



INDEPENDENT AUDITORS' REPORT

To the Members of
M/s KERALA ACADEMY FOR SKILLS EXCELLENCE

Report on the Financial Statements:

We have audited the accompanying standalone financial statements of **M/s KERALA ACADEMY FOR SKILLS EXCELLENCE**, which comprise the Balance Sheet as at **31st March 2018**, the statement of Income and Expenditure, the Cash flow Statement for the year then ended, a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements:

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013, ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and Cash Flow 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 maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities, selection and application of appropriate accounting policies, making judgments and estimates that are reasonable and prudent, 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility:

Our responsibility is to express an opinion on these standalone 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 there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Companies Act 2013. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone 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 standalone financial statement



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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at **31st March, 2018**;
- (b) in the case of the Statement of Income and Expenditure, excess of Income over expenditure for the year ended on that date
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of matter paragraph

We draw attention to Note 16 of the Financial Statements, which describes the resumption of Rs.46,72,18,361/- by the government of Kerala and its disclosure in the Financial Statements . Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Matters:

1. The Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, is not applicable to the Company.
2. As required under 143(5) of The Companies Act, 2013, we give in the Annexure I of our report on the directions issued by the Comptroller and Auditor General Of India
3. As required by Section 143 (3) of the Companies Act 2013 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 accounts 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 and the Statement of Income and Expenditure and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion, the aforesaid standalone 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) Clauses referred to Section 164 (2) of the Companies Act 2013 do not apply to directors of Government Companies as per the notification.
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
 - 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) Rule, 2014, to the best of our information and according to the explanations given to us:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

Place: Thiruvananthapuram-695005

Date: 24.11.2018

For S.S.Mathew & Co.
Chartered Accountants
F.R.No: 009440S

C.A.SUSAN K MATHEW FCA,
Partner
Membership No. : 108786

ANNEXURE I TO THE INDEPENDENT AUDITORS' REPORT

The Annexure referred to in paragraph 1 of Our Report of even date to the members of M/s Kerala Academy For Skills Excellence on the accounts for the year ended 31st March 2018.

On the basis of checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we report that

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 and General Reserves) may be examined, including the mode and present stage of disinvestment process.	Not Applicable
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.	Irrecoverable dues Of Rs.110,763/- was written off during the year as the Company is of the opinion that it is not recoverable. Refer Note 15 of the Financial Statement.
3	Whether proper records are maintained for inventories lying with third parties & assets received as gift from Government or other authorities.	Not Applicable
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.	No such cases noticed

Place: Thiruvananthapuram-695005

Date: 24-11-2018



For S.S Mathew & Co.
Chartered Accountants
FRN: 009440S

Susan K. Mathew

C.A.SUSAN K MATHEW FCA,
Partner

Membership No.: 108786

Annexure - B to the Auditors' Report

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **M/s KERALA ACADEMY FOR SKILLS EXCELLENCE** ("the Company") as of 31 March 2018 in conjunction with our audit of the stand-alone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

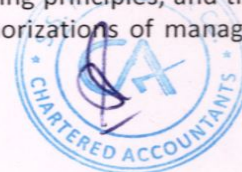
Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and



directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Place: Thiruvananthapuram-695005

Date: 24.11.2018



For S.S.Mathew & Co.
Chartered Accountants
F.R.No: 009440S

Susan K Mathew

C.A.SUSAN K MATHEW FCA,
Partner

Membership No. : 108786

KERALA ACADEMY FOR SKILLS EXCELLENCE

CIN : U80220KL2012NPL030883

THIRD FLOOR ,CARMEL TOWER,VAZHUTHACAUD ,THIRUVANANTHAPURAM 695014

Balance Sheet as at 31.03.2018

(in Rupees)

Sl. No.	Particulars	Note No.	31 March 2018	31 March 2017
I.	EQUITY AND LIABILITIES			
1	Shareholders' funds			
	(a) Share capital	3	2694,00,000.00	2694,00,000.00
	(b) Reserves and surplus	4	4271,56,970.75	2000,97,754.35
2	Non-current liabilities			
	(a) Other long term liabilities	5	102,12,252.00	261,91,073.00
3	Current liabilities			
	(a) Trade payables	6	228,56,806.00	114,17,257.00
	(b) Other current liabilities	7	1530,80,881.00	548,19,628.00
			8827,06,909.75	5619,25,712.35
II.	ASSETS			
1	Non-current assets			
	(a) Fixed assets			
	i) Tangible assets	8	411,63,399.51	578,46,847.16
	(b) Other Non-Current Assets			
	i) Advance to Govt.	16	4672,18,361.00	
2	Current assets			
	Cash and cash equivalents	9	3393,26,532.24	4751,27,253.19
	Short-term loans and advances	10	46,04,079.00	118,12,306.00
	Other Current Assets	11	303,94,538.00	171,39,306.00
			8827,06,909.75	5619,25,712.35
Significant Accounting Policies & Notes forming part of Accounts		1-20		

For and on behalf of the Board of Directors



K Renuka ACA
Manager (Finance & Administration)

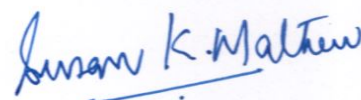


Chandrasekar S IAS
Managing Director



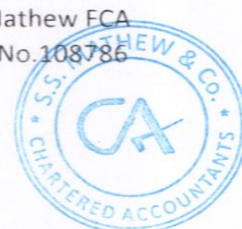
Dr. Asha Thomas IAS
Chairman

As per our report of even date attached
For S S Mathew & Co
Chartered Accountants (FRN009440S)



CA Susan K Mathew FCA
Membership No. 108786

Place : Trivandrum
Date : 24.11.2018



KERALA ACADEMY FOR SKILLS EXCELLENCE

CIN : U80220KL2012NPL030883

THIRD FLOOR ,CARMEL TOWER,VAZHUTHACAUD ,THIRUVANANTHAPURAM 695014

Income and Expenditure Statement for the year ended 31.03.2018

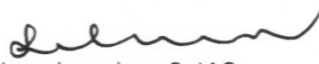
(in Rupees)

SL.No.	Particulars	Note No.	31 March 2018	31 March 2017
	Income:			
I	Operating Income	12	322,24,485.00	262,54,210.70
II	Other Income	13	157,99,642.75	163,63,209.02
III	Grant Utilised for Projects	4	1944,10,537.00	4628,62,059.00
IV	Grant for Administrative Charges		-	200,00,000.00
	Total Income (A)		2424,34,664.75	5254,79,478.72
	Expenditure:			
V	Employee benefit expenses	14	94,20,678.00	72,24,433.00
VI	Depreciation	8	10,74,625.90	16,97,200.44
VII	Other expenses	15	135,59,070.45	127,42,008.00
VIII	Project Expenses	4	1944,10,537.00	4628,62,059.00
	Total Expenses (B)		2184,64,911.35	4845,25,700.44
	Surplus for the Year (A-B)		239,69,753.40	409,53,778.28
			2424,34,664.75	5254,79,478.72
	Significant Accounting Policies & Notes forming part of Accounts	1-20		

For and on behalf of the Board of Directors


K Renuka ACA
Manager (Finance & Administration)

As per our report of even date attached
For S S Mathew & Co
Chartered Accountants (FRN009440S)


Chandrasekar S IAS
Managing Director


Dr. Asha Thomas IAS
Chairman


CA Susan K Mathew FCA
Membership No.108786

Place : Trivandrum
Date : 24.11.2018



KERALA ACADEMY FOR SKILLS EXCELLENCE

CIN : U80220KL2012NPL030883

THIRD FLOOR, CARMEL TOWER, VAZHUTHACAUD , THIRUVANANTHAPURAM 695014
NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2018

Note -1

GENERAL INFORMATION

The company is a non-profit company licensed under section 8 of the Companies Act, 2013. Company got incorporated on 28.03.2012 with the main object of skill development in the state of Kerala. It is a fully owned Government company.

Note - 2

Significant Accounting Policies

a.Basis of Accounting

The financial statements have been prepared under the historical cost convention, on accrual basis and in accordance with the requirements of the Companies Act 2013. The company is a Small and Medium sized Company (SMC) as defined in Accounting Standards rules notified under the Companies Act 2013. Accordingly the company has complied with the Accounting Standards applicable to it as an SMC.

b.Fixed Assets

Fixed Assets are stated at cost less depreciation. Costs comprise of cost of acquisition, cost of improvements and any attributable cost for bringing the asset to the condition of its intended use. Assets purchased by using Govt.Grants are directly accounted under Grant utilisation and the asset are shown in the balance sheet at a nominal value as per Accounting Standards -12.

c.Depreciation

Depreciation on fixed assets of the Company has been provided on written down value method and as per the rates prescribed in Schedule II to the Companies Act, 2013. The scrap value of all the fixed assets is considered as 5% of the cost. Pro-rata depreciation has been provided on the assets purchased during the year and for the period it is actually put to use.

d.Government Grants

Grants from Government are accounted by the company only on receipt and Grant received from Government/(s) for any specific purpose is adjusted against the expenses incurred for the purpose for which it is granted and any amount of such grant is pending for utilization, the same will be shown under the head Capital Reserve and will be adjusted against the expenses as and when incurred.

Non-specific Government Grants received, if any, will be recognised as income on a systematic basis in Income and Expenditure Account.

e.Employee Benefits

Short Term Employee benefits: There is no provision for short term employee benefit. The company does not have any policy for short term employee benefit.

Post Employment benefits and Other Long Term Employee benefits: The Company does not have policy for any Post Employment benefits and/or Other Long Term Employee benefits. Hence no provision is necessary.

f.Provision for Taxation

The Company is registered under section 12AA of the Income Tax Act, 1961 as a charitable institution. The income of the company is assessed as per the provisions of sec.12 of the Income Tax Act. During the current year no provision has been made for current and deferred Tax.

g.Prior Period Items

The identifiable items of Income and Expenditure, which arise in the current period as a result of errors / omissions in the preparation of financial statements of one or more prior periods, are accounted in the prior period expenses / income account and net effect is disclosed in the Income and Expenditure A/c.

h.Earnings Per Share

The Company is licensed under section 8 of the Companies Act, 2013 and is a non-profit making company. As it is not allowed to distribute any surplus to the shareholders, Earnings per Share and related matters do not apply.



i. Generally Accepted Accounting Policies

All the accounting policies are consistently followed by the Company and are consistent with generally accepted accounting policies.

j. Previous years figures and accounts have been re-grouped or re-classified wherever necessary to confirm with current year's classification.

k. Foreign Currency Transaction

Transactions in foreign currency are recorded in Rupees by applying the rate of exchange prevailing on the date of transaction.

Note -3

SHARE CAPITAL	AS AT 31.03.2018	AS AT 31.03.2017
a. AUTHORISED		
30,00,000 Equity Shares of Rs. 100/- each	3000,00,000.00	3000,00,000.00
	3000,00,000.00	3000,00,000.00
b. ISSUED, SUBSCRIBED & PAID UP		
26,94,000 Equity Shares of Rs.100 /-each fully paid up	2694,00,000.00	2694,00,000.00
	2694,00,000.00	2694,00,000.00

Note-3A

	AS AT 31.03.2018 Number	AS AT 31.03.2017 Number
Shares outstanding at the beginning of the year : Equity Shares	26,94,000	26,94,000
Shares Issued during the year		
Shares bought back during the year		
Shares outstanding at the end of the year : Equity Shares	26,94,000	26,94,000

Note-3B

Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	AS AT 31.03.2017		
	Number of shares held		% holding in that class of shares
Equity shares with voting rights Governor of Kerala	26,93,999		99.99
Total	26,93,999		99.99

Class of shares / Name of shareholder	AS AT 31.03.2018		
	Number of shares held		% holding in that class of shares
Equity shares with voting rights Governor of Kerala	26,93,999		99.99
Total	26,93,999		99.99

Note - 3C

Rights & Restriction attached to shares : Equity shares

The Company has one class of equity shares having a par value of Rs. 100 per share. Each shareholder is eligible for one vote per share held. Being a company licensed under section 8 of the Companies Act, 2013, share holders are not eligible for any dividend. On dissolution all the assets over liabilities will vest with Government of Kerala.



Note - 4

RESERVES & SURPLUS

a. Capital Reserves -

Grants in Aid from Government of Kerala :

Position of Grant as at 31.03.2018

Grant	Closing Balance as on 31.03.2017	Receipts during the year	Utilisation during the year	Nominal Value of Fixed Assets as per AS 12	Closing Balance as on 31.03.2018
	(a)	(b)	(c)	(d)	(e) = (a) + (b) - (c)
GOK Grant for iSTEP Initiatives		400,00,000.00	81,17,762.00		318,82,238.00
GOK Grant for Traditional Sectors	195,78,262.00				195,78,262.00
GOK Grant for Indian Institute of Infrastructure and Construction	(590,08,232.00)	2000,00,000.00	780,22,695.00		629,69,073.00
GOK Grant for Kaushal Kendra	(10,91,503.00)	200,00,000.00	112,23,073.00		76,85,424.00
GOK Grant for Nursing & Security Academy	281,55,468.00	100,00,000.00	101,85,033.00		279,70,435.00
GOK Grant for Promotional Expenditure	171,92,323.00	100,00,000.00	197,58,459.00		74,33,864.00
GOK Grant for Aviation	500,00,000.00				500,00,000.00
GOK Grant for LAR Compensation		200,00,000.00	182,59,167.00		17,40,833.00
GOK Grant for Kerala State Institute of Design	793,51,611.86	500,00,000.00	194,81,361.00	36.00	1098,70,250.86
GOK Grant for Conversion of Employability Centres/Operation of Career Development Centre	292,46,979.00	475,00,000.00	293,62,987.00	197.00	473,83,992.00
TOTAL	1634,24,908.86	3975,00,000.00	1944,10,537.00	233.00	3665,14,371.86

Note - 4A

Grant received for LAR compensation for Technocity Land. Rs. 2,00,00,000/- received during 2017-18 has been utilised for paying the LAR compensation of Rs.1,82,59,167/- and the same has been reduced from the value of Land. (Note - 8)

Note - 4B

The grant utilised for Employability Centres/ Career Development Centre Rs 2,93,62,967/- includes HRD process fee of Rs.78,56,631/- paid to M/s ICA Edu Skills Pvt Ltd (which is net of Rs.11,84,745/-) and Rs.66,83,102/- paid to M/s Team Lease. (which is net of Rs. 11,89,063/-). The amounts Rs. 11,84,745/- and Rs. 11,89,063/- has been withheld due to non- performance of the deliverables as per agreement.

Note - 4C

The grant utilised for Kaushal Kendra Rs. 1,12,23,073/- includes HRD process fee of Rs. 1,01,78,863/- paid to M/s ICA Eduskills Pvt Ltd which is net of Rs. 6,02,984/- withheld due to non- performance of the deliverables as per agreement.

b. Reserve u/s 11(2) of Income Tax Act

	AS AT 31.03.2018	AS AT 31.03.2017
Opening Balance	395,00,000.00	205,00,000.00
Add: Created during the year		190,00,000.00
Less: Utilised during the year		
Closing Balance	395,00,000.00	395,00,000.00

c. Income and Expenditure

Opening Balance Surplus/(deficit)	(28,27,154.51)	(247,80,932.79)
Add: Surplus for the year	239,69,753.40	409,53,778.28
Less: Reserve u/s 11(2) of Income Tax Act		190,00,000.00
Closing Balance	211,42,598.89	(28,27,154.51)
Total (a+b+c)	4271,56,970.75	2000,97,754.35



Note-5**OTHER LONG TERM LIABILITIES**

	AS AT 31.03.2018	As AT 31.03.2017
LAR - Technocity Land	96,52,252.00	257,91,073.00
Caution Deposit-KSID	5,60,000.00	4,00,000.00
	102,12,252.00	261,91,073.00

Note-5A

Caution deposit received from the students will be returned only after the course completion (The duration of the course is 2 years and 6 month). Hence the same has been shown under other long term liabilities.

Note-6**TRADE PAYABLES**

	AS AT 31.03.2018	AS AT 31.03.2017
Expenses payable	228,56,806.00	114,17,257.00
	228,56,806.00	114,17,257.00

Note -6A

There are no dues or amounts payable to any concern registered under the MSMED Act, 2006.

Note-7**OTHER CURRENT LIABILITIES**

	AS AT 31.03.2018	AS AT 31.03.2017
Tax deducted at source	11,65,263.00	28,77,779.00
EPF Employee contribution	99,694.00	-
EPF Employer contribution	99,694.00	-
EPF Administration charges	7,050.00	-
Construction Workers Welfare Fund	-	9,71,899.00
Works Contract Tax	-	33,26,870.00
KSWCFC-Asset Programme	39,76,764.00	39,76,764.00
Earnest Money Deposit	22,00,000.00	17,25,000.00
Accounts Payable	4,46,085.00	-
Performance Guarantee -ESAF BM Academy	4,00,000.00	-
Security Deposit	3,10,560.00	61,400.00
Retention Money	469,97,769.00	404,52,757.00
SC Development Department	323,97,500.00	-
ST Development Department	142,94,000.00	-
India Fashion Incubator (IFI)	7,58,516.00	-
Industries & Commerce Department- KSID Project	4,94,956.00	-
India Skills Kerala- 2018	318,44,441.00	-
M/s ULCCS Ltd	174,66,589.00	14,27,159.00
Everline Engineering Enterprises Pvt Ltd	1,22,000.00	-
	1530,80,881.00	548,19,628.00

Note - 7A

Rs.50 lakhs received from Kerala State Welfare Corporation for Forward Communities Limited (KSWCFC) for conducting Advance Soft Skill and English Language Training (ASSET) Programme for economically backward sections among the forward communities of Kerala. The remaining amount shall be settled subject to the concurrence from KSWCFC Ltd with regard to the administrative expenses as per agreement.

Note - 7B

Rs.4,25,000/- EMD on completed contracts is shown as accounts payable under Other Current Liabilities.

Note - 7C

Rs. 3,23,97,500 /- and Rs.1,42,94,000/- received from SC Development Department and ST Development Department respectively for providing training to SC/ST candidates through KASE's Centres of Excellence and Accredited Institution and is shown under Other Current Liabilities.



Note - 7D

India Fashion Summit was an one day event conducted in association with India Fashion Incubator on 03.03.2018 and Rs. 10 lakh received from Directorate of Handloom & Textiles as sponsorship for conducting India Fashion Summit. As per the agreement between KASE & India Fashion Incubator the balance Rs. 7,58,516/- after deducting the expenditure incurred by KASE & KSID (Rs.241484/-) is to be transferred to India Fashion Incubator. Hence it is shown under other current liabilities.

Note - 7E

As part of the World skills India 2018 national level competition organised by Ministry of Skill Development and Entrepreneurship (MSDE), aimed at identifying and training talents in the country for winning medals at the WorldSkills Competition Kazan 2019. India skills Kerala 2018 (State Level competition) is scheduled to be held in April 2018 with the full involvement of Department of Industrial Training Department. During the year Rs.4,62,00,000/- received from Govt. vide G.O (Rt) No.301/2018/LBR dated 18.03.2018 for conducting India Skills Kerala 2018. Further Rs. 46,00,000/- received from National Skill Development Corporation (NSDC) and Rs. 25,00,000/- from Industrial Training Department for the same. Rs.3,18,44,441/- (after the expenditure incurred Rs.2,14, 55,559/-) is shown under other current liabilities.

Note - 7F

Consultancy fee Rs.14,27,159/- (Expense payable 2016-17) and MEP bill Rs. 1,60,39,430/- payable to M/s ULCCS Ltd has been shown under Other Current Liabilities

Note - 9

CASH AND CASH EQUIVALENTS	AS AT 31.03.2018	AS AT 31.03.2017
Cash in Hand	20,648.00	12,812.00
Cash at Bank :		
In Term Deposit Accounts	2056,27,236.84	1814,19,112.84
In Current and Saving Accounts	1336,78,647.40	2936,95,328.35
	3393,26,532.24	4751,27,253.19

Note -10

SHORT TERM LOANS AND ADVANCES	AS AT 31.03.2018	AS AT 31.03.2017
Job fair Advance	7,802.00	9,060.00
Other advances	4,35,252.00	11,952.00
Rent Deposits	29,63,650.00	29,63,650.00
Other Deposits	10,599.00	4,100.00
Electricity Deposits	4,37,264.00	3,02,264.00
Mobilisation advance to M/s ULCCS Ltd	-	81,71,070.00
Advance to Career Development Centre(CDC)	3,31,695.00	2,75,000.00
Advance to M/s Nirmithi Kendra	1,49,397.00	75,210.00
Receivable from Social Justice Department	1,93,420.00	-
Security Deposit- GCDA	75,000.00	-
	46,04,079.00	118,12,306.00

Note -11

OTHER CURRENT ASSETS	AS AT 31.03.2018	AS AT 31.03.2017
ODEPEC	273.00	273.00
Eram Engineering Company WLL	154,95,806.00	96,16,142.00
Group L Security Services	25,38,268.00	25,38,268.00
Centre For Advanced Training in Security (CATS)	71,187.00	71,187.00
Entrepreneurship Development Institute of India (EDII)	5,66,667.00	-
LII Academy of Scientific Electrolysis	-	17,913.00



Nursing Institute for Career Enhancement (NICE)	5,33,012.00	4,15,424.00
Hedge School of Applied Economics	80,700.00	10,000.00
School of Wellness	84,000.00	84,000.00
SMEC Automation Pvt Ltd	85,187.00	17,391.00
Centre for Research in Education and Teacher Training (CRETT)	6,350.00	63,500.00
Dhanwanthari Vaidhyasala	15,830.00	13,210.00
Induscan Petroleum Institute	1,366.00	1,366.00
Atheos Educational Initiatives Pvt Ltd	2,66,478.00	-
Info Prism Solutions Pvt Ltd	9,72,900.00	-
Refund Due From NID-KSID	-	1,07,234.00
Prepaid Expenses	50,817.00	4,42,477.00
Income Tax refund	27,26,790.00	14,42,871.00
Interest Accrued on Term Deposit	27,84,867.00	22,84,850.00
KIIFB Project- Upgradation of 10 ITIs	36,59,205.50	12,200.00
ICA Eduskills Pvt Ltd	33,250.00	1,000.00
PMKVY -Project Expenses	4,21,584.50	-
	303,94,538.00	171,39,306.00

Note -11A

In case of M/s Group L Services Pvt. Ltd, the agreement was executed on 24.11.2014, they have not yet started their operation. In lieu of various termination notices served by KASE, no official communication has been received from them, whether to commence or withdraw from the project. Rent and interest for the current year has not been provided. Rs.25,38,268/- is the provision made in the previous years.

Note- 11B

Rs.36,59,205.50 paid to M/s Mridhuanjali Architects & Engineers Pvt Ltd towards consultancy charges for the preparation of DPR and initial expenditure in connection with the upgradation of 10 ITIs into International standards under KIIFB project has been met out of the internal accruals of KASE. The same can be recouped from the centage charges to be received from KIIFB. Hence shown under other current assets.

Note- 11C

KASE is the nodal agency for the implementation of Centrally Sponsored State Managed (CSSM) component of Pradhan Mantri Kaushal Vikas Yojana (PMKVY) scheme, by virtue of its designation as the State Skill Development Mission. The Initial expenditure of Rs. 4,21,584.50 has been met from the internal accruals of the company and can be recouped from the project fund subsequently and hence shown under other current assets.

Note -12

OPERATING INCOME	AS AT 31.03.2018	AS AT 31.03.2017
Registration Fee from Employability Centres	111,17,250.00	96,07,250.00
Fee from Kaushal Kendras	19,23,450.00	9,75,300.00
Revenue from Centres of Excellence	54,08,738.00	58,31,120.00
Revenue from Accredited Institution	21,07,631.00	1,87,390.70
Fees received- KSID	38,16,000.00	37,79,750.00
DDU-GKY Appraisal Fee	57,00,000.00	18,50,000.00
Administrative cost for managing Employability Centres	16,14,612.00	39,33,400.00
Service Charges for managing CDCs	3,06,804.00	-
iSTEP Application fee	2,30,000.00	90,000.00
	322,24,485.00	262,54,210.70



Note-12A

KASE has been designated as Technical Support Agency of M/s Kudumbasree for appraising of Deen Dayal Upadhyaya Grameen Kaushalya Yojana (DDU-GKY) projects in Kerala and Rs.57,00,000/- was received as appraisal fee.

Note-12B

As per the agreement between KASE and National Employment Service (Kerala), for monitoring, managing and supervising the operations of the Employability Centres, KASE is entitled to get 10% of the Management fee payable to the HRD Partner as administrative charge. The same has been included in operating income for the current year.

Note-12C

As per agreement between KASE and National Employment Service (Kerala), KASE is entitled to get a service charge of 5 % of the total amount released for Career Development Centres for the purpose of training programs, software/hardware and all other related activities. This is shown as operating income.

Note-12D

Interest for delayed receipt of income from Centres of Excellence and Accredited Institutions has not been provided as the company is following the conservative approach.

Note -13

	AS AT 31.03.2018	AS AT 31.03.2017
OTHER INCOME		
Interest Income	154,01,358.00	132,52,106.84
Other Income	78,647.00	31,11,102.18
Profit on sale of fixed assets	27,252.00	-
Prior period adjustment	2,92,385.75	-
	157,99,642.75	163,63,209.02

Note - 13A

Kerala Academy for Skills Excellence (KASE), in association with Social Justice Department and Women and Child Development Department has conducted 'Prachodana 2018', the three day workshop from 12th to 14th January 2018. Other income includes Rs.65,732/- which is 5% administrative cost charged by KASE on the total expenditure Rs.13,14,640/-incurred for the said programme as agreed.

Note - 13B

The prior period adjustment of Rs.3,14,642.50 includes the following:-

Cheque issued to DEO, Kozhikkode for electricity & telephone charges. But the expenditure met from their own fund. Hence the entry revised.	(11,031.00)
Telephone charges wrongly accounted in the previous year	3,120.00
Bank charges for previous years not reversed by bank now accounted.	1,246.50
Previous MD's NPS contribution on salary for 5 days in march 2016 paid during current year.	1,043.00
Amount payable to M/s Tourfed for the year 2016-17 now booked	55,605.00
Short provision of rent from M/s Eram Engineering Company WLL	(1,75,809.00)
Excess amount of bank charges received	(6.00)
Provision made during the previous years now reversed	(37,842.00)
Rectification of duplication entry in KSID now reversed	(1,62,241.00)
Amount payable to Mathrubhumi for the year 2015-16 provision made for	6,272.00
E- Tender fee received during 2015-16 booked as income now reversed as EMD	50,000.00
Reversal of additional depreciation provided in the previous years. This has been done to maintain the scrap value of assets @ 5% of cost	(22,743.25)
	(2,92,385.75)

Note -14**EMPLOYEE BENEFIT EXPENSES**

Salary and Allowances

	AS AT 31.03.2018	AS AT 31.03.2017
Salary and Allowances	94,20,678.00	72,24,433.00
	94,20,678.00	72,24,433.00



Note-14A

During the current year, employees have been appointed on contract. Hence, no short term employee benefits incurred.

Note -15

OTHER EXPENSES	AS AT 31.03.2018	AS AT 31.03.2017
Auditors Remuneration : Audit fee	1,19,700.00	1,00,000.00
Out of Pocket Expenses	9,500.00	7,000.00
Meeting Expenses	4,14,035.00	4,61,502.00
Office Expenses	1,06,684.00	62,074.00
Prior Period Adjustment	-	2,89,457.00
Travelling and Conveyance Expenses	1,10,904.00	1,30,674.00
Honorarium	57,500.00	22,500.00
Advertisement charges	1,91,376.00	7,71,596.00
Consultancy Charges	4,78,292.00	16,72,352.00
Electricity Charges	3,90,726.00	4,02,748.00
House Keeping Charges	6,86,268.00	5,94,261.00
Interest on TDS	-	573.00
Internal Audit Fee	2,90,400.00	3,79,500.00
Legal Charges	56,400.00	27,900.00
Membership & Subscription	-	3,000.00
Printing & Stationary	1,62,365.00	1,45,202.00
Postage and Courier Charges	15,108.00	11,036.00
Rates & Taxes	31,034.00	30,524.00
Rent	31,18,483.00	29,03,580.00
Repair and Maintenance	7,37,522.00	7,34,704.00
Security Service Charges	4,98,328.00	4,99,927.00
Telephone and Internet	1,12,009.00	1,00,544.00
Vehicle Hire Charges	4,16,531.00	3,81,932.00
Common Amenity Charges-Inkel	30,57,650.00	26,62,655.00
Website Development Charges	9,984.00	12,654.00
Project Expenses-KSID	-	2,44,504.00
Bank Charges	79,564.45	13,619.00
DDU-GKY Expenses	8,57,944.00	75,990.00
Irrecoverable dues written off	1,10,763.00	-
State Job Portal Development charges	14,40,000.00	-
	135,59,070.45	127,42,008.00

Note- 15A

Irrecoverable dues consist of amounts which were booked under current assets which in the opinion of the company is not recoverable.

Note- 16

An amount of Rs. 46,72,18,361/- has been resumed by Govt. vide G.O(P) No.156/2017/FIN dated 14.12.2017 (Rs. 20,31,83,674/-on 11.01.2018) and vide G.O(P) No.51/2018/FIN dated 28.03.2018 (Rs. 26,40,34,687/- on 31.03.2018) respectively from the Special TSB A/c No.701014400000012 maintained with District Treasury Trivandrum. The resumption has been made without the prior intimation and this can be claimed as per requirement. Hence it is disclosed as advance to Govt. under non- current assets. Request has been forwarded to Govt for recouping the resumed fund.



Note -17

In the course of preparation of these financial statements, the heads and sub-heads, that are not relevant are not included, in both Balance Sheet and Income and Expenditure Statement.

Note -18

Value of Imports on CIF basis : NIL

Note - 19

Earnings in Foreign Exchange : NIL

Note - 20

Expenditures in Foreign Exchange on account of dividend – Nil

For and on behalf of the Board of Directors



K Renuka ACA
Manager (Finance & Administration)

As per our report of even date attached
For S S Mathew & Co
Chartered Accountants (FRN009440S)



Chandrasekar S IAS
Managing Director



Dr. Asha Thomas IAS
Chairman



CA Susan K Mathew FCA
Membership No.108786

Place : Trivandrum
Date : 24.11.2018



KERALA ACADEMY FOR SKILLS EXCELLENCE

CIN : U80220KL2012NP1030883

THIRD FLOOR, CARAMEL TOWER, VAZHUTHACAUD, THIRUVANANTHAPURAM 695014

CONSOLIDATED FIXED ASSETS FOR THE YEAR 2017-18

Name of Assets	Gross Block						Depreciation		Net Block	
	As on 31.03.17	Additions	Deduction	As on 31.03.18	up to 31.03.17	for the year	Deduc/Adj	up to 31.03.18	As on 31.03.18	As on 31.03.17
a. Tangible Assets										
Land	337,63,273.00	21,20,346.00	182,59,167.00	176,24,452.00	-	-	-	-	176,24,452.00	337,63,273.00
Buildings	2,80,579.71	-	-	2,80,579.71	2,79,990.62	-	13,439.89	2,66,550.73	14,028.98	589.09
Tube Well	-	-	-	-	16,14,131.67	3,66,417.63	-	19,80,549.30	10,14,795.34	13,81,212.97
Furniture and Fixtures	29,95,344.64	-	-	29,95,344.64	7,46,797.08	1,58,743.63	-	9,05,540.71	3,49,561.29	5,08,304.92
Motor Vehicles	12,55,102.00	-	-	12,55,102.00	14,24,313.65	1,47,548.73	8,767.97	15,63,094.41	2,70,579.84	3,07,317.60
Computer & Accessories	17,31,631.25	1,02,043.00	-	18,33,674.25	23,13,629.02	4,01,915.92	90,080.39	26,25,464.55	7,06,386.05	7,02,786.58
Office Equipments	30,16,415.60	4,10,728.00	95,293.00	33,31,850.60	1,049.66	-	1,049.66	-	-	-
Books	1,049.66	-	-	1,049.66	-	-	-	-	-	-
Work in Progress - Building	-	-	-	-	-	-	-	-	-	-
b. Leasehold Building	211,79,450.00	-	-	211,79,450.00	-	-	-	-	211,79,450.00	211,79,450.00
Nominal value of Fixed Assets as per AS 12	3,913.00	233.00	-	4,146.00	-	-	-	-	4,146.00	3,913.00
Total	642,26,758.86	26,33,350.00	183,54,460.00	485,05,648.86	63,79,911.70	10,74,625.90	1,12,288.25	73,42,249.35	411,63,399.51	578,46,847.16
Previous Year figure	2302,00,509.86	103,57,079.00	1763,30,830.00	642,22,845.86	46,82,711.26	16,97,200.44	-	63,79,911.70	578,46,847.16	2255,17,798.60

Note - 8A

Grant received for LAR compensation Rs. 2 crore has been utilised for paying the LAR compensation of Rs.1,82,59,167/- for Technocity Land and the same is reduced from the value of Land.

Note - 8B

Interest @ 15 % on LAR compensation has been provided till the date of payment (10.01.2018). This amount has been shown as addition to Land value.

Note - 8C

Deduction/Adj includes Rs. 22,743.25 (Tube well- Rs. 13,439.89, Computer & Accessories - Rs. 8,767.97 and Office Equipments - Rs. 535.39) which is reversal of additional depreciation provided in the previous years. This has been done to maintain the scrap value of assets @ 5% of cost

Note - 8D

Deduction/Adj Rs. 90,080.39 includes Rs. 89,545/- is the depreciation on photocopier up to the date of sale.



KERALA ACADEMY FOR SKILLS EXCELLENCE

CIN : U80220KL2012NPL030883

THIRD FLOOR, CARMEL TOWER, VAZHUTHACAUD, THIRUVANANTHAPURAM 695014

Nominal value of Fixed Assets as per AS 12

SL.NO.	PROJECT NAME	TOTAL QUANTITY (In Nos.)	NOMINAL VALUE AS PER AS 12	Addition 2017-18	Total
1	Kerala State Institute of Design (KSID)*	1730	1,730.00	36.00	1,766.00
2	Employability Centres	781	781.00	58.00	839.00
3	Kaushal Kendras	804	804.00	-	804.00
4	Centre of Excellence in Entrepreneurship Development (CEED) - Inkel Tower, Angamali	253	253.00	-	253.00
5	KASE Office(Inkel Tower, Angamali)	145	145.00	-	145.00
6	KASE Canteen (Inkel Tower, Angamali)	127	127.00	-	127.00
7	Nursing Institute for Career Enhancement (NICE) - Kintra International Apparel Park	1	1.00	-	1.00
8	Career Development Centres	72	72.00	139.00	211.00
	TOTAL	3913	3,913.00	233.00	4,146.00



KERALA ACADEMY FOR SKILLS EXCELLENCE

CIN : U80220KL201:NPL030883

THIRD FLOOR ,CARMEL TOWER,VAZHUTHACAUD ,THIRUVANANTHAPURAM 695014

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03. 2018

(in Rupees)

Particulars	For the year ended 31 st March 2018	For the year ended 31 st March 2017
I.Cash Flows from Operating Activities		
Net Profit/Loss before Taxation & Extra Ordinary Item	239,69,753.40	409,53,778.28
Add: Adjustments for non cash expenditure:		
Depreciation	10,74,625.90	16,97,200.44
Loss on sale of Asset	-	-
Total	10,74,625.90	16,97,200.44
Less: Profit on sale of Asset	27,252.00	-
Excess provision of depreciation adjusted	22,743.25	-
Interest income	154,01,358.00	132,52,106.84
Total	154,51,353.25	132,52,106.84
Operating Profit before Working Capital Changes	95,93,026.05	293,98,871.88
ADD: Decrease in current asset and Increase in Current Liabilities		
Decrease (Increase) in Short Term loans and Advances	72,08,227.00	592,09,038.00
Decrease (Increase) in other current asset	(132,55,232.00)	(108,10,735.00)
Increase(Decrease) in Current Liabilities	982,61,253.00	(1576,56,941.00)
Increase(Decrease) in Other long -Term Liabilities	(159,78,821.00)	77,21,906.00
Increase(Decrease) in Trade payables	114,39,549.00	(122,81,949.00)
	876,74,976.00	(1138,18,681.00)
Cash Generated from Operations	972,68,002.05	(844,19,809.12)
Income Tax & Fringe Benefit Tax Paid	-	-
Net Cash from Operating Activities (A)	972,68,002.05	(844,19,809.12)
II.Cash Flows from Investing Activities		
Acquisition of Fixed Assets	(26,33,350.00)	(103,57,079.00)
Sale of Fixed Assets- Buyback	33,000.00	-
Asset transferred to utilisation	182,59,167.00	-
Net Cash from Investing Activities (B)	156,58,817.00	(103,57,079.00)
III.Cash Flows from Financing Activities		
Add: Grant received	3975,00,000.00	3175,20,000.00
Interest Received	154,01,358.00	132,52,106.84
Resumption of plan fund by Govt.	(4672,18,361.00)	-
Grant utilised	(1944,10,537.00)	(2865,31,229.00)
Net Cash used in Financing Activities (C)	(2487,27,540.00)	442,40,877.84
Net Increase in Cash and Cash Equivalents (D)=(A)+(B)+(C)	(1358,00,720.95)	(505,36,010.28)
Cash & Cash Equivalents at the beginning of the period (E)	4751,27,253.19	5256,63,263.47
Cash & Cash Equivalents at the end of the period(D)+(E)	3393,26,532.24	4751,27,253.19

Note -1

The Cash Flow Statement has been prepared under the Indirect Method as set out in Accounting Standard 3 issued by ICAI

Note -2

Resumption of plan fund Rs.46,72,18,361/- by the Govt. during the financial year is shown under financing activities.

For and on behalf of the Board of Directors


K Renuka ACA
Manager (Finance & Administration)

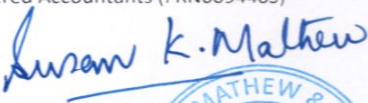

Chandrasekar S IAS
Managing Director

Place : Trivandrum
Date : 24.11.2018


Dr. Asha Thomas IAS
Chairman



As per our report of even date attached
For S S Mathew & Co
Chartered Accountants (FRN0094405)


CA Susan K Mathew FCA
Membership No.108786

