreepriya.K
EVP & Company Secretary

Schedule 7 - Guarantee Orders

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.

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.

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 8 - Peer Reviewed Certificate of the Statutory Auditor

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 Peer Review Board	Vice-Chairman Peer Review Board	Secretary 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