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**FORTY SEVENTH
ANNUAL REPORT AND AUDITED ACCOUNTS
2014 - 15**



THE KERALA AGRO INDUSTRIES CORPORATION LIMITED
KISSAN JYOTHI, FORT.P.O., THIRUVANANTHAPURAM - 695 023.
(CIN : U29211KL1968SGC002172)
Phone : 0471 - 2471343, 2471344, 2471345, 2471346.
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THE KERALA AGRO INDUSTRIES CORPORATION LIMITED
KISSAN JYOTHI, FORT.P.O., THIRUVANANTHAPURAM - 695 023.

47TH ANNUAL REPORT AND AUDITED ACCOUNTS FOR THE YEAR 2014-15

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THE KERALA AGRO INDUSTRIES CORPORATION LIMITED
KISSAN JYOTHI, FORT.P.O., THIRUVANANTHAPURAM - 695 023.

Registered Office :
“Kissan Jyothi”, Fort,
Thiruvananthapuram - 695 023

No. Secl : 25/

24.01.2022

NOTICE

Notice is hereby given that the 47thAdjourned Annual General Meeting of the Kerala Agro Industries Corporation Ltd., will be held at 11.00 A.M. on Monday, the 07th February 2022 at the Registered Office of the Corporation, at "Kissan Jyothi', Fort P.O. and Thiruvananthapuram - 695 023 to transact the following business.

“ To receive, consider and adopt the Directors’ Report, Balance Sheet and Profit and Loss Account, Auditors’ Report, comments of the Comptroller and Auditor General of India and the Finance Secretary, Government of Kerala and replies thereto for the year ended 31st March, 2015.”



MANAGING DIRECTOR

Note : The 47th Annual General Meeting of the Corporation was held on 29.09.2015, but the meeting was adjourned sine die since the audited Accounts and comments of the Comptroller and Auditor General of India thereon were not ready. Hence this meeting, as the audited accounts and comments has since been received.

A member entitled to attend and vote at the time of meeting is entitled to appoint a proxy to attend and vote instead of himself. A proxy need not be a Member.

THE KERALA AGRO INDUSTRIES CORPORATION LIMITED
KISSAN JYOTHI, FORT.P.O., THIRUVANANTHAPURAM - 695 023.

I. BOARD OF DIRECTORS

SHRI. SABIRHUSSAIN. S	DIRECTOR & CHAIRMAN OF MEETING
SHRI. K. C. JAYAKUMAR	MANAGING DIRECTOR
SHRI. C. R. LOHI	DIRECTOR
SHRI. SUNILDAS.S.Y.	DIRECTOR
SHRI. E. N. SURESH BABU	DIRECTOR

II. BANKERS

**STATE BANK OF INDIA,
INDIAN BANK, UNION BANK OF INDIA,
BANK OF BARODA.**

III. AUDITORS

RAVI & SABIN
Chartered Accountants,
13/66 (1), Kannamoola Road,
Near Pallimukku,
Thiruvananthapuram - 695 024.

IV. REGISTERED OFFICE

(CIN : U29211KL1968SGC002172)

Kissan Jyothi,
Fort.P.O., Thiruvananthapuram - 695 023.
Ph : 0471-2471343, 0471-2471344
0471-2471345, 0471-2471346.
E-mail : mdofficekaic@gmail.com
Web : www.keralagro.com

THE KERALA AGRO INDUSTRIES CORPORATION LIMITED

KISSAN JYOTHI, FORT.P.O, THIRUVANANTHAPURAM-695 023.

DIRECTORS' REPORT

The Shareholders,
The Kerala Agro Industries Corporation Limited,
Kissan Jyothi, Fort.Po,
Thiruvananthapuram-695023.

Dear Members,

Your Directors have great pleasure in presenting the 47th Annual Report of the Kerala Agro Industries Corporation Limited together with the audited Balance Sheet, Profit and Loss Statement and Cash Flow Statement for the year ended 31st March, 2015.

1) FINANCIAL RESULTS - Sec.134(3)(i).

Financial highlights of the consolidated statement of operations of your company for the year 2014-15 are as under:

(Rupees in lakhs)

Particulars	2014-15	2013-14
Revenue from operations	6350.87	6442.90
Other Income	757.72	902.01
Total Income	7108.59	7344.91
Operating Expenses	6147.76	6429.56
Operating Profit/ (Loss)	960.83	915.35
Interest	159.99	158.21
Depreciation	831.23	906.91
Exceptional items	210.41	(53.77)
Net Profit/ (Loss)	(240.80)	(96.00)
Provision for Income Tax	NIL	11.66
Net profit/(Loss) after tax	(240.80)	(107.66)
Balance brought forward from previous year	(1468.26)	(1360.60)
Cumulative losses	(1709.06)	(1468.26)

During the year ended 31st March, 2015, your company could achieve a total turnover of Rs.6350.87 lakh against Rs.6442.89 lakh for 2013-14. The total sale for the year 2014-15 is less by Rs.92.02 from that of the previous year.

The net loss for the year after making provisions for interest and depreciation and after making adjustments for prior periods stood at Rs.240.80 lakh against a net loss of Rs.107.66 lakh during the previous year.

2)ACTIVITIES

Some of the important activities pursued by the Corporation during the period under report are as detailed below:

i)Sale of Tractors, Power Tillers, Sprinklers, Irrigation Equipments, Drip Irrigation Equipments etc.

During the year under report, the Corporation had dealership for the sale of HMT tractors, Mahindra Tractors and KAMCO Power Tillers. The Corporation also had dealership arrangements with various reputed manufacturers of pump sets of different capacities, sprinkler irrigation equipments and drip irrigation equipments.

The Corporation sold tractors, power tillers, power reapers, trailers, pump sets, sprayers, sprinkler and drip irrigation equipments worth Rs. 4012.81 lakh during the year as against Rs.4398.63 lakh during the previous year.

ii)Sale of spare parts of Tractors and Tillers and Implements.

Sale of spare parts and implements during the year was Rs.10.06 lakh as against the previous year's sale of Rs. 24.17 lakh.

iii)Sale of Fabricated goods

During the year under report, fabricated goods worth Rs.6.48 lakh were sold as against Rs.5.35 lakh during the previous year.

iv)Sale of agricultural inputs like organic manure, Bio fertilizers, pesticides

During the year under report, agricultural inputs worth Rs.193.49 lakh were sold as against Rs.265.22 lakh during the previous year.

v)Running of Workshops and Service Stations for repairs and maintenance of agricultural machinery

The pre-sale and after sale service of tractors, power tillers, etc. as well as repairs and maintenance of various agricultural machineries are being attended to at the Workshops and Service Stations of the Corporation.

vi)Implementation of Government Schemes

The Corporation participated in implementing Farm mechanization under Rashtriya Krishi Vikas Yojana (RKVY) during the year under report.

vii)Fruit Processing Unit at Punalur

During the year under report the unit has made a turnover of Rs.105.43 lakhs as against a turnover of Rs.37.96 lakhs during the previous year.

3)NEW PROJECTS AND INITIATIVES

As part of diversifying the activities, your company has recently ventured into new areas like skill development training, value addition for agricultural produces, setting up of retailing outlets, etc.

4)SHARE CAPITAL

The present authorized share capital of the company is Rs.500 lakh, divided into 500000 equity shares of Rs.100/- each. The issued, subscribed and paid up capital is Rs.474.11 lakh. The State Government's share is Rs.304.55 lakh and that of the Central Government is Rs.169.56 lakh. Out of the total paid up capital, 23547 shares of Rs.100/- each have been issued for consideration other than cash. The percentage of investment made by Government of Kerala on the total paid up capital is 64.24 %.

There is no advance share capital as on the date of report and thereafter. Your Directors propose to increase the authorized share capital to Rs.2500 lakh, divided into 2500000 equity shares of Rs.100 each.

5)DIVIDEND – Sec.134(3)(k).

Since there is an accumulated loss of Rs.1709.06 lakhs as on 31.03.2015, your Directors do not recommend payment of dividend for the year under review.

6)BOARD OF DIRECTORS – Sec.134(3)(g) read with Rule 8(5)(iii) of Companies (Accounts) Rule,2014.

The following are the Directors of the Company during the year under review:

Sl.no	Name	Post	Date of appointment	Date of cessation
1.	Shri.V.H.Sathjith	Chairman	09.02.2012	
2.	Shri.A.J.Sharan Kumar	Managing Director	17.01.2013	
3.	Shri.P.Valsaraj	Director	25.08.2012	
4.	Shri.K,V,Marakkar	Director	25.08.2012	
5.	Shri.V.M.Hamsa	Director	12.11.2012	
6.	Shri.Veluthamanal Aziz	Director	06.12.2012	
7.	Shri.T.M.Joseph	Director	17.01.2013	
8.	Shri.P.Gopakumar	Director	03.09.2013	
9.	Shri/P.K.Pandey	Director	18.03.2014	
10.	Shri.B.Muraleedharan Nair	Director	03.02.2014	

7)BOARD MEETINGS – Sec.134(3)(b).

The Board of Directors met 4 times during this financial year as stated below.

1.	251	07-05-2014
2.	252	31-07-2014
3.	253	13-11-2014
4.	254	21-01-2015

8)COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES.

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee is not applicable to the company and hence the company has not devised any policy relating to appointment of Directors, Payment of Managerial Remuneration, Directors qualifications, Positive attributes, Independence of Directors and other related matters as provided under section 178(3) of the Companies Act, 2013.

9)COMMITTEES OF BOARD.

i) Audit Committee.

There was no audit committee during the year 2014-15 since it was not mandatory as per Sec. 177 of Companies Act, 2013 and Rule 6 & 7 of Companies (Meetings of Board and its Powers) Rules, 2014.

ii) Corporate Social Responsibility Committee.

As per Section 135 of the Companies Act 2013 the company does not come under the purview of Corporate Social Responsibility activities for the current year. Hence CSR Committee is not constituted.

10)EXTRACT OF ANNUAL RETURN – Sec.134(3)(a).

The extract of Annual Return as provided under sub Section (3) of Section 92 of the Companies Act 2013 in the prescribed form MGT 9 is annexed to this Report.

11)STATUTORY AUDITORS.

M/s. RAVI & SABIN, Chartered Accountants, 13.66(1), Kannamoola Road, Thiruvananthapuram-695024, was appointed as the Statutory Auditors of company for the year 2014-15. The Report given by the Auditors on the financial statements of the company is part of the Annual Report.

12)AUDITORS COMMENTS AND QUALIFICATIONS – Sec.134(3)(f).

The Board noted that there are no qualifications or reservations in the main report of Auditors. But some remarks are shown in the Audit Report. Actions will be initiated to rectify the deviations to the possible extent.

13)REVIEW OF ACCOUNTS BY C&AG OF INDIA.

The Annual Accounts with Auditors Report submitted to C&AG. The Comptroller & Auditor General of India may review the accounts for the year 2014-15 under Section 143(6) of the Companies Act 2013.

14)PARTICULARS OF EMPLOYEES AS PER THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

There are no employees drawing remuneration in excess of the prescribed limit in terms of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

15)FIXED DEPOSITS

The Company has not accepted any fixed deposits from the public and shareholders coming under the purview of Section 73 of the Companies Act, 2013.

16)PARTICULARS REQUIRED UNDER SECTION 134 (3) (m) OF THE COMPANIES ACT, 2013

As per the Provisions of Companies Act, 2013 we hereby report that:

- a) The company has not adopted any energy saving measures during the year, nor did it make any additional investment for reduction in consumption of energy.
- b) The Company has not undertaken any technology absorption measures during and after the period of report.
- c) The Company has not generated any foreign exchange earnings or incurred any foreign exchange outgo during the year of report.

17)DIRECTORS' RESPONSIBILITY STATEMENT – Sec.134(3)(c).

Your Directors wish to state that:

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) The Board of Directors had selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the year ended 31.03.2015.
- c) The Board of Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) The Board of Directors has prepared the annual accounts on a going concern basis.
- e) The Company being unlisted, sub clause (c) of section 134(3) of the Companies Act 2013 pertaining to laying down internal financial controls is not applicable to the company.
- f) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18)PREVENTION OF SEXUAL HARASSMENT AT WORK PLACE

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this Policy.

19)LABOUR RELATIONS

There was very good employer – employee relation during and after the period of the report.

20)ACKNOWLEDGEMENT

Your Directors express their appreciation to Government of India, Government of Kerala, Department of Agriculture, other Government Departments and other Public Sector Undertakings for their valuable support. The Directors are also thankful to the Bankers, Consultants, Auditors, Contractors, Shareholders and valued customers for their continued co-operation and unstinted support.

Your Directors also record their gratitude for the loyalty, dedication and commitment of employees of the Kerala Agro Industries Corporation Limited at all levels.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



CHAIRMAN

THIRUVANANTHAPURAM

Dated: 24/01/2022



THE KERALA AGRO INDUSTRIES CORPORATION LIMITED

ANNEXURE TO DIRECTORS' REPORT 2014-15

Form No: MGT - 9

EXTRACT OF ANNUAL RETURN

(As on the financial year ended on 31st March 2015)

[Pursuant to Section 92(3) of the Companies Act 2013 and rule 12(1) of the Companies (Mangement and Administration) Rules 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN	U29211KL1968SGC002172
ii)	Registration Date	22-03-1968
iii)	Name of the Company	THE KERALA AGRO INDUSTRIES CORPORATION LIMITED.
iv)	Category/Sub-category of the Company	Company limited by shares/ State Government Company.
v)	Address of the Registered Office and contact details	KISSAN JYOTHI, FORT.PO, THIRUVANANTHAPURAM, KERALA-695023.
vi)	Whether listed company	No
vii)	Name, address and contact details of Registrar and transfer sgent, if any	Not Applicable

II. PRINCIPAL BUSINESS ACTIVITES OF THE COMPANY

Sl.No.	Name and description of main products/services	NIC Code of the product/service	% of total turnover of the company
1	Agriculture, Forestry, Fishing.	A4	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl.No	Name and Address of the Company	CIN/GLN	Holding/subsidiary/Associate	% of shares held
1	NIL	NA	NA	NIL

THE KERALA AGRO INDUSTRIES CORPORATION LIMITED

IV. SHARE HOLDING PATTERN (Equity share capital breakup as percentage of total equity)

A. Category-wise shareholding

category of shareholders	No. of shares held at the beginning of the year (As on 31-March 2014)				No. of shares held at the end of the year (As on 31-March 2015)				% change during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	NA	NIL	NIL	NIL	Nil	NIL	NIL	NIL	NIL
b) Central Govt.	Nil	169562	169562	35.76	Nil	169562	169562	35.76	0
c) State Govt./s)	NIL	304547	304547	64.24	NIL	304547	304547	64.24	0
d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
e) Banks/FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
f) Any other	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub Total (A) (1)		474109	474109	100		474109	474109	100	0
(2) Foreign									
a) NRIs- Individual	NA	NA	NA	NA	NA	NA	NA	NA	NA
b) Other-Individual	NA	NA	NA	NA	NA	NA	NA	NA	NA
c) Bodies Corp.	NA	NA	NA	NA	NA	NA	NA	NA	NA
d) bank /FI	NA	NA	NA	NA	NA	NA	NA	NA	NA
e) Any other	NA	NA	NA	NA	NA	NA	NA	NA	NA
Sub Total (A) (2)		0	0	0		0	0	0	-
Total shareholding of promoter (A) = (A)(1) + (A) (2)	NA	474109	474109	100	NA	474109	474109	100	0
B. Public Shareholding									
1. Institutions	0	0	0	0	0	0	0	0	0
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Bank/FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt./s)	0	0	0	0	0	0	0	0	0
e) Venture capital funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) foreign venture capital funds	0	0	0	0	0	0	0	0	0
i) Others (Specify)	0	0	0	0	0	0	0	0	0
Sub-total (B) (1)	0	0	0	0	0	0	0	0	0

2. Non-Institutions									
a) Bodies Corp.									
i) Indian	NA	NA	NA	NA	NA	NA	NA	NA	NA
ii) Overseas	NA	NA	NA	NA	NA	NA	NA	NA	NA
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 Lakh	NA	NA	NA	NA	NA	NA	NA	NA	NA
ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	NA	NA	NA	NA	NA	NA	NA	NA	NA
c) Others (Specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Non-resident Indians	NA	NA	NA	NA	NA	NA	NA	NA	NA
Overseas Corporate bodies	NA	NA	NA	NA	NA	NA	NA	NA	NA
Foreign Nationals	NA	NA	NA	NA	NA	NA	NA	NA	NA
Clearing members	NA	NA	NA	NA	NA	NA	NA	NA	NA
Trusts	NA	NA	NA	NA	NA	NA	NA	NA	NA
Foreign Bodies DR	NA	NA	NA	NA	NA	NA	NA	NA	NA
Sub-Total (B) (2)									
Total Public Share holding (B) = (B)(1)+(B)(2)	NA	0	0	0	NA	0	0	0	NA
C. Shares held by custodian for GDRs & ADRs									
	NA	0	0	0	NA	0	0	0	NA
Grand Total (A+B+C)	NA	474109	474109	100	NA	474109	474109	100	0

THE KERALA AGRO INDUSTRIES CORPORATION LIMITED

B) Shareholding of Promoter

Sl. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change during the year
		No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1	Government of India represented by President of India	169562	35.76	Nil	169562	35.76	Nil	0
2	Government of Kerala represented by Governor of Kerala	304547	64.24	Nil	304547	64.24	Nil	0
Total		474109	100	Nil	474109	100	Nil	0

C) Change in promoter's shareholding (please specify, if there is no change)

Sl. No		Share holding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	No change			
	Date wise increase/decrease in Promoter's share holding during the year specifying the reason for increase/decrease(eg. Allotment/transfer/bonus/sweat equit etc.	No change			
	At the end of the year	No change			

* There is no change in the total shareholding of the promoter between 01.04.2014 and 31.03.2015

D) Shareholding pattern of top ten shareholders

(other than Directors, Promoters and holders of GDRs and ADRs)

Sl. No	For each of the top ten shareholders	Share holding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise increase/decrease in Promoter's share holding during the year specifying the reason for increase/decrease(eg. Allotment/transfer/ bonus /sweat equit etc.	Nil	Nil	Nil	Nil
	At the end of the year	Nil	Nil	Nil	Nil

E) Shareholding of Directors and Key managerial personnel

Sl. No	Name	Share holding			Increase/decrease in share holding	Reason	Cumulative shareholding during the year	
		No. of Shares at the beginning	No. of shares at the end of the year	% of total shares of the company			No. of Shares	% of total shares of the company
A DIRECTORS								
		Nil	Nil	Nil	Nil	NA	Nil	NA
B KEY MANAGERIAL PERSONNEL								
	NIL	Nil	Nil	Nil	Nil	NA	Nil	NA

THE KERALA AGRO INDUSTRIES CORPORATION LIMITED

V) INDEBTNESS

Indebtness of the company including interest outstanding/accrued but not due for payment

	Secured loans excluding deposits	Unsecured loans (Rs) in lakhs	Deposits (Rs) in lakhs	total indebtedness (Rs) in lakhs
Indebtness at the beginning of the financial year 2014-15				
i) Principal Amount	39.36	834.32	NIL	873.68
ii) Interst due but not paid	0	1389.49	NIL	1389.49
iii) Interest accrued but not due	0	0	NIL	0
Total (i+ii+iii)	39.36	2223.81	NIL	2263.17
Change in Indebtness during the financial year				
* Addition	8.49	151.51	NIL	160.00
*Reduction	0	9.53	NIL	9.53
Net Change	8.49	141.98	NIL	150.47
Indebtness at the end of the financial year 2014-15				
i) Principal Amount	47.85	824.78	NIL	872.63
ii) Interst due but not paid	0	1541.00	NIL	1541.00
iii) Interest accrued but not due	0	0	NIL	0
Total (i+ii+iii)	47.85	2365.78	NIL	2413.63

VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director , Whole-Time Directors and /or Manager

Sl.No.	Particulars of remuneration	Name of Managing Director/WTD/Manager		Total Amount (Rs)
		A.J.SharanKumar, Managing Director		
1	Gross salary			
	(a) salary as per provisions contained in section 17(1) of the Income tax Act 1961 (RS)	871483.00		871483.00
	(b) value of perquisites u/s 17(2) of Income tax Act 1961	NIL		
	(c) Profits in lieu of salary under section 17(3) of Income tax Act 1961	NIL		
2	Stock Option	NIL		
3	Sweat Equity	NIL		
4	Commission:	NIL		
	as % of profit	NIL		
	others, specify	NIL		
5	Others, Please Specify (Rs)			
	i) Leave salary	74,833.00		74,833.00
	ii) Travelling Expenses	41726.00		41726.00
	iii) Telephone Charges	15526.00		15526.00
	iv) Medical Expenses	58681.00		58681.00
	Total (A)	1062249.00		1062249.00
	Ceiling as per the Act			

THE KERALA AGRO INDUSTRIES CORPORATION LIMITED

B. Remuneration to other Directors

Sl.No.	Particulars of remuneration	Name of Directors	Total Amount (RS.)
		Sri.V.H.Sathjith (Chairman), A.J.Sarankumar (MD), P.Valsaraj, K.V.Marakkur, V.M.Hamsa, Veluthamalan Aziz, T.M.Joseph, B.Mulalidharan Nair, P.Gopakumar and Sri.P.K.Pandey (Directors)	
1	<i>Independent Directors</i>		
	Fee for attending board/committee meetings		0
	Commission		0
	Others, please specify		0
	Total (1)		0
2	<i>Other non-executive Directors</i>		
	Fee for attending board/committee meetings		75,121.00
	Commission		0
	Others, please specify		0
	Total (2)		75,121.00
	Total (B) = (1+2)		75,121.00
	Total Managerial Remuneration		
	Overall ceiling as per the Act		

C. Remuneration to Key managerial Personnel other than Managing Director/Manager/WTD

Sl.No.	Particulars of remuneration	Key Managerial Personnel			Total Amount (₹)
		CEO	CS	CFO	
			There was no CS during the year 2014-15.		
1	Gross salary	NA			
	(a) salary as per provisions contained in section 17(1) of the Income tax Act 1961	NA	NA	4,08,000.00	4,08,000.00
	(b) value of perquisites u/s 17(2) of Income tax Act 1961	NA	NA	NA	NA
	(c) Profits in lieu of salary under section 17(3) of Income tax Act 1961	NA	NA	NA	NA
2	Stock Option	NA	NA	NA	NA
3	Sweat Equity	NA	NA	NA	NA
4	Commission:	NA	NA	NA	NA
	as % of profit	NA	NA	NA	NA
	others, specify	NA	NA	NA	NA
5	Others, please specify	NA	NA	NA	NA
	Total	NA	NA	408000.00	408000.00
	Overall ceiling as per the Act				

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENSES

Type	Section of the Companies Act	Brief Description	Details of penalty/punishment/compounding fee imposed	Authority[RD/NCLT/CO URT]	Appeal made, if any (give details)
A. COMPANY					
Penalty	87	NA	NA	NA	NA
Punishment	Nil	NA	NA	NA	NA
Compounding	Nil	NA	NA	NA	NA
B. DIRECTORS					
Penalty	Nil	NA	NA	NA	NA
Punishment	Nil	NA	NA	NA	NA
Compounding	Nil	NA	NA	NA	NA
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	NA	NA	NA	NA
Punishment	Nil	NA	NA	NA	NA
Compounding	Nil	NA	NA	NA	NA

By Order of the Board of Directors

Thiruvananthapuram

24-01-2022



[Signature]
CHAIRMAN

ADDENDUM TO DIRECTORS' REPORT

REPLY TO COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER SECTION 143(6)(b) OF THE COMPANIES ACT 2013 ON THE ACCOUNTS OF THE KERALA AGRO INDUSTRIES CORPORATION LTD. FOR THE YEAR ENDED 31 MARCH 2015

Principal Accountant General (E&RSA) Kerala has issued Non-Review Certificate under Sec. 143(6)(a) of the Companies Act, 2013 and thus there is NIL comments for the year 2014-15.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS



CHAIRMAN



THIRUVANANTHAPURAM
Dated: 24/01/2022



INDEPENDENT AUDITORS' REPORT

To the Members of
The Kerala Agro-Industries Corporation Limited

Report on the Financial Statements:

We have audited the accompanying financial statements of THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED, which comprise the Balance Sheet as at 31 March, 2015, the Profit and Loss Statement and 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.

Management's Responsibility for the Financial Statements:

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial control system over

20.12.21



financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Other Matters:

We draw attention of the members to the following:

- a. During the year the Corporation with grouping its dormant book balances, erstwhile classified as current assets and current liabilities, that were being carried forward from earlier years aggregating to a net credit balance of ₹.26,82,457 as stated in Note 5. We have not verified the nature of the grouping done or the effect of such grouping on the reported balance of 'Reserves and Surplus' as stated in Note 3 of the annual accounts.
- b. The Corporation has not classified the suppliers of goods and services as required under the provisions of Micro, Small and Medium Enterprises Development Act, 2006 and hence we are unable to quantify and report the payments made beyond the 'appointed day' and the interest that remain unpaid to such Enterprises as on 31 March 2015.
- c. The Corporation is not maintaining proper records for its tangible and intangible assets as required under the Companies Act, 2013. The available record is only a tabulation of the book value of its Properties, Plant and Equipment. The management has refrained from conducting periodical physical verification of such assets. Further, the Corporation has not complied with the mandatory Accounting Standard AS-10 'Accounting for Fixed Assets' issued by the Institute of Chartered Accountants of India.
- d. The Trade Receivable as per Note 13 includes outstanding aged for more than three years ₹.126,413,439. The Corporation has not made any provision for doubtful debts and hence the reported operating loss has been understated to that extent.
- e. In the course of examination of the books of account, we have come across so many entries passed for transferring balances in various accounts of parties with whom the Corporation has/had business relationship. These journal entries practically wiped off many accounts involving substantial value of the current assets and current liabilities as appeared in the books of account. Such journal entries are passed before obtaining due authority from the management and the ulterior motivation, if any, behind nullifying amounts due to or payable by the Corporation needs further scrutiny. We did not quantify the gross and net effect of these entries.
- f. During the year under review, the Corporation prepared its books of account by engaging a Firm of Chartered Accountants. We observe that the same Firm has been engaged as the internal auditors for the year.
- g. The Corporation has not made provisions/ disclosures for the year in respect of the mandatory accounting standards 'AS 2 - Valuation of Inventories', and 'AS 28 - Impairment of Assets' issued by the Institute of Chartered Accountants of India.
- h. The Corporation has not rectified most of the material comments/ remarks on its annual accounts for the immediate past three years brought out by the Statutory Auditors.





We bring to the attention of the Members that our audit opinion is not modified in respect of the above matters.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Corporation as at 31 March 2015, and its loss for the year ended on that date.

Report on Other Legal and Regulatory Requirements:

1. As required by Section 143(3) of the Act, we report that:

(a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;

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

(c) The balance sheet, the profit and loss statement, and the cash flow statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014;

(e) It being a Government Company, pursuant to the Notification F No.1/2/2014-CL.V dated 5th June 2015 issued by Government of India, provisions of sub-section (2) of section 164 of the Companies Act, 2013 are not applicable;

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

a. The Company does not have any pending litigations which would impact its financial position;

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

c. There were no amounts, which were required to be transferred to the Investors Education and Protection Fund by the Company.

2. As required by the Companies (Auditor's Report) Order, 2015, issued by the Government of India in terms of Section 143(11) of the Act, and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we annex hereto a statement on the matters specified in paragraphs 3 and 4 of the Order.

i a The Company is not maintaining proper records showing full particulars including quantitative details and situation of its fixed assets. Numbering of Fixed assets, is therefore, not being done in the near past. However, a list containing name of asset , Branch/Unit where it is situated, and the original cost is available.





- b The management has not conducted physical verification of its fixed assets as at 31-03-2015, or at any time during the year. However, during 2014-15, the Fixed Assets of the company was revalued and Report submitted on 22-07-14. The revalued cost was approved by the Board of Directors vide Board Meeting No: 252 held on 31-07-14 –item 252.33 Resolution No: 2892.
- ii a The inventory has been physically verified by the Management during the year. In our opinion, the frequency of verification is reasonable.
- b In our opinion, the procedures of physical verification of inventory followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c On the basis of our examination of the inventory records, in our opinion, the Company is maintaining proper records of inventory. There were no material discrepancies on physical verification as compared to book records.
- iii The Company has not maintained the register as required under Section 189 of the Act and hence Clauses 3(iii), (iii)(a) and (iii)(b) are not applicable to the Company.
- iv In our opinion and according to the information and explanations given to us, there are internal control systems in place, which, when considering the size of the Company and the nature of its business, is adequate, except with regard to the fixed assets, inventory and sales. As such, based on the information and explanations given to us and to the best of our knowledge and belief, and in spite of the adverse remark/ observation made by the previous statutory auditors, we state that absence of adequate internal control in respect of fixed assets, inventory and sales is a continuing failure.
- v The Company has not accepted any deposits from the public covered under Section 73 to 76 of the Act.
- vi As informed to us, the Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Act.
- vii a According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, as applicable with the appropriate authorities though there has been delays in a few cases. However, The KAFP, an independent Unit of the Corporation is consistently irregular in paying the undisputed statutory dues applicable to that Unit.
- b According to the information and explanations given to us and the records of the Company examined by us there are no statutory dues which have not been deposited on account of any dispute, except a demand under the KGST Act, 1963 ₹.9,23,55,144, which is being settled under the Amnesty Scheme proclaimed by the Government of Kerala.
- c There has not been an occasion in case of the Company during the year under report to





transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise

- viii In our opinion, the accumulated losses of the Company are more than fifty percent of its net worth. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- ix The Company has defaulted in repayment of dues to Canara Bank, Punalur branch, against loan sanctioned on 18-04-1986. In this regard, an amount of Rs.47,84,874.20 is due as at 31-03-2015 which is shown as secured Long Term Borrowings. However, the total amount of dues (₹.49,43,595/- as on the date of settlement) has *since been* fully settled under OTS in June 2015 for an amount of ₹.25,00,000/-. The payment was effected as on 05-06-2015 ₹.6,25,000; on 14-07-2015 ₹. 6,25,000; on 07-08-2015 ₹. 6,25,000; and 04-09-2015 ₹.6,25,000.
- x In our opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loan taken by others from a bank or financial institution during the year.
- xi In our opinion, and according to the information and explanations given to us, the company has not raised any term loans during the year
- xii During the course of our examination of the books and records of the Company, and according to the information and explanations given to us, we have neither come across any instance of material frauds on or by the Company noticed or reported during the year, nor have we been informed of any such case by the Management.

UDIN: 21203719AAAABX5419
Thiruvananthapuram, 20 December 2021



For Ravi & Sabin
CHARTERED ACCOUNTANTS
(Firm Registration No. 006883S)

CA. SABIN BABU A FCA
Partner
(ICAI Membership No. 203719)



To the Members of
The Kerala Agro-Industries Corporation Limited

In continuation to our statutory audit report dated 20 December 2021 on the financial statements of THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED for the year ended 31 March, 2015, we give a statement as required by Section 143(5) of the Companies Act, 2013 in compliance to the directions issued by the Comptroller and Auditor General of India:

Directions issued under section 143(5)

Reply/ Action taken/ Impact on accounts and financial statements

General:

- | | |
|---|--|
| <p>1 If the Company has been selected for disinvestment, a complete status report in terms of valuation of Assets (including intangible assets and land) and Liabilities (including Committed & General Reserves) may be examined, including the mode and present stage of disinvestment process.</p> | <p>Not Applicable.</p> |
| <p>2 To report whether there are any cases of waiver/write off of debts/ loans/interest etc; if yes, the reasons thereof, and the amount involved.</p> | <p>Interest of Rs.2,52,747 waived to hire-purchase loaners on One Time Settlement of their dues.</p> |
| <p>3 whether proper records are maintained for inventories lying with third parties & assets received as gift from Government or other authorities.</p> | <p>No instance of inventory lying with third parties or assets received as gift noticed during the course of the audit.</p> |
| <p>4 A report on age-wise analysis of pending legal/ arbitration cases, including the reasons of pendency and existence/ effectiveness of a monitoring mechanism for expenditure on all legal cases (foreign and local) may be given.</p> | <p>On the basis of examination of the accounts of the Corporation, there are no pending litigation or arbitrations involving third parties as on the balance sheet date, other than employee related or loan recovery matters.</p> |

Agriculture and Allied Sector:

General

- | | |
|---|--|
| <p>1 Whether the land owned by the Company is encroached upon, under litigation, not put to use or declared surplus. Details may be provided.</p> | <p>We are informed that the land owned and possessed by the Corporation has no case of encroachment or any litigation. The entire holding of about 1483 Cents of land are put to use and it is not holding any idle land as on the balance sheet date.</p> |
|---|--|





- | | | |
|---|--|---|
| 2 | Whether physical verification and valuation of standing crops/ trees was done at the end of the Financial Year in accordance with the standard industry practices? | Not Applicable. |
| 3 | Whether the stock of seeds packing/ certification materials and other items has been taken on the basis of stock records after adjustment of shortage/ excess found on physical verification and whether due consideration has been given for deterioration in the quality of old stocks which may result in overvaluation of stock? | We are informed that the Corporation is regular in maintaining quality of the stock of seeds and its handling from time to time. However, we could not verify this in view of the inordinate delay in conducting the audit. |
| 4 | Whether all the agriculture produce procured are properly stored and adequately insured? If any insurance claims are rejected, the details may be reported. | We are informed that the Corporation has a system for proper storage of the agricultural produce procured and have adequate insurance cover. We are also informed that there were not instance of rejected insurance claim during the year under audit. |
| 5 | Whether the Company has an effective mechanism for disbursement of loans/ subsidies/ agro inputs and agriculture machineries to beneficiaries and recovery thereof (loans) along with interest, if any, from beneficiaries? | Yes. |
| 6 | Whether grants/ subsidies received for implementing various schemes are accounted for as per the accounting standards and utilized for intended purpose. | Yes. |
| 7 | Whether the cost incurred on abandoned projects has been written off? | No instance noticed during the course of our audit. |

Agro Based Industries:

- | | | |
|---|--|---|
| 1 | Report the cases of diversion of grants/subsidies received from Central/State Government or their agencies. | No instance noticed during the course of our audit. |
| 2 | Cases of wrong accounting of interest earned on account of non-utilization of amounts received for projects/schemes may be reported. | No instance noticed during the course of our audit. |
| 3 | Examine the pricing policy framed by the Company to ensure that all cost components are covered. | We are informed that the pricing policy of the Corporation adequately covers all cost components. |
| 4 | Report on the extent of utilization of plant & machinery and its obsolescence, if applicable. | We are informed that the plant and machineries are used at its optimum level and no case of obsolesce reported. |





Others:

- | | |
|--|---|
| <p>1 Examine the system of effective utilization of Loans/Grant-in-Aid/ Subsidy. List the cases of diversion of funds.</p> | <p>The Corporation has properly utilised the Grant-in-Aid/ Subsidy received it and we have not come across any instance of diversion of such funds.</p> |
| <p>2 Examine the cost benefit analysis of major capital expenditure/ expansion including IRR and payback period.</p> | <p>Not Applicable</p> |
| <p>3 If the audited entity has computerized its operations or part of it, assess and report, how much of the data in the Company is in electronic format, which of the areas such as accounting, sales personnel information, pay roll, inventory etc. have been computerized and whether the company has evolved proper security policy for data/ software/ hardware?</p> | <p>The Company is yet to implement an IT System for its operations. The financial books of account are prepared using a readymade Accounting Package.</p> |

UDIN: 21203719AAAABZ5656
Thiruvananthapuram
31 December 2021



For Ravi & Sabin
CHARTERED ACCOUNTANTS
(Firm Registration No. 006883S)


CA. SABIN BABU A
Partner
(ICAI Membership No. 203719)

**THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED
BALANCE SHEET AS AT 31 MARCH 2015**

Amount in Rupees

		Note No.	As at 31.03.2015	As at 31.03.2014
I EQUITY AND LIABILITIES				
1	Shareholders' Funds			
	a) Share capital	2	4,74,10,900	4,74,10,900
	b) Reserves and Surplus	3	1,07,04,46,084	37,87,91,303
2	Share Application Money Pending Allotment		NIL	NIL
3	Non-current Liabilities			
	a) Long Term Borrowings	4	24,13,63,202	22,63,17,348
	b) Deferred Tax Liabilities (Net)		NIL	NIL
	c) Other Long Term Liabilities	5	26,82,457	23,71,953
	d) Long Term Provisions	6	1,43,17,608	1,72,94,057
4	Current Liabilities			
	a) Short-term Borrowings		NIL	NIL
	b) Trade Payables	7	48,18,72,181	67,56,78,868
	c) Other Current Liabilities	8	1,97,46,927	2,54,58,243
	d) Short Term Provisions		NIL	NIL
Total:			1,87,78,39,359	1,37,33,22,672
II ASSETS				
1	Non-current Assets			
	a) Fixed Assets			
	(i) Tangible Assets	9	1,02,25,35,179	30,51,45,821
	(ii) Intangible Assets		NIL	NIL
	(iii) Capital Work-in-Progress		2,91,42,241	97,71,691
	(iv) Intangible Assets under development		NIL	NIL
	b) Non-Current Investments	10	10,000	10,000
	c) Long-term Loans and Advances		NIL	NIL
	d) Other Non Current Assets	11	2,92,28,141	2,93,23,960
2	Current Assets			
	a) Current Investments		NIL	NIL
	b) Inventories	12	16,22,62,302	18,78,48,325
	c) Trade Receivables	13	20,26,28,054	33,94,31,806
	d) Cash and Cash Equivalents	14	12,03,23,113	21,39,11,168
	e) Short-term Loans and Advances		NIL	NIL
	f) Other Current Assets	15	31,17,10,329	28,78,79,901
	Branch/Division		-	-
Total:			1,87,78,39,359	1,37,33,22,672

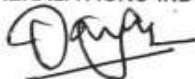
Significant Accounting Policies

1

Notes to Financial Statements

1 to 25

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED



K.C. JAYAKUMAR

MANAGING DIRECTOR (DIN: 08610111)



SABIRHUSSAIN S

DIRECTOR (DIN: 08414510)

As per Report of date

For Ravi & Sabin
CHARTERED ACCOUNTANTS
(ICAI Registration No. 0068835)


CA. SABIN BABU A FCA
Partner (ICAI No. 203719)

Thiruvananthapuram
26 December 2021



THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED
PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

Amount in Rupees

	Note No.	For the year ending 31.03.2015	For the year ending 31.03.2014
I Revenue from Operations	16	63,50,86,540	64,42,89,442
II Other Income	17	7,57,72,458	9,02,01,005
III Total Revenue		71,08,58,998	73,44,90,447
IV Expenses			
Cost of Raw Material Consumed	18	61,99,815	37,95,638
Purchase of Stock-in-Trade	19	39,74,78,475	47,20,63,661
Changes in Inventories	20	2,63,37,427	(27,25,753)
Employee Benefit Expenses	21	5,06,18,256	4,62,31,590
Administrative and Other Expenses	22	13,41,42,325	12,35,90,471
Finance Cost	23	1,59,99,218	1,58,21,020
Depreciation and Amortisation	9	8,31,22,862	9,06,90,810
Total:		71,38,98,378	74,94,67,437
V Profit/(Loss) before exceptional and extraordinary items		(30,39,380)	(1,49,76,989)
VI Exceptional Items		NIL	NIL
a Prior Period Items		(3,078)	(53,76,715)
b Loss on revaluation of assets		2,10,43,862	-
VII Profit/(Loss) before extraordinary expenses and tax		(2,40,80,164)	(96,00,274)
VIII Extraordinary Items		-	NIL
IX Profit/(Loss) before tax		(2,40,80,164)	(96,00,274)
X Tax Expenses			
a) Current Tax		-	11,65,975
b) Deferred Tax		NIL	NIL
XI Profit/(Loss) for the period		(2,40,80,164)	(1,07,66,249)
XII Earnings per share	24		
Basic		(50.79)	(22.71)
Diluted		(50.79)	(22.71)

Significant Accounting Policies

1

Notes to Financial Statements

1 to 25

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED


K.C. JAYAKUMAR

MANAGING DIRECTOR (DIN: 08619144)


SABIRHUSSAIN S

DIRECTOR (DIN: 08414510)

As per Report of date

For Ravi & Sabin
CHARTERED ACCOUNTANTS
(ICAI Registration No. 0068835)


CA. SABIN BABU A FCA
Partner (ICAI No. 203719)

Thiruvananthapuram
20 December 2021



THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2015

Amount in Rupees

PARTICULARS	31st March 2015	31st March 2014
1 Cash Flow from Operating Activities		
Net Profit/(Loss) before extraordinary items and Tax	(2,40,80,164)	(96,00,274)
Adjustments:		
Depreciation	8,31,22,862	9,06,90,810
Interest Expense	1,59,99,218	1,58,21,020
Deferred Grant Amortisation	(7,04,96,216)	(8,59,83,861)
Profit on sale of assets	-	(1,37,901)
Interest Income	(14,73,360)	(13,30,963)
Loss on revaluation of Assets	2,10,43,862	-
Operating Profit before working capital changes	2,41,16,202	94,58,831
Decrease/(Increase) in cur assets (excluding cash & bank)	13,85,59,347	(13,30,34,492)
Increase/(Decrease) in cur liabilities	(19,95,18,003)	9,72,56,329
Net cash from operating activities	(3,68,42,454)	(2,63,19,332)
2 Cash Flow from Investing Activities		
Addition to Fixed Assets	(4,99,04,749)	(47,92,200)
Deferred Grant Amortisation	7,04,96,216	8,59,83,861
Grant Received	1,45,79,829	16,98,99,287
Increase/(Decrease) in non current Provisions	(29,76,449)	10,49,103
Increase in Capital Work in Progress	(1,93,70,550)	(84,71,691)
profit on sale of assets	-	1,37,901
Interest	14,73,360	13,30,963
Decrease in Reserves on account of amortisation of grant	(7,04,96,216)	(9,16,56,739)
(Increase)/Decrease in other non current assets	95,819	(1,90,940)
Net cash from investing Activities	(5,61,02,740)	15,32,89,545
3 Cash Flow from Financing Activities		
(Decrease)/Increase in Long Term Borrowings	1,53,56,358	1,43,14,338
(Decrease)/Increase in Short Term Borrowings	-	-
Interest	(1,59,99,218)	(1,58,21,020)
Net cash from Financing Activities	(6,42,860)	(15,06,682)
Net change in cash & cash equivalent	(9,35,88,055)	12,54,63,531
Cash & cash equivalents at the beginning of the period	21,39,11,168	8,84,47,637
Cash & cash equivalents at the end of the period	12,03,23,113	21,39,11,168

Note: The Cash Flow Statement has been prepared under the indirect method as set out in the Accounting Standard AS-3 read with General Circular 15/2013 dated 13-9-2013 of the MCA in respect of Section 133 of Companies Act, 2013.

For and on behalf of the Board of
The Kerala Agro Industries Corporation Ltd


K.C. JAYAKUMAR
MANAGING DIRECTOR
DIN: 08619144


SABIRHUSSAIN.S
DIRECTOR
DIN: 08414510

As per Report of date

For Ravi & Sabin
CHARTERED ACCOUNTANTS
(ICAI Registration No. 0068835)


CA. SABIN BABU A FCA
Partner (ICAI No. 203719)

Thiruvananthapuram
20 December 2021



KERALA AGRO-INDUSTRIES CORPORATION LIMITED
NOTES FORMING PART OF FINANCIAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

NOTE-1

CORPORATE INFORMATION :

The Kerala Agro Industries Corporation Limited (KAICO) is a joint venture of Government of India and Government of Kerala established in 1968. A premier institution in the state promoting mechanization and modern technology in agriculture, setting up of agro based industries, production of value added products, civil construction, infrastructure development, waste management solutions etc. KAICO acts as an implementing agency for various schemes under State and Central Governments.

SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

These financial statements of the company have been prepared in accordance with generally accepted accounting principles in India. The company has prepared these financial statements to comply in all material respect with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956, and other accounting principles generally accepted in India, to the extent applicable. However, taxes, other Government levies, income and expenses that cannot be identified with certainty are accounted for on cash basis.

2. USE OF ESTIMATES:

The preparation of the financial statements requires estimates and assumptions that affect the reported amount of assets, liabilities, revenue and expenses during the reporting period. Although such estimates and assumptions are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and assumptions and such differences are recognized in the period in which the results are crystallized.

3. CURRENT NON CURRENT CLASSIFICATION:

An asset is classified as current when it is expected to be realized within 12 months after the reporting date; cash and cash equivalent unless it is restricted from being used to settle a liability for at least 12 months after the reporting date; current asset include the current portion of non-current financial assets; and all other assets are classified as non-current. A liability is classified as current when it is due to be settled 12 months after the reporting date; current liabilities include current portion of non-current financial liabilities ; and all other liabilities are classified as non-current.

4. FIXED ASSETS AND DEPRECIATION:

Tangible fixed assets are carried at cost of acquisition less accumulated depreciation and / or accumulated impairment loss, if any. The cost comprises of purchase price, duties and / or levies and any other cost directly applicable for bringing the asset to its intended use; any trade discount and rebate are deducted in arriving at the purchase price. Depreciation is provided on the written down value method, over the estimated useful life of the assets at the rates prescribed in schedule II to the



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Companies Act, 2013. Assets costing individually INR 5000 or less are depreciated fully in the year of purchase and for addition during a year depreciation is provided on pro-rata basis. Depreciation for the year is recognized in the statement of profit and loss. A fixed asset is eliminated from the financial statement on disposal or when no further benefit is expected from its use.

5. INTANGIBLE ASSETS:

Are measured initially at cost of acquisition/development. Thereafter it is carried at its cost less any accumulated amortization and any accumulated impairment loss. Subsequent expenditure is capitalized only when it increases the future economic benefits from the special asset to which it relates. Depreciation is provided on the straight-line method, over the estimated useful life of the assets at the rates prescribed Schedule II to the Companies Act, 2013. Intangible assets available for use are tested annually for impairment.

6. IMPAIRMENT OF ASSETS:

Carrying amount of assets is reviewed at each balance sheet date, if there is indication of impairment based on the internal and external factors. The assets are treated as impaired when the carrying amount of the assets exceeds its recoverable amount and such impairment loss is charged to Profit and Loss account in the year in which such impairment is identified. The impairment loss recognized in prior accounting period (s) is reversed to the extent of decrease in the impairment loss.

7. INVENTORIES:

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost is determined by first-in-first-out basis. Cost of inventories comprises of purchase, other direct costs, but excludes overheads and interest expenses. Obsolete, defective, slow moving and/or unserviceable stock, if any, are duly provided for.

8. REVENUE RECOGNITION:

a) Revenue from operations is recognized on transfer of the significant risk and rewards incidental to ownership are transferred to the customer, it can be reliably measured and it is reasonable to expect ultimate collection: Government grant is recognized in the same periods that the related expenses are recognized on a deferred income approach: Interest income is recognized on a time proportion basis taking into account the amount outstanding and the interest rate applicable; and any other income is recognized as and when it is received.

b) Any Government grant is recognized when there is reasonable assurance of its receipt. A capital grant relating to specific assets is reduced from the gross value of the fixed assets, and capital grant for project capital subsidy is credited to Capital Reserve. Revenue grant is recognized in the Profit and Loss.

9.EMPLOYEE BENEFITS:

Retirement benefits to employees are provided for by contribution to provident and other funds. Contribution as is applicable to the employees on deputation is paid to the respective parent



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Departments. The accrued liability for gratuity is covered under the Group Gratuity Plan of Life Insurance Corporation of India and liability for leave encashment is recognized as an expense in the Profit and Loss Statement for the year in which the employee has rendered services.

10. PRIOR PERIOD ITEMS:

Identifiable items of income and expenditure pertaining to previous years are accounted in prior period expenses/income account and the net of debits and credits is disclosed in the profit and loss account.

11. PROVISIONS:

A provision is recognized when the company has a present obligation as a result of past event, and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not discounted to present value. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

12. TAX EXPENSES:

Income tax expenses are recognized in profit or loss except that tax expenses related to items recognized directly in reserves and surplus. Current tax is measured at the amount expected to be paid to the taxation authorities, using the applicable tax rates and tax laws. Deferred tax is recognized in respect of timing differences between taxable income and accounting income i.e. differences that originate in one period and are capable of reversal in one or more subsequent periods.

However, in view of accumulated loss and inordinate delay in finalization of accounts, as a matter of prudence, the Corporation refrains from measuring deferred tax.

13. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSET:

A provision is recognized when the company has a present obligation as result of past event, and it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are determined based on management estimate required to settle the obligation at the balance sheet date and are not discounted to present value. Contingent liabilities are disclosed on the basis of judgment of the management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate. Contingent assets are not recognized in the financial statement.



THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED
NOTES FORMING PART OF FINANCIAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

2. Share Capital:

	Amount in Rupees	
	As at 31.03.2015	As at 31.03.2014
a) Authorised Capital 500,000 Equity Shares of Rs.100 each	5,00,00,000	5,00,00,000
b) Issued, subscribed and fully paid up capital 474,109 Equity Shares of Rs.100 each (Previous Year: 474,109 Equity Shares of Rs.100 each)	4,74,10,900	4,74,10,900
	4,74,10,900	4,74,10,900

2.1 The paid up capital includes 23,547 Equity Shares issued for consideration other than cash.

2.2 Reconciliation of Number of Equity Shares outstanding:

At the beginning of the year	4,74,109	4,74,109
Shares issued during the year	NIL	NIL
At the end of the year	4,74,109	4,74,109

2.3 Details of shareholders holding more than 5% shares:

Government of India	35.76%	1,69,562	1,69,562
Government of Kerala	64.23%	3,04,537	3,04,537

3. Reserves and Surplus:

a) Capital Reserve:		
Opening balance	25,61,22,964	30,98,16,328
Additions during the year:		
For Capital Expenditure	6,52,41,099	3,54,06,919
For Revenue Expenses	21,71,547	25,56,457
Less: Deductions during the year:		
For Current Year	7,04,96,216	8,59,83,861
For Previous Year	-	56,72,878
Closing balance	25,30,39,394	25,61,22,964
b) Revaluation Reserve		
Relating to revaluation of Freehold Land	70,28,36,370	6,67,40,220
Relating to revaluation of Assets	13,53,67,920	-
c) Other Reserve - Grant-in-Aid:		
Opening balance	20,27,54,738	7,08,18,827
Additions:		
Grant received during the year	82,00,000	15,79,00,000
Interest on money parked with bank	63,79,829	59,67,603
Prior Period Adjustment	-	60,31,684
Sub-Total:	21,73,34,567	24,07,18,114
Deductions:		
Utilised for Capital Expenditure	6,52,41,099	3,54,06,919
Utilised for Revenue Expenses	21,71,547	25,56,457
Closing balance	14,99,21,921	20,27,54,738



THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED
NOTES FORMING PART OF FINANCIAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

Amount in Rupees

	As at 31.03.2015	As at 31.03.2014
d) Profit and Loss Account		
As per last balance sheet	(14,68,26,619)	(13,60,60,370)
Add: Excess depreciation written back	1,87,263	-
Add: Profit/ (loss) for the year	(2,40,80,164)	(1,07,66,249)
Closing balance	(17,07,19,520)	(14,68,26,619)
Total Reserves and Surplus	1,07,04,46,084	37,87,91,303
Total (a+b+c+d):	1,07,04,46,084	37,87,91,303

- 3.1 Capital Reserve represents movement in receipt, utilisation, and carry over balance of Grant-in-Aid received from Government of Kerala each year.
- 3.2 Revaluation Reserve represents appreciation in value of freehold land and other Fixed assets owned by the Corporation as on 31 March 2015; the appreciation has been arrived at on the basis of the location and market value of the property.
- 3.3 Grant-in aid of Rs.82,00,000/- received during the year for the purpose of Agro Service Centre at Bathery, Strengthening of Agro Services and other purposes have been grouped under Reserves and Surplus as Subsidy / Grant in the Balance Sheet. Value of machinery and other assets purchased out of the Grants amounting to Rs.6,52,41,099/- as at 31-03-2015, has been debited to the respective Fixed Asset accounts and a similar amount from Grants transferred to Capital Reserve account being grant utilized.

4. Long-term Borrowings:

a) Secured Loans:		
Working Capital Loan from Canara Bank	47,84,874	39,36,341
b) Unsecured Loans :		
Working Capital Loan from Government of Kerala	8,00,99,000	8,00,99,000
Short-term Loan from Government of Kerala	17,79,348	17,79,348
Loan from Kerala Agro Machinery Corporation Limited	-	4,00,000
Loan from Oil Palm India Ltd	6,00,000	6,00,000
Loan from Vegetables & Fruits Promotion Council	-	5,53,364
Interest accrued and due to Government of Kerala	15,40,99,979	13,89,49,295
	24,13,63,202	22,63,17,348

- 4.1 The loan from Canara Bank, Punalur Branch has been availed for the Unit Kerala Agro Fruit Products and has been secured against equitable mortgage of immovable property, fixed assets, and stock of the Unit.
- 4.2 The loans from Kerala Agro Machinery Corporation Limited and Oil Palm India Limited are interest free loans. The rate of interest implicit in other loans is in the range of 10.75% to 19.5% per annum.
- 4.3 There is default in repayment of the secured loans and interest thereon to Canara Bank which has been settled under OTS in September 2015
- 4.4 In respect of loans from Government of Kerala, penal interest has been provided on default in repayment of principal dues. However, no provision has been made for penal interest on defaulted payment of interest since the matter is under negotiation with the Government.
- 4.5 Loan from Vegetables & Fruits Promotion Council is settled against the amount payable by them in TVM Divisional Office for supply made.
- 4.6 Loan from KMMCO is settled against the amount advanced to them for supply of goods.



THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED
NOTES FORMING PART OF FINANCIAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

5. Other Long-term Liabilities:

Amount in Rupees

	As at 31.03.2015	As at 31.03.2014
(Dues) Receivables Pending Adjustment/ Reconciliation:		
Classified erstwhile as current assets	20,43,108	19,34,579
Classified erstwhile as current liabilities	47,25,565	43,06,534
Net:	26,82,457	23,71,953

5.1 The above accounts represent balances carried forward and identified by the Corporation as on 01.04.2013 and are traceable to prior years transactions pending reconciliation/ adjustments. During the year 2014-15 amount classified from Current Assets is Rs.1,08,529 and from Current Liabilities is Rs.4,19,033

5.2 The Corporation has initiated steps to analyse these accounts in a meticulous manner, and the matter is in progress.

6. Long Term Provisions:

Guarantee Commission to Government of Kerala	19,52,108	21,52,108
Write off of stolen cash	15,000	15,000
Gratuity for Kerala Agro Fruit Products Division	40,60,349	37,53,207
Earned Leave Salary	56,82,381	60,05,958
Revaluation of inventory	5,21,340	5,21,340
Provision for Income Tax	20,86,429	48,46,444
	1,43,17,608	1,72,94,057

6.1 Guarantee Commission due to Government of Kerala pertains to periods prior up to FY 2006-07 and is being paid in instalments and the balance outstanding as on date is Rs.7,52,108.

6.2 The gratuity liability of the Corporation, other than for employees working in KAFP Division, has been covered under a gratuity insurance policy issued by the Life Insurance Corporation of India w.e.f. 1 April 2012. The gratuity liability of employees retired up to 31 March 2012 amounting to Rs.16,12,998 has been disclosed as Gratuity Payable.

7. Trade Payable:

Outstanding for a period exceeding six months from due date	45,40,72,703	59,24,313
Others		34,32,69,183
Trade Advances Received	2,77,99,478	32,64,85,372
	48,18,72,181	67,56,78,868

7.1 The Corporation has not classified its suppliers of goods and services as required under Micro, Small and Medium Enterprises Development Act, 2006 and hence the interest remaining unpaid beyond the 'appointed day' has not been quantified.

7.2 None of the Directors are interested in the above transactions.

7.3 The State Horticulture Mission (SHM), a nodal agency of Government of Kerala, has entrusted the work of setting up 21 Poly house demonstration units with KAIC and SHM transferred an amount of Rs. 1,39,72,500/- up to 2014-15. We have completed 18 units up to 2014-15 and accounted the expense incurred amounting to Rs.1,20,32,620/- in 2014-15 as project expense. The closing balance in this account as on 31-3-2015 is Rs.15,07,300/-.

8. Other Current Liabilities:

Current maturities of long term debt	-	15,00,000
EMD and Security Deposit	57,52,820	61,13,108
Sundry Creditors for Expenses	47,42,254	41,94,413
Sundry Creditors for Others	51,48,578	53,13,393
Advance on Integrated Tribal Development Programme	33,34,444	24,99,969
Trade Advances Received	(9,99,156)	42,38,235
Recouping loss in CPF Account	17,67,988	15,99,125
	1,97,46,927	2,54,58,243



THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED
NOTES FORMING PART OF FINANCIAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

PARTICULARS	ORIGINAL COST				DEPRECIATION				WRITTEN DOWN VALUE			
	1.04.2014	ADDITION	Increase in Revaluation	Decrease in Revaluation	31.03.2015	RATE (%)	01.04.2014	Depreciation for the year 2014-15 (including assets with useful life beyond 2014-15 and assets for which useful life ending during opening 2014-15)	Amount to be written back from Reserves and Surplus for keeping Residual Value as specified by Companies Act, 2013	Dep. On Sale/ Adjustment	31.03.2015	31.03.2014
9.1 Tangible Assets												
1. FREE HOLD LAND	5,79,32,650	-	63,60,96,150	-	70,40,28,800	-	-	-	-	-	70,40,28,800	6,79,32,650
2. OFFICE BUILDING	59,47,424	-	7,25,90,078	-	7,84,37,502	4.87%	10,76,847	26,66,757	-	-	37,43,604	47,70,577
3. FACTORY BUILDING	22,78,465	-	2,25,74,037	-	2,48,52,492	9.50%	21,81,917	14,80,609	(17,375.25)	-	36,45,151	96,548
4. PLANT & MACHINERY (GENERAL)	16,84,861	2,64,062	3,05,12,891	-	3,24,61,814	18.10%	15,94,632	38,67,296	(59,136.70)	-	53,98,792	90,229
5. PLANT & MACHINERY (Tractor ,Tiller, Combined harvester & Ladder)	2,88,06,692	-	41,72,330	-	3,29,79,022	31.23%	1,27,86,207	59,69,607	(11,479.79)	-	1,87,44,334	1,60,20,485
6. CAR & JEP	7,69,791	-	-	-	7,69,791	31.23%	3,17,561	1,58,845	-	-	4,76,406	4,52,230
7. JCB	3,40,000	-	-	-	3,40,000	28.31%	3,19,871	2,966	-	-	3,22,836	20,129
8. LORRY & TRUCKS	-	-	-	-	-	31.23%	0	(0)	-	-	0	(0)
9. ELECTRICAL FITTINGS	94,959	13,798	-	-	1,08,757	25.89%	92,639	3,023	(2,427.95)	-	93,234	2,120
10. OFFICE EQUIPMENT	12,62,888	2,73,861	-	-	15,36,249	45.07%	8,75,213	3,45,010	-	-	12,20,223	3,87,175
11. FURNITURE & FITTINGS	7,54,547	13,293	-	-	7,67,840	25.89%	6,74,425	21,328	(24,130.38)	-	6,71,623	80,122
12. FURNITURE & FITTINGS (CANTEEN)	8,212	-	-	-	8,212	25.89%	8,210	-	(408.60)	-	7,801	411
13. WATER COOLER	45,009	-	-	-	45,009	18.10%	34,839	1,908	(637.11)	-	36,110	8,899
14. REFRIGERATED VENDING MACHIN	93,117	-	-	-	93,117	31.23%	89,980	-	(1,517.85)	-	88,462	3,138
15. COMPUTERS	29,55,862	1,01,074	-	-	30,56,936	63.16%	20,18,299	2,85,844	(69,741.76)	-	22,34,401	3,37,463
16. LIBRARY	28,168	-	-	-	28,168	-	28,167	-	(1,407.40)	-	26,760	1
TOTAL for 2014-15	11,23,02,145	6,66,087	76,59,45,477	-	87,89,13,709	-	2,20,98,807	1,47,98,193	(1,87,263)	-	3,67,09,737	9,02,03,338
PREVIOUS YEAR	10,79,25,396	53,34,399	-	-	11,23,02,145	-	1,56,14,395	72,63,406	-	7,78,994	2,20,98,807	9,23,11,000

Note: Depreciation is recognised as per Schedule II of Companies Act 2013 with effect from 01.04.2014 and as such accounting policy has been modified. The written down value method is followed for accounting depreciation. Those assets whose life have expired as per schedule II and having WDV of more than 5% of original cost, the residual value is retained @ 5% and balance amount of Rs.85,022/- is accounted as transitional period depreciation in 2014-15. For those assets whose life expired and having WDV of less than 5% of original cost, the book value brought up to 5% by write back amounting to Rs.1,87,263/- and which is credited to Reserves & Surplus account. The current depreciation has been calculated on the WDV basis, based on the useful life of the asset. Useful life as specified in part C of Schedule II has been adopted.



THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED
NOTES FORMING PART OF FINANCIAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

9.2 Tangible Assets:
(Tangible Assets Acquired out of Grant-in-Aid)

PARTICULARS	ORIGINAL COST			DEPRECIATION			WRITTEN DOWN VALUE			
	1.04.2014	ADDITION	Increase in Revaluation	Decrease in Revaluation	31.03.2015	RATE (%)	01.04.2014	31.03.2015	31.03.2015	31.03.2014
1. Combined harvester & Ladder	35,84,77,000	1,06,33,040	31,97,549		37,33,07,689	31.23%	20,27,82,614	5,11,46,552.87	25,39,28,967	11,91,78,622
2.COMPUTERS	6,28,769				6,28,769	63.16%	4,54,738	1,72,218.63	5,76,557	51,812
3. Building/show room at thisuvalla/Arimpu& Bathery	84,22,486				84,22,486	4.87%	9,61,772	3,62,975.46	13,24,747	70,97,739
4. Power Tiller	1,56,99,172	2,55,78,000		40,72,877	3,72,04,195	31.23%	93,60,101	61,60,942.49	1,55,20,143	2,16,84,152
5. Tools, Machines& Office equipments	51,29,842	26,67,622	18,20,645		96,18,109	45.07%	14,65,811	33,64,504.51	48,30,316	47,87,791
6.FURNITURE & FITTINGS	66,648				66,648	25.89%	39,013	11,057.38	32,070	34,578
7.Motor Vehicle	27,56,578				27,56,578	31.23%	20,67,265	5,48,820.60	16,15,876	11,40,652
8.Tractor	4,84,40,301	1,03,60,000		1,09,70,986	4,28,28,315	31.23%	2,73,45,315	36,72,225.90	3,10,18,041	1,18,11,275
9.Truck	29,20,344				29,20,344	31.23%	17,47,246	3,75,504.69	21,22,751	7,97,593
10.Factory Building	8,81,945				8,81,945	9.50%	88,412	77,621.51	1,66,234	7,15,711
11. Transplanter	51,012		5,00,399		5,51,411	31.23%	17,006	1,18,611.83	1,35,618	4,15,793
12.Plant & Machinery (GAP) & unit	1,13,85,790				1,13,85,790	18.10%	17,00,891	17,84,777.09	34,85,668	79,98,122
13. Building (KAP)	39,94,715				39,94,715	4.87%	3,16,990	1,78,990.82	4,95,981	34,98,734
13.1 CB	20,46,000				20,46,000	28.11%	6,79,103	3,98,264.87	10,27,388	10,18,632
TOTAL for 2014-15	46,28,98,552	4,92,38,662	55,18,593	2,10,43,862	49,65,11,945		24,79,56,067	6,83,24,669	31,82,80,716	18,03,31,209
PREVIOUS YEAR	46,36,20,901	53,09,335			46,28,98,552		14,48,87,479	8,34,27,404	24,79,56,068	21,49,42,484
Capital WIP	97,71,691	1,93,70,550			2,91,42,241				3,58,806	2,83,42,241
Capital WIP (Previous Year)	97,71,691				97,71,691					97,71,691

Notes: Depreciation is recognised as per Schedule II of Companies Act 2013 with effect from 01.04.2014 and as such accounting policy has been modified. The written down value method is followed for accounting depreciation. Those assets whose life have expired as per schedule II and having WDV of more than 5% of original cost, the residual value is retained @ 5% and balance amount of Rs.85,022 is accounted as transitional period depreciation in 2014-15. For those assets whose life expired and having WDV of less than 5% of original cost, the book value brought up to 5% by write back amounting to Rs.1,87,263/ and which is credited to Reserves & Surplus account. The current depreciation has been calculated on the WDV basis, based on the useful life of the asset. Useful life as specified in part C of Schedule II has been adopted.



THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED
NOTES FORMING PART OF FINANCIAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

10. Non-Current Investments:

Amount in Rupees

	As at 31.03.2015	As at 31.03.2014
Investment in Equity Investments (Long term, fully paid up, unquoted equity shares)		
Kerala Feeds Limited	10,000	10,000
	10,000	10,000

10.1 The above Equity Shares were bought by the Corporation at the instance of Government of Kerala and are stated at cost.

11. Other Non Current Assets:

Long term Trade Receivable:		
Deposits for Utility Services	4,14,154	4,09,973
National Savings Certificates	0	1,00,000
Other Long-term Receivables: (Unsecured considered doubtful)		
Loan to Meat Products India Limited (MPIL)	1,33,49,087	1,33,49,087
Investment in Meat Products of India (MPIL)	37,64,900	37,64,900
Investment in Kerala Agro Machinery Corporation Limited (KAMCL)	1,17,00,000	1,17,00,000
	2,92,28,141	2,93,23,960

11.1 Deposits for Utility Services are non-interest bearing deposits and are refundable on termination of respective services.

11.2 Investments in National Savings Certificates were made for securing licence from PWD, Kerala. These certificates got matured, and encashed in the financial year 2014-15.

11.3 Dues from MPIL (erstwhile subsidiary of the Corporation) represent investment in the Company's equity shares; other financial assets; and interest due thereon. When MPIL become an independent company in 1985, it issued fully paid up equity shares to Govt. of Kerala for Rs.45,56,400 in full settlement of its dues to the Corporation. Later, the Government issued orders to refund the said share value alone, but the Corporation submitted its representation to the Government for refund of the investment together with interest Rs.133,49,087, and the matter is pending for disposal.

11.4 Investments in MPIL and KAMCL (erstwhile subsidiaries of the Corporation) stands reduced to a token value of Re.1 as per orders issued by the Government of Kerala. The Corporation represented to the Government to set off these investments against the working capital loan repayable to the Government and decision of the appropriate authority is awaited. Pending for decision in the said matter, the Corporation did not charge the loss arising thereof to its retained earnings.

12. Inventories:

(Valued at cost or net realisable value)

a) Raw materials	1,66,305	-
b) Work-in-progress	4,02,810	19,632
c) Finished goods	2,55,055	4,19,554
d) Stock-in-trade (goods acquired for trading)	15,78,13,968	17,99,65,355
e) Stores and spares	10,60,505	53,28,435
f) Loose tools	1,31,253	1,45,836
g) Others:		
Fabricated goods	13,20,852	11,86,312
Packing Materials and Containers	5,19,741	1,25,630
Wooden crates, Barrels and RTS bottles (on revaluation)	5,91,813	6,57,570
	16,22,62,302	18,78,48,325

12.1 Inventory has been physically verified and valued by the management as on 31 March 2015 and has been relied upon by the Statutory Auditors.



THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED
NOTES FORMING PART OF FINANCIAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

13. Trade Receivables:

	Amount in Rupees	
	As at 31.03.2015	As at 31.03.2014
Unsecured considered good		
Outstanding for a period exceeding six months from due date	20,26,20,754	25,98,91,906
Others	7,300	7,95,39,900
	20,26,28,054	33,94,31,806

13.1 None of the directors are interested in the companies/ firms from whom debts are due to the Corporation.

14. Cash and Cash Equivalents:

Cash on hand	12,21,446	9,82,389
Balance with banks:		
In Current Account	1,70,41,796	3,15,47,102
In Deposit Accounts (Interest accrued but not due NIL)	9,61,70,941	9,54,45,090
Balance with Government of Kerala Treasury Accounts	57,28,930	8,53,36,385
Cheque in transit	1,60,000	6,00,202
	12,03,23,113	21,39,11,168

14.1 Balance in deposit accounts with banks bear maturity of 11 months or less.

14.2 Deposits with the Treasury are made at the instance of Government of Kerala.

15. Other Current Assets:

Advance Tax and Tax Deducted At Source	45,15,595	47,10,151
Trade Advances	29,46,73,421	24,62,88,181
Interest Accrued on NSC	-	87,953
Advances Recoverable in cash or in kind:		
Advance for Expenses	2,43,248	58,185
EMD/ Other Security Deposits	12,92,894	18,06,320
Prepaid Expenses	16,92,692	8,97,399
Staff Advances	4,10,037	3,23,950
Kerala Agro Fruit Products Division	3,39,745	4,66,284
Advance for Poly House building contracts	-	52,11,358
Kerala Agro Machinery Corporation Limited	-	2,00,00,000
Other Advances Recoverable	85,42,697	80,30,120
	31,17,10,329	28,78,79,901

16. Revenue from Operations:

	For the year ending 31.03.2015	For the year ending 31.03.2014
Sale of Products	44,03,03,339	51,71,98,593
Sale of Services	25,21,152	29,18,366
From Project Works	16,98,05,707	10,15,45,930
From Hiring Agricultural Equipment	2,24,56,342	2,26,26,553
	63,50,86,540	64,42,89,442



THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED
NOTES FORMING PART OF FINANCIAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

17. Other Income:

	Amount in Rupees	
	For the year ending 31.03.2015	For the year ending 31.03.2014
Deferred Revenue Grant from Govt. of Kerala	7,04,96,216	8,59,83,861
Installation and Transportation Charges	2,40,905	12,45,277
Interest on deposits with bank	14,73,360	12,14,009
Interest on Financial Services	(16,647)	1,16,954
Sale of Tender Documents	4,85,375	2,01,006
Trade Discounts	10,88,539	1,22,486
Other Miscellaneous Income	7,91,972	3,50,597
Rent from let-out property	1,73,184	1,58,752
Training Fee	34,681	59,650
Insurance Claim Received	-	6,10,512
Profit on sale of fixed assets	-	1,37,901
Other Income	10,04,873	
	7,57,72,458	9,02,01,005

18. Cost of Material Consumed:

(Kerala Agro Fruit Products Division)		
Opening Stock	5,64,816	4,40,030
Add: Purchases and incidental direct expenses	70,31,559	39,20,422
Less: Closing Stock	13,96,560	5,64,816
Cost of Materials Consumed	61,99,815	37,95,638

19. Purchase of Stock-in-Trade:

Goods for Resale	39,65,95,869	47,17,43,462
Fabricated Goods	8,82,606	3,20,199
	39,74,78,475	47,20,63,661

20. Changes in Inventories:

Opening Stock:			
Goods for Resale	17,99,65,355		17,81,28,922
Fabricated Goods	11,86,312		14,01,412
Stores and Spares	53,28,435		42,24,015
		Sub Total	18,37,54,349
Less: Closing Stock:			
Goods for Resale	15,77,61,319		17,99,65,355
Fabricated Goods	13,20,852		11,86,312
Stores and Spares	10,60,505		53,28,435
		Sub Total	18,64,80,102
(Increase)/ Decrease in Stock		2,63,37,427	(27,25,753)

21. Employee Benefit Expenses:

Salaries and Wages	4,47,29,360	4,07,03,282
Contribution to Provident and Other Funds	51,66,108	42,82,591
Staff Welfare and Training Expenses	7,22,788	12,45,717
	5,06,18,256	4,62,31,590



THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED
NOTES FORMING PART OF FINANCIAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

22. Administrative and Other Expenses:

Amount in Rupees

	For the year ending 31.03.2015	For the year ending 31.03.2014
Manufacturing and Other Expenses:		
Electricity & Water charges	17,46,719	8,48,015
Cost of Fuel	17,95,772	27,69,022
Freight Charges	11,80,031	11,24,301
Repairs to Building	14,10,723	6,65,965
Repairs to Machinery and Equipment	1,20,45,652	75,02,649
Expenses on Equipment let on Hire	23,92,296	45,14,654
Loss on revaluation of Loose Tools	80,341	89,267
Project Work Expenses:	8,75,03,447	8,90,27,559
Selling Expenses:		
Advertisements	10,64,536	9,16,795
Sales Promotion Expenses	4,58,571	9,99,757
Trade Discount and Commission	4,38,104	23,411
Transportation Charges	18,56,454	22,71,534
Administrative Expenses:		
Rent	11,87,591	7,33,267
Rates and Taxes	21,72,321	2,24,582
Insurance	24,72,233	18,58,198
Telephone and Internet Charges	7,16,296	7,58,222
Traveling & Conveyance	22,43,724	19,17,511
Vehicle Expenses	2,34,255	2,22,336
Printing & Stationery	14,96,818	14,42,017
Statutory Audit Fee	1,50,000	1,50,000
Fee for Professional Services	14,04,283	17,38,223
Meeting Expenses	2,19,520	2,76,716
Security Expenses	20,44,281	17,51,392
General Expenses	78,28,357	17,65,078
	13,41,42,325	12,35,90,471

23. Finance Cost:

Interest expenses		
Term Loan from Bank	8,48,533	7,03,159
Loan from Government of Kerala	1,51,50,685	1,51,11,178
Other Borrowing Cost (Guarantee Fee to Govt. of Kerala)		6,683
	1,59,99,218	1,58,21,020

24. Earnings per Equity Share:

Net Profit after tax as per Profit and Loss Statement	(2,40,80,164)	(1,07,66,249)
Weighted Average number of equity shares used as denominator	4,74,109	4,74,109
Basic and Diluted Earnings per Share	(50.79)	(22.71)
Face Value per equity share	100	100



THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED
NOTES FORMING PART OF FINANCIAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

25. ADDITIONAL INFORMATION / DISCLOSURES :

- 25.1 There were no consumption of imported raw materials and hence such disclosure is not applicable to the Corporation (Previous Year NIL)
- 25.2 Contingent Liabilities not provided for - NIL (Previous Year NIL)
- 25.3 Details of earnings in foreign exchange - NIL (Previous Year NIL)
- 25.4 Details of expenditure in foreign exchange - NIL (Previous Year NIL)
- 25.5 Payment to Auditors towards Statutory Audit Fee Rs.1,50,000 (Previous Year Rs.1,50,000) and other matters - NIL (Previous Year NIL)
- 25.6 Segments have been identified in line with the Accounting Standard AS-17 "Segment Reporting", taking into account the organisational structure as well as the differential risks and returns of these segments. The operations of the Corporation consists of Trading products, Sale of Services, Project works and Hiring of agricultural equipments. The activities of the Corporation are restricted to the state of Kerala and therefore no geographical segment disclosure is considered necessary. The details of business segment information is presented below:

(Amount in Rupees)

Sl. No.	Particulars	Sales	Service	Project Works	Hiring Equipment	Total
(A)	REVENUE:					
	Total Segment Revenue	44,03,03,339	25,21,152	16,98,05,707	2,24,56,342	63,50,86,540
	Intra Segment Revenue	-	-	-	-	-
	Other Segment Income	-	-	-	-	-
	TOTAL REVENUE	44,03,03,339	25,21,152	16,98,05,707	2,24,56,342	63,50,86,540
(B)	SEGMENT RESULTS					
	Purchase/ Consumption	43,00,15,717	-	-	-	43,00,15,717
	Direct expenses	58,50,612	13,04,760	2,11,85,935	39,65,337	3,23,06,664
	Unallocated Expense	-	-	-	-	25,66,17,563
	Operating profit	44,37,010	12,16,372	14,86,19,773	1,84,91,005	(8,38,53,404)
	Other Income & Exceptional Item	-	-	-	-	7,57,72,458
	Financial Expenses	-	-	-	-	1,59,99,218
	Profit Before Tax	-	-	-	-	(2,40,80,164)
	Current Tax	-	-	-	-	-
	Deferred Tax	-	-	-	-	-
	Profit after tax	-	-	-	-	(2,40,80,164)
C	OTHER INFORMATION					
	Segment Assets	68,77,09,541	98,24,422	24,56,10,551	3,92,97,688	98,24,42,202
	Unallocated Corporate Assets	-	-	-	-	89,53,97,157
	Total Assets	68,77,09,541	98,24,422	24,56,10,551	3,92,97,688	1,87,78,39,359
	Unallocated Corporate Liabilities	-	-	-	-	1,87,78,39,359
	Total Liabilities	-	-	-	-	1,87,78,39,359
	Depreciation/ Amortisation	5,81,86,003	8,31,229	2,07,80,716	33,24,914	8,31,22,862
	Unallocated Corporate Depreciation	-	-	-	-	-
	Total Depreciation/ Amortisation	-	-	-	-	8,31,22,862
	Significant Non- Cash Expenses other than Depreciation/ Amortisation	NIL	NIL	NIL	NIL	NIL

Note: Segment revenue, Segment results, Segment assets and Segment Liabilities include the respective amounts identifiable to each of the segments and also amounts allocated on a reasonable basis. The net of expenses which are not directly attributable to the Business Segment are shown as Unallocated Corporate Cost. Assets and Liabilities that cannot be allocated between the segments are shown as part of unallocated corporate assets and liabilities respectively.



THE KERALA AGRO-INDUSTRIES CORPORATION LIMITED
NOTES FORMING PART OF FINANCIAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2015

25.7 As per Accounting Standard AS-18 on Related Party Disclosure issued by the Institute of Chartered Accountants of India, the disclosure of transactions with related party as defined in the Accounting Standard is given below :

a) Nature of relationship of related parties as identified by the Corporation and relied upon by the Auditors:

Nature of Relationship	Name of Related Party
Key Managerial Personnel	Sri. A.J. Sharan Kumar, Managing Director

b) Transactions with related parties during the year;

Payment to Directors of the Company :

SI No	Particulars	Current Year	Previous Year
		Rs.	Rs.
a.	Salaries & Allowances (Managing Director)	8,60,017.00	9,75,439.00
b.	Honarium to Chairperson	2,40,000.00	1,91,800.00
c.	Travelling Expenses (Managing Director)	51,239.00	49,607.00
d.	Travelling Expenses (Directors)	-	47,072.00
e.	Leave Travel Concession	Nil	Nil
f.	Sitting Fee	7,200.00	9,146.00
g.	Value of Perquisite in cash or in kind (phone)	27,324.00	19,315.00

25.8

The disclosure required by Accounting Standard 19-'Leases': The Company has taken office / other premises under operating lease or rent agreements. These are generally not non-cancelable and range between 11 months to 3 years and are renewable by mutual consent on mutually agreeable terms. The company has given refundable, interest free security deposits under these agreements. Lease rent payments are recognised in the Profit and loss Account under 'Rent and Rates' among Administrative and other expenses.

25.9

As required by the Accounting Standard AS-28 'Impairment of Assets' issued by the Institute of Chartered Accountants of India, The Company has carried out an assessment of impairment of assets. There has been no impairment loss during the year.

25.10

The Corporation is yet to implement the Micro, Small and Medium Enterprises Development Act, 2006 and has not maintained records relating to transactions during the year or in the immediate previous year, or balance outstanding as on the balance sheet date with enterprises registered under the Micro, Small and Medium Enterprises Development Act, 2006 and therefore no disclosure has been made.

25.11

The company has regrouped and reclassified the previous year figures, wherever necessary, so as to make them comparable to those of current year.

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS OF
 THE KERALA-AGRO INDUSTRIES CORPORATION LIMITED

As per Report of date



K.C. JAYAKUMAR
 MANAGING DIRECTOR (DIN: 08619144)



SABIRHUSSAIN S
 DIRECTOR (DIN: 08414510)

For Ravi & Sabin
 CHARTERED ACCOUNTANTS
 (ICAI Registration No. 0068838)

CA. SABIN BABU A FCA
 Partner (ICAI No. 203719)

Thiruvananthapuram
 20 December 2021





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

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER
SECTION 143 (6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL
STATEMENTS OF THE KERALA AGRO INDUSTRIES CORPORATION LIMITED,
THIRUVANANTHAPURAM FOR THE YEAR ENDED 31 MARCH 2015.**

The preparation of financial statements of **The Kerala Agro Industries Corporation Limited, Thiruvananthapuram for the year ended 31 March 2015** in accordance with the financial reporting framework prescribed under the Companies Act, 2013 is the responsibility of the management of the Company. The Statutory Auditors appointed by the Comptroller and Auditor General of India under Section 139 (5) of the Act is responsible for expressing opinion on the financial statements under section 143 of the Act based on independent audit in accordance with the standards on auditing prescribed under section 143 (10) of the Act. This is stated to have been done by them vide their Audit Report dated **20 December 2021**.

I, on behalf of the Comptroller and Auditor General of India, have decided not to conduct supplementary audit of the financial statements of **The Kerala Agro Industries Corporation Limited, Thiruvananthapuram for the year ended 31 March 2015** under Section 143(6)(a) of the Act.

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

**Thiruvananthapuram
Dated : 20 -01-2022**


**ANIM CHERIAN
PRINCIPAL ACCOUNTANT GENERAL (AUDIT-I),
KERALA**

THE KERALA AGRO INDUSTRIES CORPORATION LIMITED.

DELAY STATEMENT.

Reasons for delay in finalisation and Audit of Annual Accounts for the year 2014-15.

The Annual Accounts of the Kerala Agro Industries Corporation have been in arrears for the last few years. It was because of the cumulative effect of the previous years' delay that there was accumulation of arrears in audit and accounts. The accumulation of arrears was mainly due to shortage of adequate staff having knowledge in Accounting and finalization of Accounts. The huge volume of transactions and compilation & consolidation of accounts of 26 units were other reasons for accumulation of arrears. The Annual Accounts of previous year (2013-14) could be certified by the Auditors only on 17-07-2019 and adopted in the adjourned annual general meeting held on 24-10-2019. The Statutory Audit for the year 2014-15 commenced in February 2020. But due to the outbreak of COVID 19 pandemic lock down was declared by central government with effect from 24-03-2020 and which continued for a long time and which leads to delay in finalisation and audit of Accounts.

Thereafter partial lifting of lock down was done by central government and direction given to state governments to implement lock down, partial lock down or area wise Containment zones to prevent the spreading of Corona virus. Thus the lock down and other local area restrictions continued up to September 2020. Then office was opened but the audit firm was reluctant to send their staff and auditors to resume audit. Further the employees were unable to attend the office due to declaration of their residential area as containment zones at different times. Thus we were unable to complete the finalisation work and audit for the year 2014-15 and delay occurred due to the above mentioned reasons.

The audit firm re-started the audit by March 2021 but restrictions similar to lock down was declared in Kerala by May 2021 and which continued for more than one month due to high rate of spreading of COVID 19 and the audit work was again disturbed. Thereafter audit commenced in July 2021 and the Annual Accounts 2014-15 certified only on 20-12-2021. The Annual Accounts along with Auditor's Report were sent to Comptroller and Auditor General of India on 20-12-2021. The Comments of C&AG was received on 20-01-2022. The directors Report along with comments of C&AG was placed in the Board meeting held on 24-01-2022. The delay was unavoidable and beyond our control.

Now actions have been initiated for finalization and audit of arrear accounts from 2015-16 onwards and which will be completed in a time bound manner.

Thiruvananthapuram,

24-01-2022.




CHAIRMAN