

KARNATAKA STATE FINANCIAL CORPORATION

BALANCE SHEET AS AT 30th SEP 2022

(₹ in Lakh)

Particulars	Schedule	As at 30-09-2022	As at 31-03-2022
<u>CAPITAL AND LIABILITIES:</u>			
Share Capital	A	94539.08	89539.08
Share Application Money	A	0.00	5000.00
Reserve Fund and Other Reserves	B	32969.37	32992.11
Term Borrowings	C	69130.67	76836.57
Current Liabilities & Provisions	D	57479.04	59576.46
	Total:	254118.16	263944.22
<u>PROPERTY AND ASSETS</u>			
Cash & Bank Balances	E	11975.02	15730.42
Investments	F	3362.12	3264.06
Loans & Advances	G	202436.38	206548.36
Fixed Assets	H	4727.75	4570.65
Current Assets	I	11274.88	8645.63
Profit and Loss Account Balance		20342.01	25185.10
	Total:	254118.16	263944.22
Notes & Significant Accounting Policies forming part of Accounts	O		

For Karnataka State Financial Corporation

Sd/-
Asst. Gen. Manager(C)



Sd/-
Executive Director-I

KARNATAKA STATE FINANCIAL CORPORATION

PROFIT AND LOSS ACCOUNT FOR THE HALF YEAR ENDED 30th SEP 2022

(₹ in Lak)

Particulars	Schedule	Quarter Ended '30-09-2022	Quarter Ended '30-06-2022	Half Year Ended 30-09-2022	Half Year Ended '30-09-2021	Year Ended 31-03-2022
INCOME						
Interest Income	J	7595.20	7410.02	15005.22	14209.10	31763.85
Other Income	K	1724.57	1139.80	2864.37	2104.61	4138.06
Provision for NPAs withdrawn		0.00	0.00	0.00	0.00	2517.52
Total:		9319.77	8549.82	17869.59	16313.71	38419.43
EXPENDITURE						
Interest and Other Financial Expenses	L	2486.61	2502.75	4989.36	6101.82	11854.19
Personnel Expenses	M	1646.38	1997.62	3644.00	3728.85	7265.98
Administrative Expenses	N	297.97	294.38	592.35	552.90	1164.85
Bad Debts Written Off		-0.50	0.50	0.00	0.00	2517.52
Provision for NPAs		-501.96	850.49	348.53	2005.12	2409.60
Additional Provision for D- I cases		0.00	0.00	0.00	0.00	1000.00
Additional Provision for COVID -19 Pandemic		2000.00	0.00	2000.00	0.00	1000.00
Payment/Prov for Gratuity/Leave		65.40	106.77	172.16	495.28	360.23
Depreciation/Amortization	H	50.75	31.43	82.18	109.10	115.18
Total:		6044.65	5783.94	11828.58	12993.07	27687.55
Profit Before Tax		3275.13	2765.89	6041.01	3320.64	10731.88
Less: Transfer to Reserve u/s 36 (1)(viii) of IT Act		0.00	0.00	0.00	0.00	2080.64
Less: Provision for Income Tax		641.39	556.53	1197.92	0.00	1990.16
Profit after Tax		2633.74	2209.36	4843.09	3320.64	6661.08
Less: Reserve for Contingencies		0.00	0.00	0.00	0.00	0.50
Add/Less: Loss Brought forward		-22975.75	-25185.10	-25185.10	-31845.68	-31845.68
Deficit carried to Balance Sheet		-20342.01	-22975.75	-20342.01	-28525.04	-25185.10
Notes & Significant Accounting Policies forming part of Accounts	O					

For Karnataka State Financial Corporation

Sd/-
Asst. Gen. Manager(C)



Sd/-
Executive Director-I

KARNATAKA STATE FINANCIAL CORPORATION

(₹ in Lakh)

Schedule to the Accounts	As at 30-09-2022	As at 31-03-2022		
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	87784.08		
1755000 shares of Rs. 100 each, issued under section 4 A of the SFCs Act 1951	1755.00	1755.00		
Total:	94539.08	89539.08		
SHARE APPLICATION MONEY				
Amount Received towards Shares Pending Allotment	0.00	5000.00		
Total:	0.00	5000.00		
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	3068.71	3068.71		
c) Capital Reserve	24293.85	24293.85		
d) Reserve for Contingencies	2014.66	2014.66		
e) Revaluation/Amortisation Reserve on Fixed Assets				
Opening Balance	3364.89	3453.79		
Less: Transferred to P&L A/c	22.74	88.90		
Total:	32969.37	32992.11		
Schedule-C				
TERM BORROWINGS				
1. Bonds Guaranteed by State Government Less: Current Maturity of Long Term Debt	62500.00 22500.00	40000.00	70000.00 22500.00	47500.00
2. Term Loan from SBI Guaranteed by State Government Less: Current Maturity of Long Term Debt (Repayable in 84 months at ROI of 7.20%)	21927.56 0.00	21927.56	30523.54 3223.44	27300.10
3. Term Loan from Union Bank Guaranteed by State Govt Less: Current Maturity of Long Term Debt (Repayable in 84 months at ROI of 7.45%)	36.48 0.00	36.48	2036.47 0.00	2036.47
4. Term Loan from HDFC Bank not Guaranteed by State Govt Less: Current Maturity of Long Term Debt	9166.67 2000.04	7166.63	0.00 0.00	0.00
Total:	69130.67			76836.57



KARNATAKA STATE FINANCIAL CORPORATION

(₹ in Lakh)

Schedule to the Accounts	As at 30-09-2022	As at 31-03-2022
Schedule -D		
CURRENT LIABILITIES & PROVISIONS		
A) CURRENT LIABILITIES :		
1. Sundry Deposits	5303.55	7934.34
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	0.00	3223.44
c) Term Loan from Union Bank Guaranteed by State Govt	0.00	0.00
d) Term Loan from HDFC Bank not Guaranteed by State Gov	2000.04	0.00
	24500.04	25723.44
3. Fixed Deposits		
a) Inter Corporate Deposit - NGEF Ltd., ***	5000.00	5000.00
b) Other Deposits	328.18	331.18
	5328.18	5331.18
4. Other Liabilities	173.84	168.79
5.a. Amount received pending adjustments	1132.17	840.87
b. Amount received towards Subsidy	640.64	591.29
c. Loan Application Fee Deposit	103.36	83.88
d. Amount received from GOK towards SC Equity scheme	1086.66	1285.00
e. Amount received from GOK towards ST Equity scheme	112.05	255.79
f. Amount received from GOK towards Tex Grant- Gen	0.00	0.00
	3074.89	3056.82
6. Margin Money :		
a. Towards Agencies – KSCSTDC/ KBCDC/KMDC/KWDC	4.80	4.80
b. Towards Seed Capital from SIDBI / IDBI	1188.62	1195.08
7 a) Interest Accrued & not due on loans	1459.78	1453.44
b) Int on SSC payable to SIDBI	0.04	0.04
c) Other Accrued expenses	106.81	82.29
d) Guarantee Commission Accrued	0.00	0.00
B) OTHER LIABILITIES & PROVISIONS		
1. Provision for Gratuity	117.17	223.18
2. Provision for Leave Salary	3241.12	3160.92
3. Others: a) Contingent Provision against Standard Assets	6324.78	7382.32
b) Provision for Economic Loss on Restructuring	327.60	327.60
4. Provision for Income Tax	3327.83	2532.22
5. Additional Provision for COVID -19 Pandemic	3000.00	1000.00
Total:	57479.04	59576.46

* ICD- NGEF Ltd is taken at 5.26% and will be repaid within 1 year.



KARNATAKA STATE FINANCIAL CORPORATION

(₹ in Lakh)

Schedule to the Accounts	As at 30-09-2022	As at 31-03-2022
Schedule -E		
<u>CASH AND BANK BALANCES</u>		
a) Cash on hand incl. Stamps on hand	31.89	22.14
b) Balances with Banks		
i) Reserve Bank of India	---	---
ii) SBI & Other Scheduled Banks	3378.17	6355.73
Less: Canara Bank Drawal facility balance (Net)	<u>899.50</u>	<u>947.59</u>
	2478.67	5408.14
c) Fixed Deposits with Banks	9464.46	10300.14
Total:	11975.02	15730.42
Schedule-F		
<u>INVESTMENTS</u>		
1. Investments in Shares		
i) Shares acquired pursuant to underwriting agreements		
Irredeemable Preference Shares fully paid	14.15	14.15
less: Provisions	<u>14.15</u>	<u>14.15</u>
	0.00	0.00
ii) Investment in Equity Shares	198.05	198.05
less: Provisions	<u>137.54</u>	<u>137.54</u>
	60.51	60.51
2. A. Investment in KITVEN FUND	357.95	412.65
Less : provisions	<u>0.00</u>	<u>0.00</u>
	357.95	412.65
B. Investment in KAMCO & KATCO		
i) 16500 Shares of Rs.100 each in KAMCO		17.00
ii) 500 Shares of Rs.100 each in KATCO		17.00
C. Investment in KESOL EQUITY FUND	5.00	5.00
less: Provisions	<u>5.00</u>	<u>5.00</u>
	0.00	0.00
D. Investment in Insurance Cos for leave encashment	2926.66	2773.90
Total:	3362.12	3264.06



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KARNATAKA STATE FINANCIAL CORPORATION

(₹ in Lakh)

Schedule to the Accounts	As at 30-09-2022		As at 31-03-2022	
Schedule-G				
LOANS AND ADVANCES				
TERM LOANS AND ADVANCES (Net)	207377.69		210083.60	
Less: NPA Provisions	4941.31	202436.38	3535.24	206548.36
Total:		202436.38		206548.36
Schedule - I				
CURRENT ASSETS				
Other Deposits		2252.60		1274.47
Advances to Staff	913.86		903.33	
Less: Provisions	6.16	907.70	6.16	897.17
Deposits and Other Advances	152.78		181.18	
Less: Provisions	0.25	152.53	0.25	180.93
Other Assets		440.73		62.85
Margin Money receivable from Diamond and Gem Development Corporation		4.80		4.80
Seed Capital receivable from Parties		1214.06		1192.21
Assets acquired in satisfaction of loans	9.32		9.32	
Less: Provision for loss on acquired assets	9.32	0.00	9.32	0.00
Advance Tax incl. TDS	3423.93		1970.81	
Service Tax Fee Deposit	64.09	3488.02	64.09	2034.90
Prepaid Expenses		4.40		2.69
Accrued Interest on Loans & Advances		2810.04		2995.61
Total:		11274.88		8645.63



KARNATAKA STATE FINANCIAL CORPORATION

(₹ in Lakh)

Schedule to the Accounts	Quarter Ended 30-09-2022	Quarter Ended 30-06-2022	Half Year Ended 30-09-2022	Half Year Ended 30-09-2021	Year Ended 31-03-2022
Schedule - J					
INTEREST INCOME					
Interest on Loans & Advances (Net)	6803.45	6753.55	13557.00	14209.10	28865.57
Interest - Prudential written off accounts	791.75	656.47	1448.22	0.00	2898.28
Total:	7595.20	7410.02	15005.22	14209.10	31763.85
Schedule -K					
OTHER INCOME					
One Time Disbursement Fee	58.17	63.32	121.49	91.04	220.52
Sale of Application Forms	0.17	0.11	0.28	0.16	0.51
Interest on Bank Deposits & Other investments	163.39	134.59	297.98	108.39	358.53
Interest on staff advances	27.96	-43.76	-15.80	118.08	74.62
Premium on pre-mature closure of Accounts	6.13	4.42	10.55	6.09	31.73
Other income from Leasing & Merchant Banking	0.33	0.65	0.98	1.42	3.19
Dividend on Investments	8.76	0.00	8.76	0.18	10.71
Income from Financial Services	19.87	4.61	24.48	21.08	40.16
Rent received	29.06	28.65	57.71	64.15	128.04
Profit from Sale of Fixed Assets	0.00	0.00	0.00	0.00	16.49
Bad Debts recovered	1310.36	872.70	2183.06	1567.31	2697.54
Loan Processing Fee	52.81	51.53	104.34	63.26	220.18
Interest Income from Inv in Insurance Cos (E Leave)	0.00	0.00	0.00	0.00	192.11
Miscellaneous Income	36.19	11.61	47.80	19.00	54.83
Revaluation/Amortization Reserve withdrawn	11.37	11.37	22.74	44.45	88.90
Total:	1724.57	1139.80	2864.37	2104.61	4138.06



KARNATAKA STATE FINANCIAL CORPORATION

(₹ in Lakh)

Schedule to the Accounts	Quarter Ended 30-09-2022	Quarter Ended 30-06-2022	Half Year Ended 30-09-2022	Half Year Ended 30-09-2021	Year Ended 31-03-2022
Schedule - L					
INTEREST AND OTHER FINANCIAL EXPENSES					
Interest on Bonds	1570.25	1609.70	3179.95	3895.90	7545.34
Interest on borrowings from Banks	577.03	572.79	1149.82	1525.21	2956.26
Interest on Fixed Deposits:					
Inter Corporate Deposit	67.78	66.89	134.67	0.00	30.98
Other Deposits	9.79	0.00	9.79	-33.30	0.72
Guarantee Commission to State Government	254.60	238.74	493.34	889.76	1295.56
Stamp Duty to GOK /Others	0.25	10.00	10.25	-0.01	0.48
Arrangers' Fee, Rating & Surveillance Fee on Bonds	6.91	4.63	11.54	24.26	24.85
Total:	2486.61	2502.75	4989.36	6101.82	11854.19
Schedule- M					
PERSONNEL EXPENSES					
Salaries and Allowances					
(a) Managing Director	0.98	0.82	1.80	1.09	3.32
(b) Staff & Officers	1426.33	1737.90	3164.23	3310.39	6423.65
(c) VRS Compensation	9.91	47.44	57.35	44.28	85.44
Medical Expenses					
(a) Managing Director	0.18	0.05	0.23	0.38	0.56
(b) Staff & Officers	47.67	34.42	82.09	38.37	82.09
Contribution to Provident Fund	133.87	145.58	279.45	289.92	587.57
Staff Welfare Expenses	27.44	31.41	58.85	44.42	83.35
Total:	1646.38	1997.62	3644.00	3728.85	7265.98
Schedule-N					
ADMINISTRATIVE EXPENSES					
Traveling Expenses:					
i) Managing Director	0.01	0.15	0.16	0.61	0.63
ii) Staff & Officers	53.52	53.60	107.12	90.54	240.23
Sitting Fees to Directors	0.64	0.27	0.91	0.38	1.17
TA & Other Allowances- Directors	0.06	0.00	0.06	0.00	0.10
Rent, Taxes & Insurance	31.64	66.64	98.28	95.44	180.05
Postage, Telegrams & Telephones	3.41	3.80	7.21	8.09	17.03
Motor Car Expenses	25.89	23.40	49.29	34.41	78.60
Printing & Stationery	6.47	6.78	13.25	8.07	18.28
Publicity and Advertisement	1.18	1.01	2.19	1.98	5.96
Books, Periodicals & Newspapers	0.88	0.33	1.01	0.58	2.35
Repairs, Renewals and Maintenance	88.20	66.85	155.05	150.69	322.99
Bank charges & Commission	0.87	0.64	1.51	1.71	5.08
Audit fees	1.50	0.00	1.50	0.00	4.65
Legal charges	5.16	3.12	8.28	5.62	10.54
Professional and Consultancy charges	8.36	6.96	15.32	11.12	26.40
Board Meetings / Other Meeting/AGM expenses	7.93	0.68	8.61	0.74	4.85
Membership fees / Subscriptions for Institutions	0.30	0.60	0.90	0.90	0.94
Sponsorship Fees	0.00	0.00	0.00	0.00	1.09
Addl prov for loss on sale of acquired assets (exp)	0.00	0.00	0.00	0.00	0.26
Other Expenses	62.15	59.55	121.70	142.02	243.65
Total:	297.97	294.38	592.35	552.90	1164.85



KARNATAKA STATE FINANCIAL CORPORATION

SCHEDULE - H

a) Fixed assets

Sl No	Particulars	COST				DEPRECIATION			NET BALANCE	
		Gross Block as on 01-04-2022	Additions during the Period	Sale/ Adjustments	Gross Block as on 30-09-2022	Up to 01-04-2022	Adjustment during the Period	For the Period	Up to 30-09-2022	As at 31-03-2022
1	Land	761.33	0.00	0.00	761.33	0.00	0.00	0.00	761.33	761.33
2	Land on Revaluation									
	- Freehold	1589.03	0.00	0.00	1589.03	0.00	0.00	0.00	1589.03	1589.03
	- Leasehold	2455.80	0.00	0.00	2455.80	636.72	0.00	22.74	659.46	1819.08
3	Buildings *	1123.06	0.00	0.00	1123.06	1123.06	0.00	0.00	1123.06	0.00
4	Bldgs on Revaluation									
	- Freehold	317.56	0.00	0.00	317.56	317.56	0.00	0.00	317.56	0.00
	- Leasehold	853.30	0.00	0.00	853.30	853.30	0.00	0.00	853.30	0.00
5	a) Computers incl software	693.27	2.75	0.50	695.52	629.77	0.00	8.56	638.33	63.50
	b) Software- CWIP	151.87	0.00	0.00	151.87	0.00	0.00	0.00	0.00	151.87
6	Motor Vehicles	283.51	257.75	21.89	519.37	127.38	0.00	46.89	174.27	345.10
7	Motor Cycle	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8	Bicycles	0.20	0.00	0.00	0.20	0.20	0.00	0.00	0.20	0.00
9	Electrical Fittings	120.90	0.41	0.00	121.31	116.87	0.00	0.51	117.38	4.03
10	Office Equipments	178.45	0.07	0.00	178.52	159.54	0.00	2.93	162.47	18.91
11	Internal Telephone	35.09	0.00	0.00	35.09	34.34	0.00	0.08	34.42	0.75
12	Furniture & Fixtures	364.97	0.69	0.00	365.66	358.95	0.00	0.47	359.42	6.02
	Total (A)	8928.34	261.67	22.39	9167.62	4357.69	0.00	82.18	4439.87	4570.65
b) Assets given on Lease										
1	Plant & Machinery	225.98	0.00	0.00	225.98	225.98	0.00	0.00	225.98	0.00
	Total (B)	225.98	0.00	0.00	225.98	225.98	0.00	0.00	225.98	0.00
	Grand Total (A+B)	9154.32	261.67	22.39	9393.60	4583.67	0.00	82.18	4665.85	4570.65

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

- The land allotted by KIADB at Harohalli 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.
- 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(w) 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 to the remaining chargeable years. This has resulted in certain amount of excess/short depreciation (asset-wise) calculated in terms of percentages for the current year on building and bicycles.
- Software-CWIP 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.

