

KARNATAKA STATE FINANCIAL CORPORATION

BALANCE SHEET AS AT JUNE 30, 2023

(₹ in Lakh)

Particulars	Schedule	As at 30-06-2023	As at 31-03-2023
<u>CAPITAL AND LIABILITIES:</u>			
Share Capital	A	94539.08	94539.08
Share Application Money	A	5460.00	5460.00
Reserve Fund and Other Reserves	B	35340.63	35352.00
Term Borrowings	C	49957.85	52069.56
Current Liabilities & Provisions	D	52504.57	54823.71
	Total:	237802.13	242244.35
<u>PROPERTY AND ASSETS</u>			
Cash & Bank Balances	E	8509.05	10306.42
Investments	F	3128.92	3030.10
Loans & Advances	G	195895.08	197260.83
Fixed Assets	H	4662.85	4699.42
Current Assets	I	11028.53	10088.23
Profit and Loss Account Balance		14577.70	16859.35
	Total:	237802.13	242244.35

For Karnataka State Financial Corporation

Asst. Gen. Manager (Controller)



KARNATAKA STATE FINANCIAL CORPORATION
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED JUNE 30, 2023

Particulars	Schedule	(₹ in Lakh)		
		Quarter Ended 30-06-2023	Quarter Ended 30.6.2022	Year Ended 31-03-2023
INCOME				
Interest Income	J	6908.92	7410.02	29563.53
Other Income	K	679.67	1139.80	5903.16
Provision for NPAs withdrawn		0.00	0.00	2662.03
Total:		7588.59	8549.82	38128.72
EXPENDITURE				
Interest and Other Financial Expenses	L	1891.85	2502.75	9333.34
Personnel Expenses	M	1907.42	1997.62	6935.68
Administrative Expenses	N	311.17	294.38	1340.12
Bad Debts Written Off		0.00	0.50	2662.03
Provision for NPAs		452.79	850.49	2691.92
Additional Provision for Substandard Advances		0.00	0.00	1000.00
Payment/Prov for Gratuity/Leave		25.66	106.77	118.68
Depreciation/Amortization	H	42.21	31.43	169.11
Total:		4631.10	5783.94	24250.88
Profit Before Tax		2957.49	2765.89	13877.84
Less: Provision for Income Tax		675.84	556.53	3009.00
Less: Diff. Provision for previous year		0.00	0.00	137.72
Profit after Tax		2281.65	2209.36	10731.12
Less: Transfer to Reserve u/s36(1)(viii) of IT Act		0.00	0.00	2330.62
Add: Excess reserve of previous year withdrawn		0.00	0.00	33.96
Less: Reserve for Contingencies		0.00	0.00	108.71
Add/Less: Loss Brought forward		-16859.35	-25185.10	-25185.10
Deficit carried to Balance Sheet		-14577.70	-22975.75	-16859.35

For Karnataka State Financial Corporation

Asst. Gen. Manager (Controller)



KARNATAKA STATE FINANCIAL CORPORATION

Schedule to the Accounts	(₹ in Lakh)	
	As at 30-06-2023	As at 31-03-2023
Schedule -A		
SHARE CAPITAL		
Authorised Share Capital 10,00,00,000 shares of Rs. 100 each (P.Y. 10,00,00,000 shares of Rs. 100 each)	100000.00	100000.00
Issued and Paid up Capital 92784083 shares of Rs.100 each fully paid up (P.Y.87784083 shares of Rs.100 each fully paid up)	92784.08	92784.08
1755000 shares of Rs. 100 each, issued under section 4 A of the SFCs Act 1951	1755.00	1755.00
Total:	94539.08	94539.08
SHARE APPLICATION MONEY		
Amount Received towards Shares Pending Allotment	5460.00	5460.00
Total:	5460.00	5460.00
Schedule -B		
RESERVE FUND AND OTHER RESERVES		
a) Special Reserve Fund u/s.35A of SFCs Act,1951	250.00	250.00
b) Special Reserve for the purposes of Sec.36(1)(viii) of the Income Tax Act'1961	5365.37	5365.37
c) Capital Reserve	24293.85	24293.85
d) Reserve for Contingencies	2123.37	2123.37
e) Revaluation/Amortisation Reserve on Fixed Assets Opening Balance Less: Transferred to P& L A/c	3319.41 11.37 3308.04	3364.89 45.48 3319.41
Total:	35340.63	35352.00
Schedule-C		
TERM BORROWINGS		
1. Bonds Guaranteed by State Government Less: Current Maturity of Long Term Debt	47500.00 22500.00 25000.00	47500.00 22500.00 25000.00
2. Term Loan from SBI Guaranteed by State Government Less: Current Maturity of Long Term Debt (Repayable in 84 months)	21940.92 2686.20 19254.72	21940.92 1074.48 20866.44
3. Term Loan from Union Bank Guaranteed by State Govt Less: Current Maturity of Long Term Debt (Repayable in 84 months)	36.49 0.00 36.49	36.49 0.00 36.49
4. Term Loan from HDFC Bank without Guarantee Less: Current Maturity of Long Term Debt (Repayable in 60 months)	7166.67 1500.03 5666.64	8166.67 2000.04 6166.63
Total:	49957.85	52069.56



KARNATAKA STATE FINANCIAL CORPORATION

Schedule to the Accounts	(₹ in Lakh)	
	As at 30-06-2023	As at 31-03-2023
Schedule -D		
CURRENT LIABILITIES & PROVISIONS		
A) CURRENT LIABILITIES :		
1. Sundry Deposits	7443.17	10226.37
2. Current Maturity of Long Term Debt		
a) Bonds Guaranteed by State Government	22500.00	22500.00
b) Term Loan from SBI Guaranteed by State Government	2686.20	1074.48
c) Term Loan from Union Bank Guaranteed by State Govt	0.00	0.00
d) Term Loan from HDFC Bank without Govt Guarantee	1500.03	2000.04
	26686.23	25574.52
3. Fixed Deposits		
a) Inter Corporate Deposit - NGEF Ltd.,	0.00	0.00
b) Other Deposits	321.18	321.18
	321.18	321.18
4. Other Liabilities	163.17	279.77
5.a. Amount received pending adjustments	1176.07	
b. Amount received towards Subsidy	780.42	1026.10
c. Loan Application Fee Deposit	113.63	780.42
d. Amount received from GOK towards SC Equity scheme	133.09	116.12
e. Amount received from GOK towards ST Equity scheme	44.96	1001.30
f. Amount received from GOK towards Tex Grant- Gen	0.00	111.10
	2248.17	3035.04
6. Margin Money :		
a. Towards Agencies – KSCSTDC/ KBCDC/KMDC/KWDC	4.80	4.80
b. Towards Seed Capital from SIDBI / IDBI	1180.16	1180.16
7.a) Interest Accrued & not due on loans	1019.68	1186.66
b) Int on SSC payable to SIDBI	0.43	0.43
c) Other Accrued expenses	141.54	37.19
B) OTHER LIABILITIES & PROVISIONS		
1. Provision for Gratuity	29.67	0.00
2. Provision for Leave Salary	2700.62	2700.62
3. Others: a) Contingent Provision against Standard Assets	5551.73	5938.79
b) Provision for Economic Loss on Restructuring	329.18	329.18
4. Provision for Income Tax	3684.84	3009.00
5. Additional Provision for COVID -19 Pandemic	1000.00	1000.00
Total:	52504.57	54823.71



KARNATAKA STATE FINANCIAL CORPORATION

(₹ in Lakh)

Schedule to the Accounts	As at 30-06-2023	As at 31-03-2023
Schedule -E		
CASH AND BANK BALANCES		
a) Cash on hand incl. Stamps on hand	27.66	13.58
b) Balances with Banks		
i) Reserve Bank of India	---	---
ii) SBI & Other Scheduled Banks	1056.39	3123.68
Less: Canara Bank Drawal facility balance (Net)	0.00	0.00
	1056.39	3123.68
c) Fixed Deposits with Banks	7425.00	7169.16
Total:	8509.05	10306.42
Schedule-F		
INVESTMENTS		
1. Investments in Shares		
i) Shares acquired pursuant to underwriting agreements		
Irredeemable Preference Shares fully paid	14.15	14.15
less: Provisions	14.15	14.15
	0.00	0.00
ii) Investment in Equity Shares	198.04	198.05
less: Provisions	137.54	137.54
	60.50	60.51
2. A. Investment in KITVEN FUND	557.14	458.33
Less : provisions	0.00	0.00
	557.14	458.33
B. Investment in KAMCO & KATCO		
i) 16500 Shares of Rs.100 each in KAMCO		
ii) 500 Shares of Rs.100 each in KATCO	17.00	17.00
C. Investment in KESOL EQUITY FUND	5.00	5.00
less: Provisions	5.00	5.00
	0.00	0.00
D. Investment in Insurance Cos for leave encashment	2494.28	2494.26
Total:	3128.92	3030.10



KARNATAKA STATE FINANCIAL CORPORATION

Schedule to the Accounts	(₹ in Lakh)	
	As at 30-06-2023	As at 31-03-2022
Schedule-G		
LOANS AND ADVANCES		
TERM LOANS AND ADVANCES (Net)	202742.01	203267.92
Less: NPA Provisions	6846.93	6007.09
	195895.08	197260.83
Total:	195895.08	197260.83
Schedule - I		
CURRENT ASSETS		
Other Deposits		2505.19
Advances to Staff		657.83
Less: Provisions	736.82	6.16
	6.16	6.16
		651.67
Deposits and Other Advances		166.15
Less: Provisions	166.46	0.25
	0.25	0.25
		165.90
Other Assets		62.85
Margin Money receivable from Diamond and Gem Development Corporation		4.80
Seed Capital receivable from Parties		1168.19
Assets acquired in satisfaction of loans		9.32
Less: Provision for loss on acquired assets	9.32	9.32
	9.32	9.32
		0.00
Advance Tax incl. TDS		2868.40
Service Tax Fee Deposit	3328.39	64.09
	64.09	64.09
		2932.49
Prepaid Expenses		2.97
Accrued Interest on Loans & Advances		2594.17
	3.97	
	2568.71	
Total:	11028.53	10088.23



KARNATAKA STATE FINANCIAL CORPORATION

(₹ in Lakh)

Schedule to the Accounts	quarter Ended 30-06-2023	Quarter Ended 30.6.2022	Year Ended 31-03-2023
Schedule – J			
<u>INTEREST INCOME</u>			
Interest on Loans & Advances (Net)	6293.89	6753.55	27273.48
Interest - Prudential written off accounts	615.03	656.47	2290.05
Total:	6908.92	7410.02	29563.53
Schedule -K			
<u>OTHER INCOME</u>			
One Time Disbursement Fee	84.31	63.32	279.82
Sale of Application Forms	0.13	0.11	0.78
Interest on Bank Deposits & Other investments	185.37	134.59	575.79
Interest on staff advances	-91.96	-43.76	52.73
Premium on pre-mature closure of Accounts	2.96	4.42	14.48
Other income from Leasing & Merchant Banking	0.26	0.65	1.36
Dividend on Investments	0.00	0.00	8.76
Income from Financial Services	5.13	4.61	51.98
Rent received	33.01	28.65	119.58
Profit from Sale of Fixed Assets	0.00	0.00	13.77
Bad Debts recovered	346.14	872.70	4060.54
Loan Processing Fee	73.31	51.53	421.28
Int Income from Inv in Ins Cos (E Leave)	0.00	0.00	173.19
Miscellaneous Income	29.64	11.61	83.62
Revaluation/Amortization Reserve withdrawn	11.37	11.37	45.48
Total:	679.67	1139.80	5903.16



KARNATAKA STATE FINANCIAL CORPORATION

(₹ in Lakh)

Schedule to the Accounts	Quarter Ended 30-06-2023	Quarter Ended 30-06-2022	Year Ended 31-03-2023
Schedule – L			
<u>INTEREST AND OTHER FINANCIAL EXPENSES</u>			
Interest on Bonds	1083.49	1609.70	5754.62
Interest on borrowings from Banks	629.05	572.79	2399.17
Interest on Fixed Deposits:			
Inter Corporate Deposit	0.00		237.25
Other Deposits	2.32	66.89	10.11
Guarantee Commission to State Government	173.69	238.74	907.51
Stamp Duty to GOK /Others	0.00	10.00	12.01
Arrangers' Fee, Rating & Surveillance Fee on Bonds	3.30	4.63	12.67
Total:	1891.85	2502.75	9333.34
Schedule– M			
<u>PERSONNEL EXPENSES</u>			
Salaries and Allowances			
(a) Managing Director	1.20	0.82	3.23
(b) Staff & Officers	1708.05	1737.9	6064.74
(c) VRS Compensation	8.50	47.44	83.38
	1717.75	1785.16	6151.35
Medical Expenses			
(a) Managing Director	0.08	0.05	0.42
(b) Staff & Officers	11.34	34.42	116.70
Contribution to Provident Fund	136.55	145.58	549.85
Staff Welfare Expenses	41.70	31.41	117.36
Total:	1907.42	1997.62	6935.68
Schedule–N			
<u>ADMINISTRATIVE EXPENSES</u>			
Traveling Expenses:			
i) Managing Director	0.06	0.15	0.43
ii) Staff & Officers	48.11	53.60	219.94
Sitting Fees to Directors	0.83	0.27	2.07
TA & Other Allowances- Directors	0.06	0.00	0.13
Rent, Taxes & Insurance	56.20	66.64	192.85
Postage, Telegrams & Telephones	3.41	3.80	16.26
Motor Car Expenses	21.92	23.40	98.10
Printing & Stationery	10.77	6.78	25.04
Publicity and Advertisement	3.30	1.01	6.37
Books, Periodicals & Newspapers	0.29	0.33	2.35
Repairs, Renewals and Maintenance	80.92	66.85	453.63
Bank charges & Commission	0.36	0.64	3.36
Audit fees	2.85	0.00	8.17
Legal charges	4.99	3.12	16.23
Professional and Consultancy charges	20.81	6.96	52.97
Board Meetings / Other Meeting/AGM expenses	3.29	0.68	11.49
Membership fees / Subscriptions for Institutions	0.65	0.60	0.92
Sponsorship Fees	0.83	0.00	0.27
Addl prov for loss on sale of acquired assets (exp)	0.00	0.00	0.00
Other Expenses	51.52	59.55	229.54
Total:	311.17	294.38	1340.12



SCHEDULE - H

KARNATAKA STATE FINANCIAL CORPORATION

a) Fixed assets

(₹ in Lakh)

Sl No	Particulars	COST		DEPRECIATION		NET BALANCE				
		Gross Block as on 01-04-2023	Additions during the Period	Gross Block as on 30/06/23	Up to 01-04-2023	Adjustment during the Period	For the Period	Up to 30-06-2023	As at 30-06-2023	As at 31-03-2023
1	Land	761.33	0.00	761.33	0.00	0.00	0.00	761.33	761.33	
2	Land on Revaluation	1589.03	0.00	1589.03	0.00	0.00	0.00	1589.03	1589.03	
	- Freehold	2455.80	0.00	2455.80	662.20	0.00	11.37	1762.23	1773.60	
	- Leasehold									
3	Buildings *	1123.06	0.00	1123.06	1123.06	0.00	0.00	0.00	0.00	
4	Bldgs on Revaluation	317.56	0.00	317.56	317.56	0.00	0.00	0.00	0.00	
	- Freehold	853.30	0.00	853.30	853.30	0.00	0.00	0.00	0.00	
	- Leasehold									
5	a) Computers incl software	695.71	0.00	695.71	646.04	0.00	4.23	650.27	45.44	
	b) Software- C/WIP	151.87	0.00	151.87	0.00	0.00	0.00	0.00	151.87	
6	Motor Vehicles	499.82	0.00	499.82	179.72	0.00	23.44	203.16	296.66	
7	Motor Cycle	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
8	Bicycles	0.20	0.00	0.20	0.20	0.00	0.00	0.20	0.00	
9	Electrical Fittings	142.72	0.08	142.80	121.11	0.00	1.05	122.16	20.64	
10	Office Equipments.	180.07	3.90	183.97	164.50	0.00	1.50	166.00	17.97	
11	Internal Telephone	35.09	0.00	35.05	34.49	0.00	0.04	34.53	0.52	
12	Furniture & Fixtures	376.86	1.69	378.56	360.82	0.00	0.58	361.40	17.16	
	Total (A)	9182.42	5.67	9188.06	4483.00	0.00	42.21	4525.21	4662.85	4699.42
b) Assets given on Lease										
1	Plant & Machinery	225.98	0.00	225.98	225.98	0.00	0.00	225.98	0.00	0.00
	Total (B)	225.98	0.00	225.98	225.98	0.00	0.00	225.98	0.00	0.00
	Grand Total (A+B)	9408.40	5.67	9414.04	4708.98	0.00	42.21	4751.19	4662.85	4699.42

* Includes Rs. 517.17 Lakhs on Leasehold Land taken from Karnataka Red Cross Society on a lease for a period of 75 years.

1. The land allotted by KADB at Hanohalli Industrial Area measuring 10 acres is on lease cum sale basis for the development of industrial park. The Corporation has taken possession of the land. The development is yet to be taken up. The titles are yet to be conveyed in favour of the Corporation.

2. As a policy, depreciation is charged at specified percentages on various categories of fixed assets. Due to non-reconciliation in the past years, the percentages are not strictly tallying (vide 4(iv) of significant Accounting Policies) to the percentages of left over depreciation to be charged for the remaining chargeable period of assets after netting off number of years of depreciation charge already made. For the year, chargeable depreciation has been calculated as residual balance after strictly keeping the depreciation at quantum level equal to the left-over percentages of depreciation chargeable prescribed for the remaining chargeable years.

3. Software-C/WIP of Rs. 151.87 lakhs as per Sl.No.5(b) was paid to Centre for Smart Governance, a GOK undertaking towards getting Enterprise Software Application as 30% advance for development of software. Since the development of the software is under progress, depreciation is not charged on the same.

