



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED

**THIRU VI KA INDUSTRIAL ESTATE,
GUINDY, CHENNAI - 600 032.**

49TH ANNUAL REPORT 2018 - 2019

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TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED

(a Government of Tamilnadu Undertaking)

BOARD OF DIRECTORS

Dr. Rajendra Kumar, I.A.S	Chairman
Tmt. R. Gajalakshmi, I.A.S	Managing Director
Thiru. S. Arunraj, I.A.S	Director
Tmt. Anu George, I.A.S	Director
Dr. (Tmt.) M. Aarthi, I.A.S	Director
Thiru. J. Kumaragurubaran, I.A.S	Director
Shri. S. Suresh Babuji	Director
Thiru S. Anburajan	Director
Prof. V.Gopal	Director
Dr. G. Ravikumar	Director
Dr. S. Mohan	Director

SECRETARY CUM FINANCIAL CONTROLLER i/c.

Thiru. R. Venkatesan, B.Com.,

AUDITORS

L.U. Krishnan & Co,
Chartered Accountants,
Sam's Nathaneal Tower,
3-1, West Club Road,
Shenoy Nagar, Chennai 600 030

BANKERS

- ♦ Canara Bank
- ♦ Indian Overseas Bank
- ♦ Bank of Baroda
- ♦ State Bank of India

REGISTERED OFFICE

SIDCO Corporate Office Building,
Thiru Vi Ka Industrial Estate, Guindy, Chennai 600 032

Telephone : 2250 1461
Telegram : TANSIDCO
FAX : 91-44-2250 0792
E-mail : ho.sidco@nic.in
Website : www.sidco.tn.nic.in



Tamilnadu Small Industries Development Corporation Limited

Regd. Office: SIDCO Corporate Office Building, Thiru Vi Ka Indl Estate,

Guindy, Chennai-600 032

CIN: U74999TN1970SGC005821

Phone: 2250 1461 / 2250 1422 Fax: 2250 0792

E-mail: ho.sidco@nic.in, website: www.sidco.tn.nic.in

Rc.No.49th AGM /Secl / 2019

Date:11.12.2019

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the Forty Ninth Annual General Meeting of the Shareholders of Tamilnadu Small Industries Development Corporation Limited will be held at the Registered Office of the Corporation at

SIDCO Corporate Office Building,
Thiru Vi Ka Industrial Estate,
Guindy, Chennai - 600 032.

on Tuesday, the 17th December, 2019 at 4.00 P.M to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements including the Consolidated Financial Statements of the Company for the financial year ended 31st March, 2019, together with the Reports of the Board of Directors and the Statutory Auditors thereon and the Comments of the Comptroller and Auditor General of India.
2. To fix the Remuneration of the Statutory Auditors for the year 2019-20.
To consider and if thought fit, to pass with or without modification(s), the following resolution as an ORDINARY Resolution.

RESOLVED that the consent of the Company be and is hereby accorded for the payment of remuneration of Rs.2,50,000/- to Ramesh & Ramachandran (Firm Registration No.02981S) Chartered Accountants, Chennai, Statutory Auditors for the year 2019-20 besides reimbursement of actual travelling and out of pocket expenses subject to a ceiling of Rs.1,00,000/- plus applicable GST subject to other terms and conditions laid down by the Office of the Comptroller and Auditor General of India Letter No. CA.V/COY/TAMILNADU,TNSIDC(1)/254 dt.02.08.2019.

BY ORDER OF THE BOARD

R.GAJALAKSHMI, IAS
MANAGING DIRECTOR

Note :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.
2. A Proxy in order to be effective must be lodged with the Company not later than 48 hours before the Meeting.



**TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LTD.,
CHENNAI 32**

**DIRECTORS' REPORT
2018 - 2019**

TO THE MEMBERS

The Board of Directors have pleasure in presenting the 49th Annual Report of the Corporation along with the Audited Statements of Accounts for the year ended 31st March, 2019.

1. FINANCIAL RESULTS

The financial performance of the Corporation for the year under report is summarized as follows.

(Rupees in lakh)

	PARTICULARS	31.03.2019	31.03.2018
	Total Income	7,144.63	6,445.74
	Total Expenditure	6,761.93	5,410.03
	Profit Before Tax and other adjustments	382.70	1,035.71
	Prior Period Item – Income/(Expenses)	3.43	2.87
	Exceptional Items	(1.95)	11.25
	Profit Before Tax	384.17	1,049.84
	Tax Expenses	(98.89)	(359.17)
	Profit after Tax	285.28	690.67

2. HIGHLIGHTS OF THE YEAR

A. RAW MATERIALS DISTRIBUTION

a) Direct Sales

The Corporation has distributed 2,092.509 MTs of raw materials during the year 2018-19 as detailed below:

S. No.	Materials	2018 - 2019		2017 - 2018	
		Qty in Mts	Value Rs in crore	Qty in Mts	Value Rs in crore
1	Paraffin Wax	1,966.300	14.66	2,001.330	14.65
2	TNPL copier Paper	126.209	0.83	141.530	0.92
	Total	2,092.509	15.49	2,142.860	15.57



b) Agency Sales

Apart from the above direct sales, a total quantity of **225.708** MTs of TNPL papers valued at **Rs.1.62** crores procured from M/s. TNPL, Chennai were distributed on agency basis in 2018 -19.

B. INDUSTRIAL ESTATES DIVISION

During the year 2018 -19, your Corporation has achieved a turnover of **Rs.39.99** Crore from the sale of Plots & Sheds in various industrial estates. The total turnover under this activity during the year 2017 - 2018 was **Rs.25.82** Crore.

New Industrial Estates

During 2018 -19, SIDCO has carried out development works in the Industrial Estates at Mulluvadi at Vellore District, Rajapalayam at Virudhunagar District, Koranampatti at Salem District.

SIDCO has also undertaken development of Integrated Technical Textile Park at Thandarai, Kancheepuram District, Integrated Textiles Apparels Park at Punjaikalakurichi, Karur District, Integrated Sea Food Park at Sakkarakottai, Ramanathapuram District and Integrated Food Park at Eachmbadi, Dharmapuri District at a cost of Rs. 88 crore with assistance from JICA fund.

C. MARKETING ASSISTANCE SCHEME

During 2018 -19, SIDCO has executed orders worth of Rs.86.11 lakh.

D. COMMON FACILITY CENTRE FOR CLUSTERS

SIDCO is the implementing agency for establishing Common Facility Centres in Tamilnadu under the GOI's MSE-CDP (CFC) Scheme. During 2018 – 2019 GOI has accorded approval for Textile Knitting Cluster at Tirupur District at a project cost of Rs.15.35 crore and in principle approval accorded for seven projects viz:- Design Cluster at Tirupur, Lorry Body Building at Namakkal, Home Furnishing at Karur, Furniture Cluster at Salem, Printing Cluster at Salem, Power Loom Cluster at Palladam and Auto Loom and Power Loom Cluster at Rasipuram.

During the year 2018 – 19, the Government of Tamilnadu has approved the project for setting up of Silver Anklets Cluster at Salem at a project cost of Rs.249.96 lakh for Common Production Infrastructure (CPI).

3. PROGRAMME FOR THE YEAR 2019 - 2020

A. INDUSTRIAL ESTATES DIVISION

New Industrial Estates

During the year 2019 - 20, new Industrial Estates are proposed to be formed in Marikundu at Theni District, Uthangarai at Krishnagiri District, Madurai Ambalakaran Pettai at Madurai District, Perundurai at Erode District and Sivagangai at Sivagangai District.



Upgradation of Infrastructure

During the year 2019 – 20, upgradation of infrastructure is proposed to be taken up under MSE-CDP, GOI scheme for Six Industrial Estates viz., Ranipet at Vellore District, Hosur New at Krishnagiri District, Nanjaiuthukuli at Erode District, Nanjikottai at Thanjavur District, K.Pudur at Madurai District and Dindugal at Dindugal District at a project cost of Rs.27.95 crore.

B. RAW MATERIALS DISTRIBUTION

a) Direct Sales

The Corporation has proposed to distribute the following raw materials during the year 2019 - 2020.

S. No.	Materials	2019 - 2020	
		Qty in Mts	Value Rs in crore
1	Paraffin Wax	2,000.00	1,926.460
2	TNPL copier Paper	100.00	70.289

b) Agency Sales

Apart from the above direct sales, a total quantity of **150** MTs of TNPL Paper valued at **Rs.1.15** crore procured from M/s. TNPL, Chennai are to be distributed on agency basis in 2019-2020.

C. MARKETING ASSISTANCE SCHEME

The Corporation plans to execute orders worth **Rs.0.50** crore during 2019-2020.

D. COMMON FACILITY CENTRE FOR CLUSTERS

During the year 2019 – 2020 it is proposed to establish 9 Common Facility Centre under MSE-CDP Scheme. The GOI has accorded approval for Furniture Cluster at Salem, Printing Cluster at Salem, Lorry Body Building at Namakkal, Power Loom Cluster at Rasipuram at a Project cost of Rs.64.55 crore and in principle approval accorded for Design Cluster at Tirupur, Home Furnishing Cluster at Karur, Power Loom Cluster at Palladam, Apparel Cluster at Tirupur and Sweater Cluster at Coonoor at a project cost of Rs. 65.90 crore.

Further, it is proposed to set up M/s Tirupur Corrugators Private Ltd, Tirupur under Common Production Infrastructure Scheme (CPI) at a project cost of Rs.389.80 lakh during 2019 - 20.

4. PARTICULARS OF EMPLOYEES

No employee of this Corporation was in receipt of remuneration in excess of the limits prescribed under the Companies Act, 2013 and the Rules framed thereunder, during the year.



5. AUDITORS

The Comptroller and Auditor General of India have appointed M/s L.U. Krishnan & Co., Chartered Accountants, Chennai as the Statutory Auditors of the Corporation for the year 2018-19.

6. INDEPENDENT DIRECTORS

With the approval of the Government and the Board, Prof. V. Gopal, Professor of Finance and Accounting, Indian Institute of Management, Tiruchirappalli and Dr. G. Ravikumar, Professor in Civil Engineering, College of Engineering Guindy have been reappointed as Independent Directors for a period of three years with effect from 18.03.2018 and Dr.S. Mohan, Professor, Department of Civil Engineering, IIT Madras has been appointed as an Independent Director of the Company to hold office for a term of 3 years with effect from 15.05.2018. The Independent Directors have submitted their disclosure to the Board confirming that they fulfill all the requirements as to qualify for their appointment as an Independent Director under the provisions of Section 149 of the Companies Act, 2013. The Board confirms that the said Independent Directors meet the criteria as laid down under the Companies Act, 2013.

7. AUDIT COMMITTEE

The Audit Committee comprises of five Directors. The following directors continued as members of the Audit Committee as on 31.03.2019.

1. Thiru.K.Shanmugam, IAS
2. Dr. (Tmt.) M. Aarthi, IAS
3. Prof. V.Gopal
4. Dr.G.Ravikumar
5. Dr. S. Mohan

During the year, there were no instances of cases where the Board had not accepted any recommendation of the Audit Committee.

8. CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee comprises of four directors, one of them being an independent director. The CSR Policy is displayed on the Company's website. The CSR activities are to be focused mainly on employment enhancing vocation skills, health care and sanitation and environmental sustainability and aims to spend 2% of the average net profit of the Company before tax in the last three financial years.



9. NOMINATION AND REMUNERATION COMMITTEE

In terms of the provisions of the Companies Act, 2013, the Corporation has constituted the Nomination and Remuneration Committee. As on 31.03.2019, the Committee comprised of Thiru K.Shanmugam, IAS, Thiru Dharmendra Pratap Yadav, IAS, Dr. G.Ravikumar and Dr. S. Mohan.

10. MEETINGS

During 2018 -19, the Board of Directors met four times on 12.06.2018, 03.10.2018, 07.12.2018 & 27.03.2019. Audit Committee met thrice on 03.10.2018, 07.12.2018 and 27.03.2019, Corporate Social Responsibility Committee met once on 27.03.2019 and the Nomination and Remuneration Committee met once on 12.06.2018. The Annual General Meeting was held on 27.12.2018.

11. KEY MANAGERIAL PERSONNEL

Thiru Dharmendra Pratap Yadav, IAS, Chairman & Managing Director and Tmt. N.Leelavathie, Chief Financial Officer and Company Secretary are the key managerial personnel of this Corporation as on 31.03.2019.

12. INTERNAL AUDIT

The Corporation has engaged the services of Chartered Accountant firm M/s. N. Raja & Associates, for internal audit of the branch offices and head office on a half yearly basis. The Audit Reports are submitted to the Managing Director and the summary of the Reports are placed before the Audit Committee and the Board.

13. MATERIAL CHANGES AND COMMITMENTS

No material change or commitments affecting the financial position of the Corporation occurred between the end of the financial year as on 31st March, 2019 and the date of this report.

14. PARTICULARS REGARDING CONSERVATION OF ENERGY ETC.

Information required under section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014 is given below.

A) Conservation Of Energy, Technology Absorption, Adoption and Innovation

Not applicable

B) Foreign Exchange Earnings and Outgo

Foreign exchange earning - NIL

Foreign exchange outgo - NIL



15. PARTICULARS OF LOANS/GUARANTEES/INVESTMENTS : NIL

16. PARTICULARS OF CONTRACTS WITH RELATED PARTY : NIL

17. RISK MANAGEMENT

The Corporation does not have any Risk Management Policy as the elements of risk threatening the Company's existence are very minimal.

18. ADEQUACY OF INTERNAL CONTROL SYSTEM

The Corporation has an internal control system commensurate with the size of its operations which provides for accurate recording of transactions with internal check, adherence to applicable Accounting Standards and Policies, compliance with applicable laws, and effective use of resources and safeguarding of assets. The Corporation has engaged the services of a firm of Chartered Accountants to carry out periodical audit. The audit observations are reviewed and compliance ensured.

19. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Corporation has put in place an anti-sexual harassment mechanism in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. The Corporation has not received any complaint of sexual harassment during the year 2018-19.

20. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

No significant and material orders has been passed by the regulators, courts, tribunals impacting the going concern status of the Corporation and its further future operation.

21. ANNUAL RETURN

The extract of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished as Annexure II to this Report.

22. BOARD OF DIRECTORS

As on 31.03.2019, the Corporation's Board had the following Directors.

Thiru Dharmendra Pratap Yadav, IAS, Chairman & Managing Director, TANSIDCO and Secretary to Government, Micro Small and Medium Enterprises Department.

Thiru K. Shanmugam, I.A.S., Additional Chief Secretary to Government, Finance Department.



Dr.Rajendra Kumar I.A.S., Principal Secretary / Industries Commissioner and Director of Industries and Commerce.

Dr. (Tmt.) M. Aarthi, I.A.S., Managing Director, TIIC Ltd.,

Thiru Mahesan Kasirajan, I.A.S., Managing Director, SIPCOT.

Thiru KRK Prasad, Director, Micro Small and Medium Enterprises –Development Institute.

Thiru S.Anburajan, President, Tamilnadu Small and Tiny Industries Association.

Prof. V.Gopal, Professor in Finance & Accounting, Indian Institute of Management, Tiruchirappalli.

Dr.G.Ravikumar, Prof. of Civil Engineering, Anna University.

Dr.S. Mohan, Professor, Department of Civil Engineering, IIT Madras

23. COMMENTS ON AUDITORS' REPORT

a) Statutory Auditors

With regard to para 5 (a) and (b) of the Auditors' Report, the Directors wish to state that appropriate disclosures have been made in the Notes No. 12 and 27 (ii) respectively and considered adequate.

24. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (5) of the Companies Act, 2013, it is hereby confirmed that:

- a) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any.
- b) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Corporation at the end of the financial year and of the profit of the Corporation for that period.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Corporation and for preventing and detecting fraud and other irregularities.



- d) The Directors have prepared the Annual Accounts for the Financial Year ended 31st March 2019 on a 'going concern' basis.
- e) The Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

25. ACKNOWLEDGEMENT

The Board of Directors wish to thank, the Government of India, Government of TamilNadu, Directorate of Industries & Commerce, Tamil Nadu Industrial Investment Corporation Limited, State Industries Promotion Corporation of Tamil Nadu Limited, Steel Authority of India Limited, TamilNadu Newsprint and Papers Limited, Chennai Petroleum Corporation Limited, Commercial Banks, MSME Associations etc., for their co-operation and assistance.

The Directors also express their thanks to the Comptroller and Auditor General of India and the Statutory Auditors. Further the Directors also place on record their appreciation of the services rendered by the Officers and staff in running the affairs of the Corporation.

FOR AND ON BEHALF OF THE BOARD

PLACE : CHENNAI

DATE : 14.10.2019

HANS RAJ VERMA, IAS

CHAIRMAN AND MANAGING DIRECTOR



ANNEXURE- I

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1	A brief outline of the company's CSR Policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programmes.			CSR Policy is available on the website of the Company www.sidco.tn.nic.in				
2	The Composition of the CSR Committee			Thiru Dharmendra Pratap Yadav, IAS., (Chairman). Dr.Rajendra Kumar I.A.S, Thiru S. Anburajan and Prof. V. Gopal.				
3	Average net profit of the company for last three financial years			Rs. 837.29 lakhs				
4	Prescribed CSR Expenditure (2% of the amount as in item 3 above)			Rs. 16.75 lakhs				
5	Details of CSR spent during the financial year 2017-18 a) Total amount to be spent for the Financial year b) Amount spent c) Amount unspent			Rs. 16.75 lakhs Rs. 23.60 lakhs NIL				
	d) Manner in which the amount spent							
	Sl. No	CSR Projects activity identified	Sector in which the Projects is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs were undertaken	Amount outlay (budget) projects or program wise (Rs.in lakh)	Amount spent on the projects or programs sub-heads(1) Direct expenditure on projects or programs (2) Overheads Rs. in lakh	Cumulative expenditure up to the reporting period	Amount Spent Direct or through implementing agency
	1	Planting of Avenue Trees in and around the Industrial Estates in Thirumudivakkam, Kakkalur & Vichoor	Environment and Community development	Tamil Nadu	9.79	9.79	9.79	Direct
	2	Construction of Modern Stainless Steel Bus Shelter in Guindy Industrial Estate	Environment and Community development	Tamil Nadu	13.81	13.81	23.60	Direct
6	Reasons for not spending the amount :			The implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company				
7								



FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2019

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U74999TN1970SGC005821
2.	Registration Date	23.03.1970
3.	Name of the Company	Tamilnadu Small Industries Development Corporation Limited
4.	Category/Sub-category of the Company	Government Company
5.	Address of the Registered office & contact details	SIDCO Corporate Office Building, Thiru Vi Ka Indl Estate Guindy, Chennai-600 032
6.	Whether listed company	NO
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	NO

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1.	Formation of Industrial Estate		55.97
2.	Sale of Raw Materials		21.69

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
1.	Guindy Industrial Estate Infrastructure Upgradation Company	U75113TN2004NPL053490	Associate	25	2(6)

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]					% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/ HUF		—	—	0.00%		—	—	0.00%		0.00%
b) Central Govt		—	—	0.00%		—	—	0.00%		0.00%
c) State Govt(s)		251,400	251,400	100.00%		251,400	251,400	100.00%		0.00%
d) Bodies Corp.		—	—	0.00%		—	—	0.00%		0.00%
e) Banks / FI		—	—	0.00%		—	—	0.00%		0.00%
f) Any other		—	—	0.00%		—	—	0.00%		0.00%
Sub Total (A) (1)		251,400	251,400	100.00		251,400	251,400	100.00		0.00%



(2) Foreign										
a) NRI Individuals				0.00%				0.00%		0.00%
b) Other Individuals				0.00%				0.00%		0.00%
c) Bodies Corp.				0.00%				0.00%		0.00%
d) Any other				0.00%				0.00%		0.00%
Sub Total (A) (2)		-	-	0.00%		-	-	0.00%		0.00%
TOTAL (A)	-	2,51,400	2,51,400	100.00		2,51,400	2,51,400	100.00		0.00%
B. Public Shareholding										
1. Institutions										
a) Mutual Funds			-	0.00%			-	0.00%	-	0.00%
b) Banks / FI			-	0.00%			-	0.00%	-	0.00%
c) Central Govt			-	0.00%			-	0.00%	-	0.00%
d) State Govt(s)			-	0.00%			-	0.00%	-	0.00%
e) Venture Capital Funds			-	0.00%			-	0.00%	-	0.00%
f) Insurance Companies			-	0.00%			-	0.00%	-	0.00%
g) FIs			-	0.00%			-	0.00%	-	0.00%
h) Foreign Venture Capital Funds			-	0.00%			-	0.00%	-	0.00%
i) Others (specify)			-	0.00%			-	0.00%	-	0.00%
Sub-total (B)(1):-			-	0.00%			-	0.00%	-	0.00%
2. Non-Institutions										
a) Bodies Corp.										
i) Indian			-	0.00%			-	0.00%	-	0.00%
ii) Overseas			-	0.00%			-	0.00%	-	0.00%
b) Individuals										
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh			-	0.00%			-	0.00%	-	0.00%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh			-	0.00%			-	0.00%	-	0.00%
c) Others (specify)										
Non Resident Indians			-	0.00%			-	0.00%	-	0.00%
Overseas Corporate Bodies			-	0.00%			-	0.00%	-	0.00%
Foreign Nationals			-	0.00%			-	0.00%	-	0.00%
Clearing Members			-	0.00%			-	0.00%	-	0.00%
Trusts			-	0.00%			-	0.00%	-	0.00%
Foreign Bodies - D R			-	0.00%			-	0.00%	-	0.00%
Sub-total (B)(2):-			-	0.00%			-	0.00%	-	0.00%
Total Public (B)			-	0.00%			-	0.00%	-	0.00%
C. Shares held by Custodian for GDRs & ADRs			-	0.00%			-	0.00%	-	0.00%
Grand Total (A+B1+B2)		2,51,400	2,51,400	100.00%		2,51,400	2,51,400	100.00%	-	0.00%



(ii) Shareholding of Promoter

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Shareholding 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	Governor of Tamilnadu	2,51,392	8%	0%	2,51,392	99.9968%	0%	0.0000%
2	Thiru. K. Shanmugam, IAS	1	0.0004%	0%	1	0.0004%	0%	0.0000%
3	Thiru. G. Lakshmanamurthi	1	0.0004%	0%		0.0000%	0%	0.0004%
4	Thiru. R. Uthanadakrishnan	1	0.0004%	0%		0.0000%	0%	0.0004%
5	Thiru. V. Venkatasubramanian	1	0.0004%	0%		0.0000%	0%	0.0004%
6	Dr. Rajendra Kumar, IAS	1	0.0004%	0%	1	0.0004%	0%	0.0000%
7	Selvi. Apoorva, IAS	1	0.0004%	0%		0.0000%	0%	0.0004%
8	Thiru. Dharmendra Pratap Yadav, IAS	1	0.0004%	0%	2	0.0008%	0%	0.0004%
9	Dr. (Tmt). M. Aarthi, IAS	1	0.0004%	0%	1	0.0004%	0%	0.0000%
10	Thiru. G. Shivaji	-	0.0000%	0%	1	0.0004%	0%	0.0004%
11	Thiru. A. Thangappa	-	0.0000%	0%	1	0.0004%	0%	0.0004%
12	Thiru. M. Pushpa	-	0.0000%	0%	1	0.0004%	0%	0.0004%

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

Sl. No.	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1	At the beginning of the year			251,400	100.00%	251,400	100.00%
2	Changes during the year			-	0.00%	-	0.00%
3	At the end of the year			251,400	100.00%	251,400	100.00%

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs) NIL

Sl. No.	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1	Name						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%
2	Name						
	At the beginning of the year				0.00%		0.00%
	Changes during the year				0.00%		0.00%
	At the end of the year				0.00%		0.00%

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of Total Shares	No. of Shares	% of Total Shares
1	Name	Selvi.Apoorva, IAS					
	At the beginning of the year			1	0.0004%	1	0.0004%
	Changes during the year		Transfer	1	0.0004%	0	0.0000%
	At the end of the year			0	0.0000%	0	0.0000%
2	Name	Thiru.Dharmendra Pratap Yadav, IAS					
	At the beginning of the year			1	0.0004%	1	0.0004%
	Changes during the year	26.05.17	Transfer	1	0.0004%	2	0.0008%
	Changes during the year	15.11.17	Transfer	2	0.0008%	-	0.0000%
	At the end of the year			0	0.0000%	-	0.0000%



VI. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
* Addition				
* Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

VII. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No.	Particulars of Remuneration	Name of MD/WTM/ Manager			Total Amount
	Name	Selvi.Apoorva, IAS,			(Rs.)
	Designation	Managing Director			
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	26,97,274	63,778		27,61,052.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				-
2.	Stock Option				-
3.	Sweat Equity				-
4.	Commission				-
	- as % of profit				-
	- others, specify				-
5.	Others, please specify				-
	Total (A)	26,97,274.00	63,778.00		27,61,052.00
	Ceiling as per the Act	Not Applicable in case of Government Company			



B. Remuneration to other Directors

S. No.	Particulars of Remuneration		Name of Directors		Total Amount
1	Independent Directors				(Rs. /Lakh)
	Fee for attending board committee meetings				
	Commission			-	
	Others, please specify				
	Total (1)			-	
2.	Other Non-Executive Directors				
	Fee for attending board committee meetings				
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)		-	-	
	Total (B)=(1+2)			-	
	Total Managerial Remuneration				
		-	-	-	27,61, 052.00
	Overall Ceiling as per the Act	Not Applicable in case of Government Company			

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S. No.	Particulars of Remuneration	Name of Key Managerial Personal			Total Amount
	Name	Tmt. N. Leelavathie, CEO			(Rs./Lac)
	Designation	CEO	CFO	CS	
1	Gross salary	29,00,389			29,00,389
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961				
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2	Stock Option				
3	Sweat Equity				
4	Commission				
	- as % of profit				
	- others, specify				
5	Others, please specify				
	Total	29,00,389			29,00,389

VIII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty		<div></div> <div>NIL</div>			
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					



L.U. KRISHNAN & Co.

CHARTERED ACCOUNTANT

Sam's Nathaneal Tower, #3-1, West Club Road, Shenoy Nagar, Chennai - 600 030.

Tel : 044 - 2620 9657 / 2620 9410 | Telefax : 044 - 2620 9415

E-mail : lukrishco@gmail.com, | Website : www.lukrishco.com

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED.

Opinion

1. We have audited the accompanying financial statements of **Tamilnadu Small Industries Development Corporation Limited ("the Company")**, which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended March 31, 2019 and a summary of significant accounting policies and other explanatory information.
2. 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 Companies Act, 2013, as amended ("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 Company as at 31st March 2019, its Profit and its cash flows for the year ended on that date.

Basis for Opinion

3. We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the financial statements' section of our report. We are independent of the company in accordance with the 'Code of Ethics' issued by the Institute of chartered accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. 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.

Emphasis of Matters

4. We draw attention to the following matters in the Notes to the financial statements:
 - a) Notes to Accounts No. 12 regarding transfer of title deed for the purchase of 13,622 Sq.ft of Land in Guindy yet to be done by the Govt. of Tamilnadu.
 - b) Notes to Accounts No. 27(ii) regarding non-receipt of confirmation of balances for the balances outstanding under "Trade Receivable" and "Loans and Advances". In the absence of confirmation of balances, we are unable to express our opinion as to the adequacy of the provision or recoverability or otherwise in respect of the amounts stated under Trade Receivables, Loans and Advances and Trade Payables. Hence, the effect on the profits, if any, is not quantifiable.

Our opinion is not modified in respect of these matters.

Management's Responsibility for the Financial Statements

5. 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 financial statements that give a true and fair view of the financial position, financial performance 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; the 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.

6. In preparing the financial statements, management is responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the company or to cease operations, or has no realistic alternative but to do so.
7. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the audit of financial statements

8. Our objectives are to obtain Reasonable assurance about whether the financial statements as a whole are free from material misstatements, whether due to fraud or error, and to issue an audit report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - a) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (If the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
 - c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.



L.U. KRISHNAN & Co.

CHARTERED ACCOUNTANT

- e) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- 10. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
- 11. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Report on Other Legal and Regulatory Requirements

- 12. As required by the Companies (Auditor's report) Order, 2016 ('the Order') issued by the Central Government of India in terms of sub-section (11) of section 143 (3) of the Act, we give in the "Annexure A" a statement on the matters specified in the Order, to the extent applicable.
- 13. 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 Statement of Profit and Loss, and 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) As per the Notification No G.S.R.463 (E) dated 05.06.2015, sub section (2) of section 164 of the Companies Act, 2013 is not applicable to Government Companies.
 - 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".
 - 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:
 - i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company does not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **L.U.Krishnan & Co**

Chartered Accountants,

Firm's Registration Number: 001527S

(S.JOTHIRAJAN)

Partner

Membership No: 211121

UDIN : 19211121AAAABF7334

Date : October 14, 2019

Place : Chennai



“ANNEXURE A” REFERRED TO IN OUR REPORT OF EVEN DATE ON THE ACCOUNTS OF M/s. TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED FOR THE YEAR ENDED 31st MARCH, 2019.

On the basis of examination of books of accounts, checks carried out by us and according to the information and explanations given to us during the course of audit, we report that:

- (i) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets in general.
b) In our opinion and according to the information and explanations given to us the fixed assets of the company have not been physically verified by a team of officials during the year. In the absence of physical verification of fixed assets with the financial records in respect of the quantity and quality, we are unable to express our opinion as to the correctness/discrepancies, if any resulting in necessary provisions to be made in accounts. For the above said reasons, quantification is not possible
c) The title deeds of immovable properties of the company are held in the name of the company except for 13,622 Sq.ft, of Land in Guindy (Refer to Notes to Accounts No. 12).
- (ii) In our opinion and according to the records produced to us , the inventories have been physically verified by the management at the end of the financial year (i.e. on 31.03.2019) and no material discrepancies were noticed on such verification.
- (iii) In our opinion and accounting to the information and explanations given to us, the Company has not granted any loans secured or unsecured to the Companies, Firms, Limited Liability Partnerships or other parties listed in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act, 2013 have been complied with in respect of loans, investments, guarantees and security.
- v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits as per the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013.
- (vi) In our opinion and according to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act, 2013.
- (vii) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of accounts in respect of undisputed statutory dues including Provident Fund, ESI, Income Tax, Sales Tax, Service Tax, Customs duty, Excise Duty, Value Added Tax, Cess, GST and other statutory dues wherever applicable have been regularly deposited with the appropriate authorities.

According to the information and explanations given to us, no undisputed amount is payable in respect of Income Tax, Sales Tax, Service Tax, Customs duty, Excise duty, Value Added Tax, Cess, GST and other statutory dues were in arrears, outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable.



b) According to the information and explanations given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Service Tax, Excise Duty, Value Added Tax and GST which have not been deposited on account of any dispute, except the following Income Tax dues (Tax and Interest) disputed and not paid by the company as on 31st March, 2019:

S. No	Assessment Year	Amount (Rs.)	Forum where it is pending	Remarks
1	1989-90	30,55,311	High Court of Madras	-
2	1992-93	34,79,526	High Court of Madras	-
3	2003-04	9,76,801	High Court of Madras	-
4	2004-05	50,49,938	High Court of Madras	-
5	2005-06	5,15,160	CIT (Appeals) Passed Order	Giving effect to appeal order is pending
6	2007-08	1,36,37,560	CIT (Appeals) Passed Order	Giving effect to appeal order is pending
7	2008-09	41,10,179	Assessing Order	Difference in TDS credit
8	2009-10	1,97,414	-	Due of Fringe Benefit Tax
9	2009-10	1,07,85,480	CIT (Appeals) Passed Order	Giving effect to appeal order is pending
10	2010-11	21,89,870	Assessing Officer	Difference in TDS credit
11	2011-12	11,55,250	Assessing Officer	Difference in TDS credit, revised demand to be received
12	2012-13	11,49,090	Assessing Officer	Difference in TDS credit, revised demand to be received
13	2013-14	40,670	Assessing Officer	Difference in TDS credit, revised demand to be received
14	2015-16	2,81,980	CIT (Appeals) Passed Order	Giving effect to appeal order is pending
15	2016-17	61,34,570	Assessing Officer	Pending before Assessing Officer
16	2016-17	31,84,910	Assessing Officer	Pending before Assessing Officer
	Total	5,59,43,709		

However, as per books of accounts, the following refunds are due from the Income Tax Department:

S.No	Assessment Year	Amount (Rs.)
1	2008-09	2,91,35,448
2	2009-10	49,944
3	2010-11	11,23,271



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- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any loans or borrowing to any financial institutions, Government, banks or debenture holders during the period.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud on or by the Company has been noticed and /or reported during the course of our Audit.
- (xi) In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 of the Companies Act 2013 read with schedule V of the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) In our opinion and according to the information and records produced to us, all transactions with the related parties are in compliance with the provisions of section 177 and 178 of the Companies Act, 2013 wherever applicable and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares of fully or partly convertible debentures during the year.
- (xv) In our opinion and according to the information and explanations given to us, the company has not entered into any non-cash transactions with the Directors or persons connected with them.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For L.U. Krishnan & Co.,
Chartered Accountants.
Firm Registration Number: 001527S

(S. JOTHIRAJAN)

(Partner)

Membership No. : 211121
UDIN : 19211121AAAABF7334

Place : Chennai
Date : October 14, 2019



“ANNEXURE B” TO 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 **TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED** (“the Company”) as of March 31, 2019 in conjunction with our audit of the 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. 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 judgement, including the assessment of the risks of material misstatement of the 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.



L.U. KRISHNAN & Co.
CHARTERED ACCOUNTANT

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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the 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 March 31, 2019, 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.

For L.U.Krishnan & Co
Chartered Accountants
Firm's Registration Number 001527S

(S. JOTHIRAJAN)

(Partner)

Place : Chennai
Date : October 14, 2019

Membership No. : 211121
UDIN : 19211121AAAABF7334



**ACCOUNTANT GENERAL (E & RSA).
TAMILNADU**

VISHWANATH SINGH JADON, IA&AS

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER
SECTION 143(6) (b) OF THE COMPANIES ACT, 2013 ON THE FINANCIAL STATEMENTS
OF TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED,
CHENNAI FOR THE YEAR ENDED 31st MARCH 2019.**

The preparation of financial statements of Tamil Nadu Small Industries Development Corporation Limited, Chennai for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) is the responsibility of the management of the company. The statutory auditor 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 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 14.10.2019.

I, on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the financial statements of Tamil Nadu Small Industries Development Corporation Limited, Chennai for the year ended 31 March 2019 under section 143 (6) (a) of the Act. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors' report under section 143 (6) (b) of the Act.

**For and on the behalf of the
Comptroller & Auditor General of India**

**Place : Chennai.
Date : 27.11.2019**

**VISHWANATH SINGH JADON
Accountant General**



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED
BALANCE SHEET AS AT 31ST MARCH 2019

S. No.	PARTICULARS	Note	As at 31.03.2019 ₹	As at 31.03.2018 ₹
I	EQUITY AND LIABILITIES			
1	Shareholders' Funds			
	a) Share Capital	1	25,14,00,000	25,14,00,000
	b) Reserves & Surplus	2	88,06,25,121	85,20,97,321
	Total (A)		1,13,20,25,121	1,10,34,97,321
2	Non-Current Liabilities			
	a) Deferred Tax Liabilities	3	-	-
	b) Other Long Term Liabilities	4	89,02,79,083	71,92,77,750
	Total (B)		89,02,79,083	71,92,77,750
3	Current Liabilities			
	a) Trade Payables - Other then MSME	5	6,54,20,242	8,67,31,615
	b) Other Current Liabilities	6	1,21,63,85,657	85,59,91,437
	c) Short-Term Provisions	7	(1,10,68,369)	2,67,32,566
	Total (C)		1,27,07,37,530	96,94,55,618
	Total (A+B+C)		3,29,30,41,734	2,79,22,30,688
II	ASSETS			
1	Non-Current Assets			
	a) Property, Plant and Equipment	8		
	i) Tangible Assets		15,10,86,034	15,73,26,595
	ii) Intangible Assets		79,51,222	52,38,434
	b) Non- Current Investments	9	1,90,20,000	2,10,20,000
	c) Long-Term Loans & Advances	10	5,49,89,930	5,17,46,558
	d) Other Non-Current Assets	11	8,36,17,966	6,21,01,508
	Total (D)		31,66,65,153	29,74,33,095
2	CURRENT ASSETS			
	a) Inventories	12	1,28,00,43,358	1,31,69,46,191
	b) Trade Receivables	13	6,21,28,551	6,39,39,703
	c) Cash and Cash Equivalents	14	1,55,10,35,574	1,04,80,12,339
	d) Short-Term Loans & Advances	15	6,24,49,762	4,61,14,345
	e) Other Current Assets	16	2,07,19,335	1,97,85,015
	Total (E)		2,97,63,76,581	2,49,47,97,593
	Total (D+E)		3,29,30,41,734	2,79,22,30,688
	Other Notes to Financial Statements	27		
	Significant Accounting Policies	28		
Notes annexed hereto form an integral part of this Balance Sheet				

R. VENKATESAN
Chief Accounts Officer
(CFO)

ANU GEORGE
Director
(DIN: 07940662)

HANS RAJ VERMA
Chairman & Managing Director
(DIN: 00130877)

As per our report of even date
For L.U Krishnan & CO
Chartered Accountants
Firm Reg. No.001527S

Place: Chennai
Date : 14.10.2019

S. JOTHIRAJAN
Partner
Membership No.211121
UDIN : 19211121AAAABF7334



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2019

S.No	PARTICULARS	Note	For the year ended 31.03.19 ₹	For the year ended 31.03.18 ₹
	REVENUE			
I	Revenue from Operations	17		
	Sales of Trade Goods and Plots & Sheds		55,48,86,123	41,38,84,300
	Other Operating Income		7,88,05,945	8,30,40,266
			63,36,92,068	49,69,24,566
II	Other Income	18	8,07,71,021	14,76,49,626
III	Total Revenue (I+II)		71,44,63,089	64,45,74,192
IV	EXPENSES			
	Purchase of Stock - in-Trade	19	29,34,11,784	22,38,52,496
	Changes in Inventories of Stock- in-Trade	20	1,67,38,166	1,90,71,032
	Employee Benefits Expenses	22	23,30,48,858	18,94,72,853
	Finance Cost	24	1,43,09,928	42,29,706
	Depreciation & Amortization Expenses	8	1,32,91,853	1,34,93,462
	Other Expenses	21,23	10,53,92,793	9,08,83,256
	Total Expenses		67,61,93,381	54,10,02,805
V	Profit before prior period, exceptional & extraordinary items and tax (III - IV)		3,82,69,708	10,35,71,387
VI	Prior Period Item- Net	25	3,42,720	2,87,200
VII	Profit before exceptional & extraordinary items and tax (V + VI)		3,86,12,428	10,38,58,587
VIII	Exceptional Items - Net	26	(1,95,370)	11,25,085
IX	Profit before extraordinary items and tax (VII + VIII)		3,84,17,058	10,49,83,672
X	Extraordinary Items		-	-
XI	Profit before tax (IX - X)		3,84,17,058	10,49,83,672
XII	Tax Expenses			
	(a) Current Tax		(91,00,000)	(3,60,00,000)
	(b) Deferred Tax	3	-	-
	(c) Tax relating to earlier years		(7,89,258)	83,298
XIII	Profit/(Loss) for the period (XI-XII)		2,85,27,800	6,90,66,970
XIV	Earnings per Equity Share			
	Basic & Diluted (Face value Rs.1000 per share)		113	275
	Other Notes to Financial Statements	27		
	Significant Accounting Policies	28		

Notes annexed hereto form an integral part of this Statement of Profit & Loss

R. VENKATESAN
Chief Accounts Officer
(CFO)

ANU GEORGE
Director
(DIN: 07940662)

HANS RAJ VERMA
Chairman & Managing Director
(DIN: 00130877)

As per our report of even date
For L.U Krishnan & CO
Chartered Accountants
Firm Reg. No.001527S

S. JOTHIRAJAN
Partner
Membership No.211121
UDIN : 19211121AAAABF7334

Place: Chennai
Date : 14.10.2019



CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2019

	PARTICULARS		2018 - 2019 ₹	2017 - 2018 ₹
A	Net Cash Flow from Operating Activities			
	Net Profit after Tax		2,85,27,800	6,90,66,970
	Depreciation		1,32,91,853	1,34,93,462
	Tax relating to earlier years		7,22,661	(3,88,901)
	Provision for Income Tax		91,00,000	3,60,00,000
	Interest Received		(4,33,05,690)	(3,92,48,379)
	Dividend Received		(5,50,000)	(8,00,000)
	Profit on Sale of Fixed Assets		-	-
	Cash flow from Operating Activities before			
	Working Capital Adjustments		77,86,624	7,81,23,152
	Working Capital Adjustments			
	Inventories		3,69,02,833	(3,95,25,587)
	Trade Receivable		(1,97,05,307)	1,43,11,695
	Loan and Advances		(11,56,044)	(2,65,37,177)
	Current Liabilities		51,00,84,180	56,56,74,037
	Cash generated from Operating Activities		53,39,12,286	59,20,46,120
	Income tax Paid		(3,67,22,661)	(1,66,11,099)
	Net Cash Generated from Operating Activities	1	49,71,89,625	57,54,35,021
B	Cash flow from Investing Activities			
	Income on FD		4,33,05,690	3,92,48,379
	Dividend Income		5,50,000	8,00,000
	Non - Current Investments		20,00,000	(50,000)
	Share Application Money Pending Allotment		-	(30,00,000)
	Purchase of Fixed Assets		(97,64,080)	(1,07,91,923)
	Sale of Fixed Assets		2	19
	Net Cash flow from Investing Activities	2	3,60,91,611	2,62,06,473
C	Cash flow from Financing Activities			
	Share Capital		-	44,00,000
	Dividend paid		(251,40,000)	(2,47,00,000)
	Tax on Dividend		(51,18,001)	(50,28,426)
	Net Cash flow from Financing Activities	3	(3,02,58,001)	(2,53,28,426)
	Net Decrease/Increase in Cash and			
	Cash Equivalents (1 + 2 + 3)		50,30,23,235	57,63,13,068
	Cash Equivalents at the beginning of the year		1,04,80,12,339	47,16,99,271
	Cash Equivalents at the closing of the year		1,55,10,35,574	1,04,80,12,339

Notes: 1. Cash Flow Statement has been prepared following Indirect Method

2. Figures of previous year has been regrouped / restated / reclassified wherever necessary

R. VENKATESAN
Chief Accounts Officer
(CFO)

ANU GEORGE
Director
(DIN: 07940662)

HANS RAJ VERMA
Chairman & Managing Director
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As per our report of even date
For L.U Krishnan & CO
Chartered Accountants
Firm Reg. No.001527S

S. JOTHIRAJAN
Partner
Membership No.211121
UDIN : 19211121AAAABF7334

Place: Chennai
Date : 14.10.2019



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED					
NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2019					
Note No.	Particulars			As at 31.03.2019 ₹	As at 31.03.2018 ₹
1	SHARE CAPITAL				
a)	Authorised Share Capital				
	4,50,000 Equity Shares of ₹1000/- each			45,00,00,000	45,00,00,000
	Issued, Subscribed and paid up Capital				
	2,51,400 Equity shares of ₹1,000/- each fully paid up			25,14,00,000	25,14,00,000
b)	Reconciliation of the Shares outstanding at the beginning and at the ending of the reporting period				
		As at 31.03.2019		As at 31.03.2018	
		Equity Share		Equity Share	
		Numbers	Amount	Numbers	Amount
	Equity Shares				
	At the beginning of the year	2,51,400	25,14,00,000	2,51,400	25,14,00,000
	Issued during the year	-	-	-	-
	Bought back during the year	-	-	-	-
	At the end of the year	2,51,400	25,14,00,000	2,51,400	25,14,00,000
c)	Shares held by each Shareholder Holding more than 5%				
	Name of the Shareholders	As at 31.03.2019		As at 31.03.2018	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
	Governor of Tamil Nadu	2,51,392	99.99	2,51,392	99.99
2	RESERVES AND SURPLUS			As at 31.03.2019	As at 31.03.2018
	Surplus				
	Opening Balance			85,20,97,321	81,32,88,352
	Add: Profit / (Loss) for the period			2,85,27,800	6,90,66,970
	Less :				-
	Proposed Dividend			-	2,51,40,000
	Tax on Proposed Dividend			-	51,18,001
	Closing Balance			88,06,25,121	85,20,97,321
3	DEFERRED TAX ASSET / (Liability)				
	Opening Balance as per last Balance sheet			-	-
	Add/Less : Transfer from P&L (*)				
	Total			-	-
	(*) Computation of Deferred Tax Asset / (Liability)				
	Particulars				
i)	Depreciation			(3,07,53,515)	(2,59,70,979)
ii)	Employees' Benefit			(31,37,170)	12,02,767
iii)	Others			(96,129)	(3,99,630)
iv)	Provision for Doubtful Debts			7,09,14,454	7,07,19,084
	Total			3,69,27,640	4,55,51,242
	Deferred Tax Asset (*) / (Liability)			1,02,73,269	1,57,64,374
(*) The deferred tax asset has not been recognised in the absence of reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be adjusted.					



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED			
NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2019			
Note No.	Particulars	As at 31.03.2019 ₹	As at 31.03.2018 ₹
4	OTHER LONG TERM LIABILITIES		
	i) Trade Payables	23,30,46,514	24,07,43,570
	ii) Others	65,72,32,569	47,85,34,180
	Total	89,02,79,083	71,92,77,750
5	TRADE PAYABLE S		
	i) Trade Payable for Trade	9,05,192	94,788
	ii) Trade Payable for Works	6,45,15,050	8,66,36,827
	Total	6,54,20,242	8,67,31,615
6	OTHER CURRENT LIABILITIES		
	i) Grants and contribution towards infrastructure upgradation scheme		
	a) Grant	86,07,16,028	48,32,31,779
	b) Contribution from Beneficiaries	1,64,34,491	1,71,54,140
	ii) Due to Micro, Small & Medium Enterprises *	-	-
	iii) Other Liabilities		
	a) Government Departments, Public Bodies	25,90,84,257	27,93,65,049
	b) Others	8,01,50,881	7,62,40,469
	Total	1,21,63,85,657	85,59,91,437
* The company has not received any intimation from suppliers regarding their status under Micro Small and Medium Enterprises Development Act, 2006 and hence disclosures if any, relating to amounts unpaid as at March 31,2019 together with interest paid / payable as required under the Act has not been furnished.			
7	SHORT TERM PROVISIONS		
	Provision for Taxation (Net of Advance Tax) *	(1,10,68,369)	(35,25,435)
	Proposed Dividend	-	2,51,40,000
	Tax on Dividend	-	51,18,001
	Total	(1,10,68,369)	2,67,32,566
	* Total Provision for Tax	91,00,000	3,60,00,000
	Tax deducted at source	(1,54,40,369)	(2,21,48,435)
	Advance Income Tax	(47,28,000)	(1,73,77,000)
		(1,10,68,369)	(35,25,435)

NOTE 8
STATEMENT OF FIXED ASSETS AS AT 31.03.2019

Sl. No	Particulars	Gross Block			Depreciation /Amortisation				Net Block	
		As at 01.04.18	Addition	Deletion	As at 31.03.19	Upto 31.03.18	For the period	Deletions	As at 31.03.19	As at 31.03.18
		₹	₹	₹	₹	₹	₹	₹	₹	₹
	Tangible Asset									
1	Land	39,38,135			39,38,135	-	-		39,38,135	39,38,135
2	Buildings	17,87,43,594	43,53,130		18,30,96,725	3,85,83,531	68,56,975		4,54,40,506	14,01,60,063
3	Furniture, Electrical Fittings	1,04,39,324	1,02,601		1,05,41,926	82,83,951	5,82,872		88,66,823	21,55,373
4	Office Equipments	1,32,27,318	5,63,475	2,894	1,37,87,899	1,14,72,364	9,33,237	2,892	1,24,02,709	17,54,954
5	Temporary Structures	2,82,61,908			2,82,61,908	2,67,87,160	61,653		2,68,48,813	14,74,748
6	Vehicles	2,01,35,649			2,01,35,649	1,36,61,272	20,23,601		1,56,84,874	64,74,376
7	Computers	1,65,03,037	19,445		1,65,22,483	1,51,34,091	8,20,874		1,59,54,965	13,68,946
	Total	27,12,48,965	50,38,651	2,894	27,62,84,724	11,39,22,369	1,12,79,212	2,892	12,51,98,690	15,10,86,034
	Intangible Asset									
1	Computer Software	8,94,714	98,23,025	-	1,07,17,739	7,53,876	20,12,641	-	27,66,517	52,38,434
	Total	8,94,714	98,23,025	-	1,07,17,739	7,53,876	20,12,641	-	27,66,517	52,38,434
	Grand Total	27,21,43,679	1,48,61,676	2,894	28,70,02,464	11,46,76,245	1,32,91,853	2,892	12,79,65,207	16,25,65,029
	Previous year	26,69,94,316	1,02,64,123	17,164	27,72,41,275	10,17,27,730	1,34,93,462	17,145	11,46,76,245	
Note: 1. No part of the Fixed Asset is revalued during the year (Previous Year : Nil)										
2. Cost of software is amortised on straight line basis over its estimated useful life of 5 years										



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED			
NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2019			
Note No.	Particulars	As at 31.03.2019 ₹	As at 31.03.2018 ₹
9	NON CURRENT INVESTMENTS - OTHERS		
	I) FULLY PAID EQUITY SHARE S		
	a) Shares with ITCOT Consultancy and Services Limited	1,00,000	1,00,000
	(1,000 shares of ₹100/- each fully paid up) (Unquoted)		
	b) Shares with Sivakasi Co-op Industrial Estate Limited	10,000	10,000
	(10 shares of ₹1,000/- each fully paid up) (Unquoted)		
	c) Shares with Small Industries Product Promotion Organisation Limited	10,00,000	10,00,000
	(1,00,000 shares of ₹10/- each fully paid up)		
	d) Shares with Guindy IE Infrastructure Upgradation Company - Associate Company	25,000	25,000
	(2500 Shares of ₹10 Each fully paid up) (Unquoted)		
	e) Shares with Tamil Nadu News Print & Papers Ltd,	1,08,35,000	1,08,35,000
	(1,00,000 Shares of ₹10/- each with premium of ₹100/- less incentive received (quoted market value as on 31.03 2019 is ₹205.95Lakhs)		
	f) Shares with Namakkal District Truck Body Building Industrial Estate	50,000	50,000
	(5,000 Shares of ₹10 each with fully paid up)(Unquoted)		
	Total	1,20,20,000	1,20,20,000
	Less: Provision for Diminution in value of investments *	10,00,000	10,00,000
	Total	1,10,20,000	1,10,20,000
	II) DEBENTURES		
	10.60% Unsecured Redeemable Non-Convertible Taxable Pooled bonds of Water and Sanitation Pooled Fund - 2022 (100 bonds of ₹1 lakh each)	80,00,000	1,00,00,000
	Total	1,90,20,000	2,10,20,000
* Considering the erosion in the network of SIPPO, provision for diminution in value of investment is provided from the year 2011 - 2012 onwards.			



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED			
NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2019			
Note No.	Particulars	As at 31.03.2019 ₹	As at 31.03.2018 ₹
10	LONG TERM-LOANS AND ADVANCES		
	Amount due on HP (Secured considered good)	1,02,62,042	1,02,64,317
	Other Loans & Advances		
	i) Unsecured considered good		
	Government Departments, Public Bodies * & **	4,37,43,431	4,07,21,498
	Others	9,84,457	7,60,743
	ii) Unsecured considered Doubtful		
	Government Departments, Public Bodies	9,27,572	9,27,572
	Others ***	2,17,20,214	2,17,87,315
	Less: Allowance for bad and doubtful advances ****	(2,26,47,786)	(2,27,14,887)
	Total	5,49,89,930	5,17,46,558
* Includes a sum of ₹ 7,64,999/- deposited with the Office of the Regional Provident Fund Commissioner, Tamilnadu under EDLI Scheme for the orders issued by them in Order No.K2/TN/7626/97 Dt.19.09.97. This amount represents the 75% of total demand paid for filing appeal before Tribunal.			
** Includes a sum of ₹ 17,05,698/- in deposit with Court towards land acquisition cost in dispute. (Hosur)			
*** Includes a sum of ₹ 1,70,36,649/- spent by SIDCO for Madurai Hosiery Industries Association (MAHIA). As the principal itself is considered bad & doubtful, interest has not been recognised in the books.			
**** Provision has been made for bad and doubtful advances outstanding for more than three years.			
11	OTHER NON - CURRENT ASSETS		
	TRADE RECEIVABLES		
	Trade receivables outstanding for more than One year		
	i) Unsecured considered good	8,36,17,966	6,21,01,508
	ii) Unsecured considered Doubtful	4,82,66,668	4,80,04,197
	Less: Provision for bad & doubtful trade receivables*	(4,82,66,668)	(4,80,04,197)
	Total	8,36,17,966	6,21,01,508
* Provision has been made for trade receivables outstanding for more than three years.			



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED				
NOTES TO AND FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2019				
Note No.	Particulars	As at 31.03.2019 ₹	As at 31.03.2018 ₹	
12	CURRENT ASSETS			
	INVENTORIES (as certified by Management)			
	Work-in-Progress			
	Works Under Construction **	31,76,13,574	28,51,69,458	
	Land to be sold **	48,13,31,921	44,97,34,033	
	Land & Building to be sold * & **	31,59,47,776	40,02,05,430	
	Stock-in-Trade			
	Stock of Sheds	70,45,024	71,31,024	
	Stock of resumed shed	38,82,431	50,74,100	
	Stock of Multistoried Modules	15,23,07,458	16,69,40,115	
	Stock of Material	17,19,970	25,46,010	
	Stock of Tiny Sheds	3,400	5,200	
	Stock of Stationery	1,91,804	1,40,821	
	Total	1,28,00,43,358	1,31,69,46,191	
* The transfer of title for 13,622 sqft of Land in Guindy by the Govt of Tamil Nadu is yet to be done pending completion of necessary formalities.				
** The details of Land to be sold, Land & Building to be sold, Works under Construction for the year are as follows:				
		Land to be sold	Land and building to be sold	Works under construction
	Opening Balance	44,97,34,033	40,02,05,430	28,51,69,458
		(45,08,47,522)	(39,95,31,374)	(22,62,29,543)
	Additions	4,26,21,666	45,38,094	26,91,97,575
		(64,42,678)	(6,74,056)	(14,73,44,411)
	Less: Deletions	1,10,23,778	8,87,95,748	23,67,53,459
		(75,56,167)		(8,84,04,496)
	Closing Balance	48,13,31,921	31,59,47,776	31,76,13,574
	(Previous year's figures are shown in brackets)	(44,97,34,033)	(40,02,05,430)	(28,51,69,458)
13	TRADE RECEIVABLES			
	Trade receivables (Others) - Less than Six Months			
	Unsecured considered good		6,21,28,551	6,39,39,703
	Total		6,21,28,551	6,39,39,703
14	CASH & CASH EQUIVALENTS			
	Cash on hand		47,180	91,450
	Balance with Nationalised Banks			
	- In Current Account		5,42,78,850	2,74,79,175
	- In Deposit Account		92,65,50,059	48,21,35,456
	Balance with other Banks in Deposit Accounts		57,01,59,485	53,83,06,258
	Total		1,55,10,35,574	1,04,80,12,339
15	SHORT TERM LOANS AND ADVANCES			
	Prepaid Expenses		17,63,115	18,54,181
	Other Loans & Advances			
	(unsecured considered good)			
	i) Government Departments, Public Bodies		5,22,48,611	3,49,25,515
	ii) Others		84,38,036	93,34,649
	Total		6,24,49,762	4,61,14,345
16	OTHER CURRENT ASSETS			
	Interest Accrued on Bank Deposits		2,07,19,335	1,97,85,015
	Total		2,07,19,335	1,97,85,015



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED
NOTES TO STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2019

Note No.	Particulars	For the year ended 31.03.19 ₹	For the year ended 31.03.18 ₹
17	REVENUE FROM OPERATIONS		
	Sale of Traded Goods		
	Paraffin Wax	14,66,28,810	14,65,25,055
	TNPL Paper	83,38,361	91,76,538
		15,49,67,171	15,57,01,593
	Sale of Plots & Sheds		
	Plot	18,09,94,261	25,33,64,207
	Land & Building	20,98,32,700	-
	Shed	90,91,991	48,18,500
		39,99,18,952	25,81,82,707
	Total Sales	55,48,86,123	41,38,84,300
	Other Operating Income		
	Development Charges Received - Lease Plots	4,71,250	56,39,050
	Interest	1,08,42,294	1,40,05,911
	Consulting charges under MAS	2,28,814	2,76,769
	Rent	3,40,91,747	3,41,58,384
	Water charges	80,33,328	77,29,688
	Maintenance charges	1,33,31,752	1,11,32,541
	Processing Fee	20,95,000	20,08,962
	Transaction Fee	90,01,000	72,73,737
	Indenter Trade Discount	7,10,760	8,15,224
	Discount (RINL Chennai)	-	-
	Total	7,88,05,945	8,30,40,266
	Grand Total	63,36,92,068	49,69,24,566
18	OTHER INCOME		
	Interest on deposits	4,33,05,690	3,92,48,379
	Other Interest	7,91,443	17,57,034
	Land Compensation Received	-	7,94,23,722
	Penal Interest received *	16,83,644	18,42,190
	Profit on Sale of Assets	-	-
	Dividend Income	5,50,000	8,00,000
	Misc Receipts	3,44,40,244	2,45,78,301
	Total	8,07,71,021	14,76,49,626

* As per Accounting Policy, the Company accounts penal interest on "as and when collected basis". The Penal Interest on the installments due but not collected before 31st March 2019 in respect of loans granted on Hire Purchase Installments has not been taken into account and such Penal Interest amount to Rs. 11,803/- (Previous year Rs. 2,885/-)



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED
NOTES TO STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2019

Note No.	Particulars	For the year ended 31.03.19 ₹	For the year ended 31.03.18 ₹
19	PURCHASES		
	Purchase of Traded goods	15,10,10,211	15,23,25,480
	Cost of Developed Plots	5,34,70,734	6,93,71,713
	Cost of Land and Building	8,87,95,748	-
	Cost of Multistoried Modules	1,35,091	21,55,303
	Total	29,34,11,784	22,38,52,496
20	CHANGES IN INVENTORIES		
	Opening Stock		
	Stock of Material	25,46,010	25,56,790
	Stock of Workshed	71,31,024	72,45,874
	Stock of Tiny Shed	5,200	5,200
	Stock of Multistoried Modules	16,69,40,115	18,54,89,017
	Stock of Resumed shed	50,74,100	54,70,600
	Total A	18,16,96,449	20,07,67,481
	Less: Closing Stock		
	Stock of Material	17,19,970	25,46,010
	Stock of Workshed	70,45,024	71,31,024
	Stock of Tiny Shed	3,400	5,200
	Stock of Multistoried Modules	15,23,07,458	16,69,40,115
	Stock of Resumed shed	38,82,431	50,74,100
	Total B	16,49,58,283	18,16,96,449
	Total A-B	1,67,38,166	1,90,71,032
21	DEVELOPMENT CHARGES		
	Development Charges - Lease Plots	3,00,109	29,28,471
	Total	3,00,109	29,28,471
22	EMPLOYEE BENEFIT EXPENSES		
	Salaries & Bonus	16,86,21,680	14,51,61,094
	EPF Contribution	1,63,42,927	1,47,00,030
	Gratuity & Leave Encashment Expenses	4,31,33,967	2,48,40,022
	Pension Contribution	15,68,764	14,87,741
	Staff Welfare Expenses	33,81,520	32,83,966
	Total	23,30,48,858	18,94,72,853
23	OTHER EXPENSES		
	Travelling & Conveyance	35,30,185	30,11,132
	Directors Sitting Fees	-	39,800
	Rates and Taxes	90,52,039	51,87,677
	Printing and Stationery	8,13,063	8,40,104
	Postage, Telephone & Telegrams	15,67,857	18,05,735
	Electricity Charges	1,01,49,904	86,63,363
	Advertisement & Exhibition Expenses	18,34,449	52,65,071
	Legal & Professional fees	2,37,382	2,25,277



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED
NOTES TO STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2019

Note No.	Particulars	For the year ended 31.03.19 ₹	For the year ended 31.03.18 ₹
	Insurance Charges	8,46,919	6,19,677
	Estate Maintenance	4,05,14,689	3,03,52,192
	Water Charges	49,80,569	51,36,113
	Misc Expenses	89,15,422	1,06,22,297
	Contribution for the Development of MSMEs	6,25,000	8,75,000
	Bad Debts written off *	77,324	46,419
	CSR Plan Expenses	23,60,070	7,00,000
	Repairs & Maintenance		
	Buildings	1,39,68,753	90,21,223
	Equipments	5,84,772	9,33,660
	Vehicle	41,67,287	38,34,045
	Auditor Remuneration		
	Audit Fees for Statutory Auditors	2,50,000	2,00,000
	T.A. to Statutory Auditors	1,00,000	1,00,000
	Audit fee for Tax Audit	40,000	40,000
	Audit Fees for Internal Auditors	4,19,000	4,10,000
	Audit fee for Trusts EPF & GST	58,000	26,000
	Total	10,50,92,684	8,79,54,785
* After competent authority passes orders for writing off the outstanding dues, the dues are written off from the books of account.			

24	FINANCE COST		
	Bank Charges & Commission	84,180	95,158
	Interest on Net Receipts on Govt IE	1,42,25,748	41,34,548
	Total	1,43,09,928	42,29,706
25	PRIOR PERIOD ITEMS - NET		
	PRIOR PERIOD ITEMS - CREDIT		
	Service Tax	8,920	3,97,410
	EB Feeder Line	3,33,800	2,67,905
	Excess Depreciation withdrawn	-	5,27,800
	Total	3,42,720	11,93,115
	PRIOR PERIOD ITEMS - DEBIT		
	Interest on Net Receipts on Govt IE	-	9,05,915
	Total	-	9,05,915
	Grand Total	-	2,87,200
26	EXCEPTIONAL ITEMS		
	Provision for Diminution in value of investments	-	-
	Provision for Bad & Doubtful Advances written Back	(67,101)	-
	Provision for Bad & Doubtful Receivables	2,62,471	(11,25,085)
	Total	1,95,370	(11,25,085)



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Note No. 27 - OTHER NOTES TO FINANCIAL STATEMENTS

(I) Corporate Information:

Tamilnadu Small Industries Development Corporation Ltd (TANSIDCO) is a wholly owned undertaking of Government of Tamilnadu incorporated on 23rd March, 1970 with the objective of assisting and promoting the interests of Micro, Small and Medium Enterprises (MSMEs) in the State. The Company has been fulfilling the objective through its various activities contributing to the development of MSMEs. The Industrial Estates Developed by TANSIDCO are scattered throughout the State. TANSIDCO has so far developed 118 Industrial Estates, including 5 Women Industrial Parks (WIPs) apart from 40 Government Industrial Estates managed on agency basis.

(ii) Confirmation of Balances:

The parties have been addressed to confirm the balances as on the Balance Sheet date. It has also been intimated that in the absence of confirmation before the specified date, it will be construed that the balance has been confirmed. In the absence of non-receipt of confirmation, the balances are treated as confirmed. However, on a conservative basis a sum of ₹ 4,82,66,668/- and ₹ 2,26,47,786/- (previous year ₹ 4,80,04,197/- and ₹ 2,27,14,887/-) have been provided as on 31.03.2019 for the balances outstanding under "Trade Receivable" and "Loans and Advances" respectively exceeding three years.

(iii) Bonus

Provision for bonus is made based on the GO issued by the State Government during the previous year for payment of bonus to the C & D category of employees of State PSUs, and ex-gratia for A & B category of employees is accounted only in the year in which the GO is received and payment effected.

(iv) Expenditure on Government Industrial Estates

In G.O. Ms. No.785, Industries dated 07.06.1988, the Government issued orders transferring the entire Land and Buildings in the Government Industrial Estates to SIDCO. In view of the difficulties encountered by the Company the implementation of the orders issued in G.O. has not been given effect to, pending clarification from Government.

The expenditure on the maintenance of Government Industrial Estates and Developed Plot Estates for the year is ₹ 3,68,00,980/- (previous year ₹ 3,89,43,398/-). As per G.O.Ms.No.877 Industries Department dated 01-07-1982, a sum of ₹ 39,96,000/-, being



4% of the capital cost of ₹ 9.99 crores has been recovered / adjusted. The balance ₹ 3,28,04,980/- (previous year ₹ 3,49,47,399/-) has been absorbed by SIDCO as current year expenses.

- (v) Expenditure in foreign Currency (incurred from Grants) : ₹ Nil
Previous Year : ₹ 7,48,073/-
- (vi) There are no sheds allotted on Lease cum Sale basis during the year.
- (vii) There are no impairment of assets to be provided for as on 31.03.2019.
- (viii) Outstanding capital commitment on construction of building ₹ 0.70 crores (previous year ₹ 0.75 crores).

(ix) Related Party Disclosure:

The salaries and allowances to staff, pension contribution, staff welfare expenses and traveling allowances include the following amounts relating to the Chairman and the Managing Director paid during the year.

Sl. No	Name	Salary & Allowances ₹	Leave salary & Pension Contribution ₹	Medical Reimbursement ₹	Travelling Allowance & others ₹
1	Selvi Apoorva, IAS, Chairperson & Managing Director	26,97,274	3,66,822	-	2,82,574
2	Thiru. Dharmendra Pratap Yadav, IAS Chairman & Managing Director	70,864	-	-	54,132
	Total	27,68,138	3,66,822	-	3,36,706

(x) Payment to Statutory Auditors

	2018 - 2019 ₹	2017 - 2018 ₹
Statutory Audit fee	2,50,000	2,00,000
Reimbursement of TA and out of Pocket expenses for the year 2018 - 2019	1,00,000	1,00,000

(xi) Earnings per Share

The basic earnings per share ("EPS") is computed by dividing the net profit after tax for the year available for the equity shareholders by the weighted average number of equity shares outstanding during the year.

		2018 - 2019 ₹	2017 - 2018 ₹
A	Profit after Tax	2,85,27,800	6,90,66,970
B	Shares outstanding (No.)	2,51,400	2,51,400
C	Basic and diluted Earnings per share (A / B) (Face value - ₹1000 per share)	113	275



xii) CSR Expenditure

a) Gross amount required to be spent during the year Rs.16,74,586/-

b) Amount spent during the year on Rs. 23,60,070/-

Sl. No		In Cash	Yet to be paid in cash	Total
i)	Construction / Acquisition of any asset	-	-	-
ii)	On purposes other than (i) above	23,60,070	-	23,60,070

(xiii) Notes on Grants

The details of Grant as on 31.03.2019 are as follows

Sl. No	Details of Grant	Opening Balance as on 01.04.2018	Addition	Deletion	Closing Balance as on 31.03.2019
1	Central and State Government Grant received towards Engineering Cluster, Paramakudi for the Common Facility Centre	45,572	32,51,765	32,46,525	50,812
2	Central and State Government Grant received towards Auto Components Cluster, Hosur for the Common Facility Centre	73,490	0	0	73,490
3	Central and State Government Grant received towards Coir Cluster, Erode for the Common Facility Centre	38,39,184	57,228	34,46,400	4,50,012
4	Central and State Government Grant received towards Engineering Cluster, Ranipet, Vellore District for the Common Facility Centre	51,09,844	1,48,527	45,63,652	6,94,719
5	Central and State Government Grant received towards M/s Sri Ganga Seva Sangam, Tirunelveli, Brick Cluster, for the Common Facility Centre	13,97,148	0	0	13,97,148
6	Central Government Grant received towards creation of Industrial Estate Palayapatti, Thanjavur District		2,88,39,000	2,88,39,000	0
7	Central and State Government Grant received towards Rice Mill Cluster, Keelapavoor for the Common Facility Centre	3,52,465	0	3,33,576	18,889
8	Central and State Government Grant received towards Gold Jewellery Cluster, Madurai for the Common Facility Centre	88,473	1,55,09,341	1,55,97,271	543
9	Central Government grant received towards creation of Industrial Estate Periyaneessalur, Cuddalore District	0	1,25,30,000	1,25,30,000	0

10	Central and State Government Grant received towards Printing Cluster, Krishnagiri for the Common Facility Centre	10,000	0	0	10,000
11	Central and State Government Grant received towards Printing Cluster, Sivakasi for the Common Facility Centre	24,836	60,80,000	61,04,836	0
12	Central Government Grant received towards NSSH Scheme	1,17,86,103	4,69,411	1,06,56,165	15,99,349
13	Central and State Government Grant received towards Stainless Steel Utensils Cluster, Kumbakonam for the Common Facility Centre	46,445	49,54,285	39,35,599	10,65,131
14	Central and State Government Grant received towards Steel Product Fabrication Cluster, Salem for the Common Facility Centre	1,09,92,759	1,34,59,459	50,95,910	1,93,56,308
15	Central and State Government Grant received towards Wet Grinder Cluster, Coimbatore for the Common Facility Centre	92,888	0	0	92,888
16	Central and State Government Grant received towards Rice Mill Cluster, Alangulam, Tirunelveli for the Common Facility Centre	12,07,769	7,222	11,76,561	38,430
17	State Government Grant received towards setting up of Common Effluent Treatment Plant at Thirumudivakkam Industrial Estate, Phase-I under Common Production Infrastructure (micro cluster)	90,46,569	5,13,247	0	95,59,816
18	State Government Grant received towards setting up of Common Facility Centre in the Multistoried Industrial Complex at Thirumudivakkam Industrial Estate, Phase-II under Common Production Infrastructure (micro cluster)	1,25,00,000	5,68,222	0	1,30,68,222
19	State Government Grant received towards establishment of Private Industrial cluster by M/s. CODISSIA Park Cluster Coimbatore Districts	5,11,72,616	19,02,055	2,50,00,000	2,80,74,671
20	State Government Grant received towards setting up of Common Facility Centre at Erode Industrial Estate under Common Production Infrastructure (micro cluster)	1,16,76,110	4,77,625	0	1,21,53,735

21	State Government Grant received towards setting up of Common Facility Centre at Kakkallur Industrial Estate under Common Production Infrastructure (micro cluster)	1,16,75,651	4,78,094	0	1,21,53,745
22	State Government Grant for JICA Project received towards upgradation of Industrial Estate Eachmbadi		9,00,00,000	1,06,60,460	7,93,39,540
23	Central and State Government Grant received towards Engineering Cluster, Ambattur for the Common Facility Centre	4,26,886	4,09,07,588	4,10,60,463	2,74,011
24	Central and State Government Grant received towards Gate and Grill Cluster, Thirumullaivoyal for the Common Facility Centre	22,74,364	40,02,066	39,41,459	23,34,971
25	Central and State Government Grant towards Gold Jewellery Cluster, Trichy for the Common Facility Centre	14,45,898	2,24,51,213	1,34,44,267	1,04,52,844
26	State Government Grant received towards Maintenance of Estates (Transferred from IC & DIC)		10,00,00,000	12,46,111	9,87,53,889
27	State Government Grant received towards Formation of New Industrial Estate Koranampatti, Salem District.		2,66,40,000	54,33,084	2,12,06,916
28	State Government Grant received towards Namakkal Truck Body Building Unit in Namakkal District	95,30,225	4,40,612	0	99,70,837
29	Central and State Government Grant received towards Plastic Cluster, Kancheepuram for the Common Facility Centre	58,235	0	0	58,235
30	Central and State Government Grant received towards Power Loom Cluster, Salem for the Common Facility Centre	85,877	4,54,55,824	2,86,53,185	1,68,88,516
31	State Government Grant received towards establishment of Private Industrial Cluster by M/s. Madurai Engineering Cluster Pvt Ltd, Madurai District	3,42,20,934	12,59,453	68,23,300	2,86,57,087
32	Central and State Government Grant received towards Readymade Garment (Women) Cluster, Dhalavaipuram for the Common Facility Centre	74,386	10,50,259	11,08,466	16,179
33	Central and State Government Grant received towards Rice Mill Cluster, Thanjavur for the Common Facility Centre	60,724	27,77,021	20,59,835	7,77,910

34	Central and State Government Grant received towards Safety Matches Cluster, O.Mettupatti for the Common Facility Centre.	27,00,806	1,03,810	4,73,819	23,30,797
35	State Government Grant received towards establishment of Private Industrial cluster by M/s. Southern District Textile Cluster, Virudhunagar District	3,76,35,522	17,41,480	0	3,93,77,002
36	State Government Grant received towards CPI of Silver Anklet Cluster, Salem District.		87,49,055	0	87,49,055
37	State Government Grant for JICA Project received towards upgradation of Industrial Estate Punjaikalakurichi		8,00,00,000	5,31,73,374	2,68,26,626
38	State Government Grant for JICA Project received towards upgradation of Industrial Estate Sakkarakottai		10,00,00,000	2,76,32,238	7,23,67,762
39	State Government Grant received towards Tea Park Cluster Coimbatore		1,12,71,883	1,12,50,000	21,883
40	State Government Grant for JICA Project received towards upgradation of Industrial Estate Thandarai		8,00,00,000	3,41,46,828	4,58,53,172
41	State Government Grant International Exhibition with Buyer - Seller Trade Meet	10,22,98,756	61,72,932	1,61,000	10,83,10,688
42	State Government Grant Special Export Promotion & Marketing Support	58,37,651	2,07,17,705	2,41,07,681	24,47,675
43	State Government Grant GIM II 2019		20,00,000	19,70,050	29,950
44	State Government Grant International Engineering Sourcing Show		34,359	34,359	0
45	Central and state Government grant received towards upgradation of Industrial Estate Thiruverambur, Trichy District		2,39,50,000	44,71,768	1,94,78,232
46	State Government grant Trade Facilitation Centre Madurai	5,18,14,529	36,30,244	0	5,54,44,773
47	State Government grant Trade Facilitation Centre Salem	5,18,14,529	36,30,244	0	5,54,44,776
48	State Government grant Trade Facilitation Centre Trichy	5,18,14,535	36,30,259	0	5,54,44,794
	Total	48,32,31,779	76,98,61,491	39,23,77,242	86,07,16,028
	Previous Year Total	8,24,46,149	82,82,19,058	42,74,33,428	48,32,31,779



(xiv) Employee Benefits

The disclosure required under Accounting Standard 15 “Employees Benefits” as per the provision of the Companies Act, 2013, is given below:

(a) Defined Contribution Plan:

Contribution to defined Contribution Plan, recognized as expense for the year are as under:

Employer's contribution to Provident Fund for the year 2018 - 19 ₹163.43 lakhs (previous year ₹147.00 lakhs).

The Company's Provident Fund has been exempted u/s 17(1) (a) of the Employees Provident Fund and Miscellaneous Provisions Act, 1952.

(b) Defined Benefit Plan:

Gratuity:

The Company provides for gratuity, a defined benefit retirement plan (the “Gratuity Plan”) covering the eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as at the balance sheet date, by the Life Insurance Corporation of India based upon which, the company contributes all the ascertained liabilities to the SIDCO Employees' Gratuity Fund Trust (the “Trust”). Trustees administer contributions by means of a Group Gratuity Policy with Life Insurance Corporation of India. The employees enrolled after 01.03.2013 are covered by a separate policy under the New Group Gratuity Cash Accumulation Plan introduced by LIC of India on 23.10.2013.

As required under AS 15 the status of the Gratuity Plan (FUNDED) based on the report given by LIC of India is furnished below:

1	Assumptions	31.3.2019	31.3.2018
	Discount Rate	7.50%	8%
	Salary Escalation	5%	5%
2	Table showing changes in present value of obligations	₹	₹
	Present value of obligations as at beginning of the year	6,47,58,336	6,59,72,626
	Interest cost	51,80,667	52,77,810
	Current Service Cost	34,16,598	31,88,423
	Benefits Paid	(1,44,48,500)	(1,33,03,053)
	Actuarial (gain) /loss on obligation	1,91,35,976	36,22,530
	Present value of obligations as at end of the year	7,80,43,077	6,47,58,336
3	Table showing changes in the fair value of plan assets		
	Fair value of plan assets at beginning of the year	7,32,93,713	7,45,15,195
	Expected return on plan assets	52,30,987	51,47,387
	Contributions	2,39,52,418	69,34,184
	Benefits paid	(1,44,48,500)	(1,33,03,053)
	Actuarial gain on plan assets	-	-



	Fair value of plan assets at the end of the year	8,80,28,617	7,32,93,713
4	Table showing fair value of plan assets		
	Fair Value of plan assets at beginning of the year	7,32,93,713	7,45,15,195
	Actual return on plan assets	52,30,987	51,47,387
	Contributions	2,39,52,418	69,34,184
	Benefits paid	(1,44,48,500)	(1,33,03,053)
	Fair value of plan assets at the end of the year	8,80,28,617	7,32,93,713
	Funded status (Asset) / Liability	99,85,540	85,35,377
	Excess of actual over estimated return on plan assets	-	-
5	Actuarial Gain / Loss recognized		
	Actuarial (gain)/ loss on obligation	(1,91,35,976)	(36,22,530)
	Actuarial (gain)/ loss for the year - plan assets	-	-
	Actuarial (gain)/ loss on obligations	1,91,35,976	36,22,530
	Actuarial (gain)/ loss recognized in the year	1,91,35,976	36,22,530
6	The amounts to be recognized in the balance sheet and statements of profit and loss		
	Present value of obligations as at the end of the year	7,80,43,077	6,47,58,336
	Fair value of plan assets as at the end of the year	8,80,28,617	7,32,93,713
	Funded status	99,85,540	85,35,377
	Net assets/ (Liability) recognized in Balance Sheet	99,85,540	85,35,377
7	Expenses Recognised in statement of Profit & Loss		
	Current Service Cost	34,16,598	31,88,423
	Interest Cost	51,80,667	52,77,810
	Expected return on plan assets	(52,30,987)	(51,47,387)
	Net Actuarial (gain) / loss recognized in the year	1,91,35,976	36,22,530
	Expenses to be recognized in the profit & loss	2,25,02,254	69,41,376

Leave encashment

The employees of the company are entitled to compensated absence. The employees can carry forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence for a maximum of 330 days. The company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The company measures the expected cost of compensated absence as the additional amount that the company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date based on actuarial valuations. During the year, the Company has subscribed to the Group Leave Encashment Scheme of LIC of India with the same



terms stated above. The employees enrolled after 01.03.2013 are covered by a separate policy under the New Group Leave Encashment Plan introduced by LIC of India on 23.10.2013.

As required under AS-15 R, the details of the **Leave Liability** (FUNDED) are given below:

1	Assumptions	31.3.2019	31.3.2018
	Discount Rate	8%	8%
	Salary Escalation	5%	5%
2	Table showing changes in present value of obligations	₹	₹
	Present value of obligations as at beginning of the year	5,93,09,529	5,83,64,419
	Interest cost	47,44,763	46,69,154
	Current Service Cost	20,51,460	18,29,845
	Benefits Paid	(1,49,43,839)	(2,09,90,177)
	Actuarial (gain)/ loss on obligation	1,97,84,376	1,54,36,288
	Present value of obligations as at end of the year	7,09,46,289	5,93,09,529
3	Table showing changes in the fair value of plan assets		
	Fair value of plan assets at beginning of the year	6,53,28,920	6,47,41,336
	Expected return on plan assets	45,73,265	40,36,641
	Contributions	2,31,68,449	1,75,41,120
	Benefits paid	(1,49,43,839)	(2,09,90,177)
	Actuarial gain on plan assets	-	-
	Fair value of plan assets at the end of the year	7,81,26,796	6,53,28,920
4	Table showing fair value of plan assets		
	Fair Value of plan assets at beginning of the year	6,53,28,920	6,47,41,336
	Actual return on plan assets	45,73,265	40,36,641
	Contributions	2,31,68,449	1,75,41,120
	Benefits paid	(1,49,43,839)	(2,09,90,177)
	Fair value of plan assets at the end of the year	7,81,26,796	6,53,28,920
	Funded status (Asset) / Liability	71,80,507	60,19,391
	Excess of actual over estimated return on plan assets	Nil	Nil
5	Actuarial Gain / Loss recognized		
	Actuarial (gain)/ loss on obligation	(1,97,84,376)	(1,54,36,288)
	Actuarial (gain)/ loss for the year - plan assets	-	-
	Actuarial (gain)/ loss on obligations	1,97,84,376	1,54,36,288
	Actuarial (gain)/ loss recognized in the year	1,97,84,376	1,54,36,288



6	The amounts to be recognized in the balance sheet and statements of profit and loss		
	Present value of obligations as at the end of the year	7,09,46,289	5,93,09,529
	Fair value of plan assets as at the end of the year	7,81,26,796	6,53,28,920
	Funded status	71,80,507	60,19,391
	Net assets/ (Liability) recognized in Balance Sheet	(71,80,507)	(60,19,391)
7	Expenses Recognised in statement of Profit & Loss		
	Current Service Cost	20,51,460	18,29,845
	Interest Cost	47,44,763	46,69,154
	Expected return on plan assets	(45,73,265)	(40,36,641)
	Net Actuarial (gain) / loss recognized in the year	1,97,84,376	1,54,36,288
	Expenses recognized in the profit & loss	2,20,07,334	1,78,98,646

(xv) Disclosure in respect of the interests in Associate Company is furnished as under:

a)	Company Name	Guindy Industrial Estate Infrastructure Upgradation Company	
b)	Registered Office	Sidco Corporate Office Building, Thiru Vi Ka Industrial Estate, Guindy, Chennai-32.	
		For the year ended 31.03.2019	For the year ended 31.03.2018
c)	Paid up Share Capital	1,00,000	1,00,000
d)	Share holding		
	TANSIDCO	25%	25%
	TIIC	25%	25%
	TUFIDCO	1%	1%
	IEMA	49%	49%
		₹	₹
e)	Reserve & Surplus	1,704	(2,91,202)
f)	Current Liabilities	76,39,076	52,00,580
g)	Non Current Assets	4,44,983	4,46,736
h)	Current Assets	72,95,797	45,62,642
i)	Income	29,12,770	6,04,222
j)	Expenditure	26,19,864	6,01,969



**(xvi) DISCLOSURE REQUIREMENT OF CONTINGENT LIABILITIES AS PER AS 29
FOR THE YEAR 2018 - 2019**

CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBT

Sl. No.	Details	Opening Balance as on 1.4.2018 ₹	Addition ₹	Deletion ₹	Closing Balance as on 31.3.2019 ₹
1	Disputed Liability for Income Tax pending for the Assessment years 1989-1990, 1992-93, 2003-2004 to 2005-06, 2007-08, 2008-09, 2009-10 to 2013-14, 2015-16 and 2016-17	4,98,87,279	61,34,570	78,140	5,59,43,709
2	Estimated Liability payable to Regional Provident Fund Commissioner Tamilnadu under EDLI Scheme vide their Order No. K2/TN/7626/197	2,54,998	-	-	2,54,998
3(*)	Liability towards payment of Land Cost to Govt in respect of the locations where industrial estates have been developed based on enter upon permission and allotment made.	24,92,68,352	-	23,27,31,522	1,65,36,830
4(**)	Liability towards Urban Land Tax in respect of Ambattur Industrial Estate	2,19,11,644	-	-	2,19,11,644
5	Liability towards damages claimed by M/s Rockfort Paints & Chemicals at IE Mathur	7,89,800	3,49,200	-	11,39,000
6	Liability towards Short Deduction of TDS	1,62,571	-	16,068	1,46,503
	Total	32,22,74,644	64,83,770	23,28,25,730	9,67,22,484



(*) The Corporation has developed Industrial Estates / Tiny Sector complexes in the following locations on the Poramboke Lands based on the enter upon permission given by the Government pending alienation orders. The land cost in these locations has now been recommended by the District Collector to the CLA based on the guideline value prevailing in the year of such recommendation. Government have issued G.O.Ms.No.172 Revenue Department Land Disposal Wing LD5 (1) Section dated 09-05-2017 ordered to fix land cost based on the rate prevailing at the time of granting enter upon permission including notional increase on the modalities of G.O.Ms.No.907 Revenue Department dated 13-12-94 and the same has been forwarded to the concerned District Collector in all cases where advance entry has been made by SIDCO and allotment made to the entrepreneurs.

The land cost due on the basis of the recommendation of the District Collectors concerned with notional increase at 12% per annum up to 2019 is as follows:

Sl. No.	Location	Extent (in Acre)	Land cost due
1	Thirumayam Village and Taluk, Pudukkottai District	0.21	22,38,140/-
2	Padappai Village, Sriperumbudur Taluk, Kancheepuram District.	1.37	1,32,36,614/-
3	Madhanur Village, Vaniyambadi Taluk, Vellore District	0.30	10,62,076/-
	Total	1.88	1,65,36,830/-

(**) The Assistant Commissioner, Urban Land Tax, Poonamallee has raised demand under Urban Land Tax for Rs.2,67,36,580/- to be collected from SIDCO in respect of Korattur, Patravakkam, Mannur and Mugappair villages in Ambattur Industrial Estate. SIDCO has addressed Secretary to Government, Revenue Department for issue of necessary Government Orders duly exempting SIDCO from paying Urban Land Tax as SIDCO is not owning any land in the Industrial Estate, Ambattur and acting only as an agent of the Government and the same has been informed to the Thasildar, Ambattur Taluk. Pending orders of exemption from the Government, a sum of Rs. 2,19,11,644/- after adjusting a provision of Rs.48,24,936/- made based on earlier demand, is shown as Contingent Liability.



(xvii) INFORMATION ABOUT BUSINESS SEGMENT 2018 - 2019

Particulars	Industrial Estate Development		Trading Activity		Consolidated Total	
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	₹	₹	₹	₹	₹	₹
REVENUE						
External Sales	39,99,18,952	25,81,82,707	15,49,67,171	15,57,01,593	55,48,86,123	41,38,84,300
Other Income	8,26,82,080	14,76,77,849	9,39,577	10,91,994	8,36,21,657	14,87,69,843
Interest Income	2,25,14,742	2,61,22,669	97,500	10,36,135	2,26,12,242	2,71,58,804
Total	50,51,15,774	43,19,83,225	15,60,04,248	15,78,29,722	66,11,20,022	58,98,12,947
Other Unallocated Corporate Results					(20,31,65,429)	(18,62,38,313)
Segment Result	27,28,78,417	30,88,65,812	(1,81,51,427)	(55,62,650)	25,47,26,990	30,33,03,162
Profit Before Depreciation	27,28,78,417	30,88,65,812	(1,81,51,427)	(55,62,650)	5,15,61,561	11,70,64,849
Depreciation	5,95,616	7,36,640	2,518	2,793	(5,98,134)	(7,39,433)
Unallocated Depreciation					(1,26,93,719)	(1,27,54,029)
Profit before Prior Period, Exceptional, Extraordinary & Tax					3,82,69,708	10,35,71,387
Prior Period Item					3,42,720	2,87,200
Profit before Exceptional, Extraordinary & Tax					3,86,12,428	10,38,58,587
Exceptional item					(1,95,370)	11,25,085
Profit before Exceptional, Extraordinary & Tax					3,84,17,058	10,49,83,672
Extraordinary Item						
Provision for Income Tax					(91,00,000)	(3,60,00,000)
Mat Credit						
Deferred Tax					0	-
Tax relating to earlier year					(7,89,258)	83,298
Profit After Tax					2,85,27,800	6,90,66,970
OTHER INFORMATION						
Segment Assets and clo. stock	36,34,08,877	35,72,91,453	39,46,942	47,73,856	36,73,55,819	36,20,65,309
Unallocated Corporate Assets					3,05,36,51,121	2,54,48,41,625
Total Assets	36,34,08,877	35,72,91,453	39,46,942	47,73,856	3,42,10,06,940	2,90,69,06,934
Segment Liabilities	64,72,95,274	47,40,34,574	4,43,381	2,53,854	64,77,38,655	47,42,88,428
Unallocated Corporate Liabilities					2,64,53,03,077	2,31,79,42,260
Unallocated Cor. Dep. Reserve					10,42,16,712	9,15,22,993
Depreciation Reserve	2,25,95,338	2,20,02,613	11,53,157	11,50,639	2,37,48,495	2,31,53,252
	66,98,90,612	49,60,37,187	15,96,538	14,04,493	3,42,10,06,940	2,90,69,06,934

Segment revenue, segment results and segment assets & liabilities include the respective amounts identifiable to each of the segment as also amounts allocated on a reasonable basis. The expenses and income and assets and liabilities which are not directly related to the business segment, are shown as unallocable.



(xviii) Proposed Dividend

As per the Common Dividend Policy evolved by the Government of Tamil Nadu vide GO (Ms) No.123 Finance (BPE) Dept dt. 19.05.2014, the SPSUs have to declare dividend at 30% of net profit (after tax) or 30% of paid up Share Capital whichever is higher subject to availability of disposable profits. However, the Government in GO (Ms) No.52 MSME (C) Dept dt. 05.08.2019 have exempted TANSIDCO from declaring dividend for three years starting from 2018 – 19, considering the funds requirement for investment plans. The Board, after assessing the financial position of TANSIDCO vis-a-vis the projects to be implemented, has decided not to provide for dividend for the year.



NOTES FORMING PART OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note No. 28 - SIGNIFICANT ACCOUNTING POLICIES

(a) Method of Accounting

The Financial Statements have been prepared under the historical cost convention and on the basis of going concern and the system of accounting followed is mercantile system in accordance with generally accepted accounting principles in India Accounting Standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and provisions of the Companies Act, 2013 as adopted consistently by the Company except where stated otherwise.

Use of Estimates:

The preparation of financial statements requires management to make estimates and assumptions of some of the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and amounts of revenues and expenses during the period reported. However, any revision to accounting estimates or difference between the actual results and estimates are recognized prospectively in the period in which the results are known/materialised.

(b) Inventories:

- a) The inventories of raw materials, work sheds and tiny sheds including sheds resumed are valued (as certified by the management) at cost or at realisable value whichever is lower.
- b) Works under construction representing expenditure incurred on land development and building remaining incomplete are valued at cost (as certified by the Management)
- c) The excesses and shortages in stock in trade (i.e.) raw materials are adjusted in the closing stock.
- d) Resumed Sheds

The resumed sheds are taken to stock at cost or realizable value of such sheds whichever is lower. The difference between value of resumed sheds and respective Trade receivables comprising of principal and interest dues is charged to Profit & Loss Account.

- e) Land to be sold is valued at cost.

Cost formula used is as under

- | | | |
|----------------------------|---|--|
| (i) Trading Goods | - | FIFO |
| (ii) Tiny shed & work shed | - | Weighted Average
(Industrial Estate wise) |



(c) Cash Flow Statement

Cash Flow Statement has been prepared under Indirect Method. Cash and Cash Equivalents comprise of Cash in Hand, Current Accounts (including Fixed Deposits) held with Banks.

(d) Income Recognition:

Upto 31.03.2014 sale of sheds and plots is accounted in the year in which such sheds and plots are handed over to the allottees including that of sale under Lease cum sale basis.

Since 01.04.2014 the revenue from the sale of plots/sheds is recognized in the year in which

- a) full cost of plot/shed is realized and MOU for handing over of the plots / shed is executed between SIDCO and allottee in the case of outright sale allotments, and
- b) Margin money (initial payment) is realized and LCS deed is executed in the case of hire purchase allotments.

In respect of allotment of plots on 30 years lease basis, cost of the plot is collected treating 50% as plot deposit refundable at the end of 30 years and 50% as non-refundable development charges. The development charges is recognised as income in the year of execution of MOU for handing over of the plot.

Revenue from sale of goods is recognised as and when the property in the goods (Raw Materials) is transferred to the buyer for consideration and invoice is raised.

Penal Interest on overdue payment on hire purchase sale of plots / sheds is accounted as and when received and penal interest on overdue payments on outright sales is accounted in the year in which the sale of plot / shed is recognised in the books i.e. in the year of handing over of such plot/sheds.

Service Charges levied on Common Facility Centre Projects assisted by Government of India under Cluster Development Program are accounted in the year in which the grants are released to the Special Purpose Vehicles of the respective Clusters.

Service Charges levied on Deposit Works is accounted on completion of the works.

Other items of income are recognized in accordance with the Accounting Standard (AS – 9).

(e) Fixed Assets:

Fixed Assets are stated at cost of construction or acquisition, Cost includes all cost incidental to acquisition, installation, commissioning, where these expenses are directly identifiable to the specific assets and allocated to such assets.



Cost of assets not put to use before the year end are disclosed under capital work in progress. Assets under construction are not depreciated, Assets are capitalized when they are put to use.

(f) Depreciation:

Depreciation on fixed assets is charged over the useful life of the assets in WDV method in accordance with Schedule II to the Companies Act, 2013.

Depreciation for the assets purchased / disposed of during the year is provided on pro rata basis.

In respect of individual asset costing less than ₹ 5,000/- full depreciation has been provided in the year of addition.

Computer software being intangible assets is amortized on straight line basis over its estimated useful life of 5 years.

(g) Impairment of Assets

All fixed assets are reviewed for impairment. Wherever events or changes in circumstances indicate that the carrying amount may not be recoverable, the impairment loss is provided for to the same extent.

(h) Accounting for effects in foreign exchange rates

There is no foreign currency transaction during the year.

(i) Grants Received from Government

- a) Grants related to infrastructure development / improvement is treated as Current Liabilities till such time they are expended. Grants received on behalf of Special Purpose Vehicle are treated as Current Liabilities till such time they are transferred to the Special Purpose Vehicles.
- b) Grants related to specific purposes with conditions are treated as Current Liabilities till such time they are transferred for the purpose for which they are granted.
- c) Interests earned on grants are credited to the respective grant accounts.

(j) Investments:

The investments are shown at cost after making provision for diminution in value of investments, if any, as at balance sheet date and considered as long term investments.

(k) Employees Benefits

- (a) Short Term Employee Benefits are charged to Profit & Loss Account at the undiscounted amount in the year in which related service is rendered.



(b) **Provident Fund**

The Company pays fixed contribution to Provident Fund at pre-determined rates to a separate irrevocable trust approved by the Commissioner of Income Tax, which makes investments in permitted securities. The contribution to the fund for the year is recognized as expenses and is charged to Profit & Loss Account.

(c) The Company has taken Group Gratuity Policy with LIC of India with effect from 01.03.1998 and premium is paid as determined by LIC. Gratuity is a post employment defined benefit plan (Funded by LIC). The amount recognized in the Balance Sheet represents the present value of defined benefit obligation at the Balance Sheet date excess of fair value of Plan assets (as given by LIC).

(d) The Company has subscribed to Group Leave Encashment Policy with LIC of India with effect from 01.03.2010 to cover all eligible employees and premium has been paid as determined by LIC of India. The amount recognized in the Balance Sheet represents the present value of defined benefit obligation at the Balance Sheet date excess of fair value of plan assets (as given by LIC).

(e) Voluntary Retirement compensation (Exgratia) is amortized over a period of 5 years.

(l) Borrowing cost

Borrowing costs, attributable to qualifying assets, are capitalized up to the date the asset is ready for use / put to use. All other borrowing costs are charged to revenue.

(m) Segment Accounting Policy

The corporation has identified two business segments viz Industrial Estate Development and Trading in Industrial Raw Material (ie) trading of items like paper, Iron & Steel, Wax and Potassium chlorite to facilitate the development and growth of the Small Scale Industries in the State of Tamilnadu.

Policy on Secondary Segment Reporting:

The Company's main activities are confined only to the State of Tamilnadu which is covered under same economic environment wherein the risks and returns are not different. Hence the Company is not recognising any Geographical segment for reporting as required under "Accounting Standard - 17" in respect of Secondary Segment (i.e. Geographical Segment).

Policy of the Corporation for identifying segment results:

All revenues that can be reasonably identified with a particular segment is taken as the revenue of that particular segment. Similarly, all expenses that can be reasonably identified with a particular segment is taken as the segment expense of that segment in order to arrive at the Segment Contribution. Income and expenses not identified with a



particular segment is shown separately. In case of Segment Assets and Liabilities, those Assets and Liabilities that can be identified with a particular segment is taken as the Assets or Liabilities of that particular segment. Other Assets and Liabilities are taken to the reconciliation statement reconciling segment assets with total assets and segment liabilities with total liabilities.

(n) Related Party Transaction

Remuneration to key Managerial Personnel is disclosed as 'Related Party Transaction' in the Notes to Accounts.

(o) Leases

The particulars required in respect of financial leases entered into by the Company are disclosed in the Notes to Accounts.

(p) Earnings per share

The Company reports basic and diluted earnings per share in accordance with the Accounting standard – 20.

(q) Accounting for Taxes on Income.

Income Tax is accounted in accordance with AS 22 “Accounting for Taxes on Income” which includes Current Tax and Deferred Tax.

Deferred Tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing difference of earlier years. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available.

(r) Provision and Contingencies

- (a) The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made for the amount of obligation.
- (b) A disclosure for a Contingent Liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

(s) Government Industrial Estates

- (a) The cost of land for sale of developed plots and sheds in Government Industrial Estates is paid to Government as per the formula laid down by the Government in GO MS NO 815 Industries Department dt: 04.12.1987 after handing over of such plots / sheds and collection of the amount. With the issue of GO (Ms) No.31 MSME (C)



Department dt: 19.06.2013, cost of land for sale of developed plots and sheds in Government Industrial Estates is paid to the Government at the cost adopted as per the method ordered in the GO after deducting administrative charges and development charges incurred by SIDCO on handing over of such plots / sheds and collection of the amount.

- (b) Water charges, Maintenance Charges, Rent and other receipts in respect of Government Industrial Estates maintained on agency basis and paid to the Government is accounted on collection basis.
- (c) No agency commission is paid to the Company.

III General

- i) The figures shown in the accounts are rounded off to the nearest rupee.
- ii) Previous year's figures have been suitably reclassified wherever necessary to conform to current year's classification.

R. VENKATESAN
Chief Accounts Officer
(CFO)

ANU GEORGE
Director
(DIN: 07940662)

HANS RAJ VERMA
Chairman & Managing Director
(DIN: 00130877)

As per our report of even date
For M/s L.U. Krishnan & Co
Chartered Accountants
Firm Reg. 001527S

S. JOTHIRAJAN
Partner

Membership No. 211121
UDIN :19211121AAAABF7334

Place : Chennai
Date : 14.10.2019



L.U. KRISHNAN & Co.

CHARTERED ACCOUNTANT

Sam's Nathaneal Tower, #3-1, West Club Road, Shenoy Nagar, Chennai-600 030.

Tel : 044 - 2620 9657 / 2620 9410 | Telefax : 044 - 2620 9415

E-mail : lukrishco@gmail.com, | Website : www.lukrishco.com

INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS TO THE MEMBERS OF TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED.

1. Opinion

We have audited the accompanying consolidated financial statements of Tamilnadu Small Industries Development Corporation Limited ("the Company"), and its Associate, which comprise the consolidated Balance Sheet as at March 31, 2019, the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended March 31, 2019 and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India:

- (a) In the case of the consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2019;
- (b) In the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) In the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

2. Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the consolidated financial statements' section of our report. We are independent of the company in accordance with the 'Code of Ethics' issued by the Institute of chartered accountants of India together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

3. Other Matter:

We did not audit the Financial Statements of the Associate, whose Financial Statements reflect Total Assets of Rs.77,40,780 as at 31st march, 2019, Total Income of Rs.29,12,770 and Total Cash flow amounting to Rs.1,00,284 for the year ended on that date as considered in the Consolidated financial statements. The Financial Statements of the Associate have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of Associate are based solely on the report of the other auditors.

We report that the Consolidated Financial Statements have been prepared by the Company's Management in accordance with the requirements of the "Accounting Standard 21 – Consolidated Financial Statements" and "Accounting Standard 23 -Accounting for Investments in Associates in Consolidated Financial Statements"

4. Emphasis of Matters:

We draw attention to the following matters in the Notes to the consolidated financial statements:

- a) Notes to Accounts No. 12 regarding transfer of title deed for the purchase of 13,622 Sq.ft of Land in Guindy yet to be done by the Govt. of Tamilnadu.

- b) Notes to Accounts No. 27(ii) regarding non-receipt of confirmation of balances for the balances outstanding under “Trade Receivable” and “Loans and Advances”. In the absence of confirmation of balances, we are unable to express our opinion as to the adequacy of the provision or recoverability or otherwise in respect of the amounts stated under Trade Receivables, Loans and Advances and Trade Payables. Hence, the effect on the profits, if any, is not quantifiable.

Our opinion is not modified in respect of these matters.

5. Management's Responsibility for the Consolidated 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 consolidated financial statements that give a true and fair view of the financial position, financial performance 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; the 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 consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

6. Auditor's Responsibility for the audit of consolidated financial statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



L.U. KRISHNAN & Co.
CHARTERED ACCOUNTANT

- d) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that material uncertainty exists, we are required to draw attention in our auditor's report to the disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- e) Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

7. Report on Other Legal and Regulatory Requirements

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 Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account.
- d) In our opinion, the aforesaid consolidated 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) As per the Notification No G.S.R.463(E) dated 05.06.2015, sub section (2) of section 164 of the Companies Act, 2013 is not applicable to Government Companies.
- f) 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:
- i. The Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements.
- ii. The Company did not have any long-term contracts including derivative contracts for which there are any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For L.U.Krishnan & Co.
Chartered Accountants
Firm's Registration Number-001527S

Place : Chennai.

Date : October 14, 2019

(S.JOTHIRAJAN)
(Partner)
Membership No. 211121
UDIN : 19211121AAAABG9704



**ACCOUNTANT GENERAL (E & RSA).
TAMILNADU**

VISHWANATH SINGH JADON, IA&AS

**COMMENTS OF THE COMPTROLLER AND AUDITOR GENERAL OF INDIA UNDER
SECTION 143(6) (b) READ WITH SECTION 129(4) OF THE COMPANIES ACT, 2013 ON THE
CONSOLIDATED FINANCIAL STATEMENTS OF TAMILNADU SMALL INDUSTRIES
DEVELOPMENT CORPORATION LIMITED, CHENNAI FOR THE YEAR ENDED
31st MARCH 2019.**

The Preparation of Consolidated Financial statements of Tamil Nadu Small Industries Development Corporation Limited, Chennai for the year ended 31 March 2019 in accordance with the financial reporting framework prescribed under the Companies Act, 2013 (Act) 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) read with section 129 (4) of the Act are responsible for expressing opinion on the financial statements under section 143 read with section 129 (4) of the Act based on independent audit in accordance with 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 14.10.2019.

I on the behalf of the Comptroller and Auditor General of India, have conducted a supplementary audit of the Consolidated Financial statements of Tamil Nadu Small Industries Development Corporation Limited, Chennai for the year ended 31 March 2019 under section 143 (6) (a) read with Section 129 (4) of the Act. We conducted a supplementary audit fo the financial statements of TamilNadu Small Industries Development Corporation Limited, but did not conduct supplementary audit of financial statements of Guindy Industrial Estate Infrastructure Upgradation Company Limited for the year ended on that date. This supplementary audit has been carried out independently without access to the working papers of the statutory auditors and is limited primarily to inquiries of the statutory auditors and company personnel and a selective examination of some of the accounting records.

On the basis of my supplementary audit nothing significant has come to my knowledge which would give rise to any comment upon or supplement to statutory auditors report under section 143 (6) (b) of the Act.

**For and on the behalf of the
Comptroller & Auditor General of India**

**Place : Chennai.
Date : 02.12.2019**

**VISHWANATH SINGH JADON
Accountant General**



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED				
CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019				
S. No	PARTICULARS	NOTE	As at 31.03.2019 ₹	As at 31.03.2018 ₹
I.	EQUITY AND LIABILITIES			
1	Shareholders' Funds			
	a) Share Capital	1	25,14,00,000	25,14,00,000
	b) Reserves & Surplus	2	88,06,98,911	85,20,97,884
	Total (A)		1,13,20,98,911	1,10,34,97,884
2	Non-Current Liabilities			
	a) Deferred Tax Liabilities	3	-	-
	b) Other Long Term Liabilities	4	89,02,79,083	71,92,77,750
	Total (B)		89,02,79,083	71,92,77,750
3	Current Liabilities			
	a) Trade Payables - Other than MSME	5	6,54,20,242	8,67,31,615
	b) Other Current Liabilities	6	1,21,63,85,657	85,59,91,437
	c) Short-Term Provisions	7	(1,10,68,369)	2,67,32,566
	Total (C)		1,27,07,37,530	96,94,55,618
	Total (A+B+C)		3,29,31,15,524	2,79,22,31,251
II.	ASSETS			
1	Non-Current Assets			
	a) Property, Plant and Equipment	8		
	i) Tangible Assets		15,10,86,034	15,73,26,595
	ii) Intangible Assets		79,51,222	52,38,434
	b) Non- Current Investments	9	1,90,93,790	2,10,20,563
	c) Long-Term Loans & Advances	10	5,49,89,930	5,17,46,558
	d) Other Non-Current Assets	11	8,36,17,966	6,21,01,508
	Total (D)		31,67,38,943	29,74,33,658
2	CURRENT ASSETS			
	a) Inventories	12	1,28,00,43,358	1,31,69,46,191
	b) Trade Receivables	13	6,21,28,551	6,39,39,703
	c) Cash and Cash Equivalents	14	1,55,10,35,574	10,48,01,23,39
	d) Short-Term Loans & Advances	15	6,24,49,762	4,61,14,345
	e) Other Current Assets	16	2,07,19,335	1,97,85,015
	Total (E)		2,97,63,76,581	2,49,47,97,593
	Total (D+E)		3,29,31,15,524	2,79,22,31,251
	Other Notes to Financial Statements	27		
	Significant Accounting Policies	28		
Notes annexed here to form an integral part of this Balance Sheet				

R. VENKATESAN
Chief Accounts Officer
(CFO)

ANU GEORGE
Director
(DIN: 07940662)

HANS RAJ VERMA
Chairman & Managing Director
(DIN: 00130877)
As per our report of even date
For M/s L.U. Krishnan & Co
Chartered Accountants
Firm Reg. 001527S

S. JOTHIRAJAN
Partner
Membership No. 211121
UDIN :19211121AAAABG9704

Place : Chennai
Date : 14.10.2019



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED				
CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2019				
S.No	PARTICULARS	Note	For the year ended 31.03.19 ₹	For the year ended 31.03.18 ₹
	REVENUE			
I	Revenue from Operations	17		
	Sales of Trade Goods and Plots & Sheds		55,48,86,123	41,38,84,300
	Other Operating Income		7,88,05,945	8,30,40,266
			63,36,92,068	49,69,24,566
II	Other Income	18	8,07,71,021	14,76,49,626
III	Total Revenue (I+II)		71,44,63,089	64,45,74,192
	EXPENSES			
	Purchase of Stock - in-Trade	19	29,34,11,784	22,38,52,496
	Changes in Inventories of Stock- in-Trade	20	1,67,38,166	1,90,71,032
	Employee Benefits Expenses	22	23,30,48,858	18,94,72,853
	Finance Cost	24	1,43,09,928	42,29,706
	Depreciation & Amortization Expenses	8	1,32,91,853	1,34,93,462
	Other Expenses	21, 23	10,53,92,793	9,08,83,256
IV	Total Expenses		67,61,93,381	54,10,02,805
V	Profit before prior period, exceptional & extraordinary items and tax (III - IV)		3,82,69,708	10,35,71,387
VI	Prior Period Item- Net	25	3,42,720	2,87,200
VII	Profit before exceptional & extraordinary items and tax (V + VI)		3,86,12,428	10,38,58,587
VIII	Exceptional Items - Net	26	(1,95,370)	11,25,085
IX	Profit before extraordinary items and tax (VII + VIII)		3,84,17,058	10,49,83,672
X	Extraordinary Items		-	-
XI	Profit before tax (IX - X)		3,84,17,058	10,49,83,672
XII	Tax Expenses			
	(a) Current Tax		(91,00,000)	(3,60,00,000)
	(b) Deferred Tax	3	-	-
	(c) Tax relating to earlier years		(7,89,258)	83,298
XIII	Profit/(Loss) for the period (XI-XII)		2,85,27,800	6,90,66,970
	Add: Share of Profit / (Loss) from Associate Company		73,227	563
XIV	Profit/(Loss) for the period (XIII+XIV)		2,86,01,027	6,90,67,533
XV	Earnings per Equity Share			
	Basic & Diluted (Face value Rs.1000 per share)		114	275
	Other Notes to Financial Statements	27		
	Significant Accounting Policies	28		
Notes annexed hereto form an integral part of this Statement of Profit & Loss				

R. VENKATESAN
Chief Accounts Officer
(CFO)

ANU GEORGE
Director
(DIN: 07940662)

HANS RAJ VERMA
Chairman & Managing Director
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As per our report of even date
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Firm Reg. 001527S

S. JOTHIRAJAN
Partner

Membership No. 211121
UDIN :19211121AAAABG9704

Place : Chennai
Date : 14.10.2019



CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 ST MARCH 2019				
	PARTICULARS		2018 - 2019 ₹	2017 - 2018 ₹
A	Net Cash Flow from Operating Activities			
	Net Profit after Tax		2,86,01,027	6,90,67,533
	Depreciation		1,32,91,853	1,34,93,462
	Tax relating to earlier years		7,22,661	(3,88,901)
	Provision for Income Tax		91,00,000	3,60,00,000
	Interest Received		(4,33,05,690)	(3,92,48,379)
	Dividend Received		(5,50,000)	(8,00,000)
	Profit on Sale of Fixed Assets		-	-
	Cash flow from Operating Activities before			
	Working Capital Adjustments		78,59,851	7,81,23,715
	Working Capital Adjustments			
	Inventories		3,69,02,833	(3,95,25,587)
	Trade Receivable		(1,97,05,307)	1,43,11,695
	Loan and Advances		(11,56,044)	(2,65,37,177)
	Current Liabilities		51,00,84,180	56,56,74,037
	Cash generated from Operating Activities		53,39,85,513	59,20,46,683
	Income tax Paid		(3,67,22,661)	(1,66,11,099)
	Net Cash Generated from Operating Activities	1	49,72,62,852	57,54,35,584
B	Cash flow from Investing Activities			
	Income on FD		4,33,05,690	3,92,48,379
	Dividend Income		5,50,000	8,00,000
	Non - Current Investments		19,26,773	(50,563)
	Share Application Money Pending Allotment		-	(30,00,000)
	Purchase of Fixed Assets		(97,64,080)	(1,07,91,923)
	Sale of Fixed Assets		2	19
	Net Cash flow from Investing Activities	2	3,60,18,384	2,62,05,910
C	Cash flow from Financing Activities			
	Share Capital		-	44,00,000
	Dividend paid		(2,51,40,000)	(2,47,00,000)
	Tax on Dividend		(51,18,001)	(50,28,426)
	Net Cash flow from Financing Activities	3	(3,02,58,001)	(2,53,28,426)
	Net Decrease/Increase in Cash and			
	Cash Equivalents (1 + 2 + 3)		50,30,23,235	57,63,13,068
	Cash Equivalents at the beginning of the year		1,04,80,12,339	47,16,99,271
	Cash Equivalents at the closing of the year		1,55,10,35,574	1,04,80,12,339
Notes: 1. Cash Flow Statement has been prepared following Indirect Method				
2. Figures of previous year has been regrouped / restated / reclassified wherever necessary				

R. VENKATESAN
Chief Accounts Officer
(CFO)

ANU GEORGE
Director
(DIN: 07940662)

HANS RAJ VERMA
Chairman & Managing Director
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As per our report of even date
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Chartered Accountants
Firm Reg. 001527S

S. JOTHIRAJAN
Partner

Membership No. 211121
UDIN :19211121AAAABG9704

Place : Chennai
Date : 14.10.2019



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED					
NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019					
Note No.	Particulars	As at 31.03.2019		As at 31.03.2018	
		₹		₹	
1	SHARE CAPITAL				
a)	Authorised Share Capital				
	4,50,000 Equity Shares of ₹1000/- each	45,00,00,000		45,00,00,000	
	Issued, Subscribed and paid up Capital				
	2,51,400 Equity shares of ₹1,000/- each fully paid up	25,14,00,000		25,14,00,000	
b)	Reconciliation of the Shares outstanding at the beginning and at the ending of the reporting period				
		As at 31.03.2019		As at 31.03.2018	
		Equity Share		Equity Share	
		Numbers	Amount	Numbers	Amount
	Equity Shares				
	At the beginning of the year	2,51,400	25,14,00,000	2,51,400	25,14,00,000
	Issued during the year	-	-	-	-
	Bought back during the year	-	-	-	-
	At the end of the year	2,51,400	25,14,00,000	2,51,400	25,14,00,000
c)	Shares held by each Shareholder Holding more than 5%				
	Name of the Shareholders	As at 31.03.2019		As at 31.03.2018	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
	Governor of Tamil Nadu	2,51,392	99.99	2,51,392	99.99
2	RESERVES AND SURPLUS	As at 31.03.2019		As at 31.03.2018	
	Surplus				
	Opening Balance	85,20,97,884		81,32,88,352	
	Add: Profit / (Loss) for the period	2,86,01,027		6,90,67,533	
	Less :				
	Proposed Dividend	-		2,51,40,000	
	Tax on Proposed Dividend	-		51,18,001	
	Closing Balance	88,06,98,911		85,20,97,884	
3	DEFERRED TAX ASSET / (Liability)				
	Opening Balance as per last Balance sheet	-		-	
	Add/Less : Transfer from P&L (*)				
	Total	-		-	
	(*) Computation of Deferred Tax Asset / (Liability)				
	Particulars				
i)	Depreciation	(3,07,53,515)		(2,59,70,979)	
ii)	Employees' Benefit	(31,37,170)		12,02,767	
iii)	Others	(96,129)		(3,99,630)	
iv)	Provision for Doubtful Debts	7,09,14,454		7,07,19,084	
	Total	3,69,27,640		4,55,51,242	
	Deferred Tax Asset (*) / (Liability)	1,02,73,269		1,57,64,374	
(*) The deferred tax asset has not been recognised in the absence of reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be adjusted.					



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED			
NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019			
Note No.	Particulars	As at 31.03.2019 ₹	As at 31.03.2018 ₹
4	OTHER LONG TERM LIABILITIES		
	i) Trade Payables	23,30,46,514	24,07,43,570
	ii) Others	65,72,32,569	47,85,34,180
	Total	89,02,79,083	71,92,77,750
5	TRADE PAYABLES		
	i) Trade Payable for Trade	9,05,192	94,788
	ii) Trade Payable for Works	6,45,15,050	8,66,36,827
	Total	6,54,20,242	8,67,31,615
6	OTHER CURRENT LIABILITIES		
	i) Grants and contribution towards infrastructure upgradation scheme		
	a) Grant	86,07,16,028	48,32,31,779
	b) Contribution from Beneficiaries	1,64,34,491	1,71,54,140
	ii) Due to Micro, Small & Medium Enterprises *	-	-
	iii) Other Liabilities		
	a) Government Departments, Public Bodies	25,90,84,257	27,93,65,049
	b) Others	8,01,50,881	7,62,40,469
	Total	1,21,63,85,657	85,59,91,437
* The company has not received any intimation from suppliers regarding their status under Micro Small and Medium Enterprises Development Act, 2006 and hence disclosures if any, relating to amounts unpaid as at March 31, 2019 together with interest paid / payable as required under the Act has not been furnished.			
7	SHORT TERM PROVISIONS		
	Provision for Taxation (Net of Advance Tax) *	(1,10,68,369)	(35,25,435)
	Proposed Dividend	-	2,51,40,000
	Tax on Dividend	-	51,18,001
	Total	(1,10,68,369)	2,67,32,566
* Total Provision for Tax		91,00,000	3,60,00,000
Tax deducted at source		(1,54,40,369)	(2,21,48,435)
Advance Income Tax		(47,28,000)	(1,73,77,000)
		(1,10,68,369)	(35,25,435)

Note 8
CONSOLIDATED STATEMENT OF FIXED ASSETS AS AT 31.03.2019

Sl. No	Particulars	Gross Block			Depreciation /Amortisation				Net Block	
		As at 01.04.18	Addition	Deletion	As at 31.03.19	Upto 31.03.18	For the period	Deletions	As at 31.03.19	As at 31.03.18
		₹	₹	₹	₹	₹	₹	₹	₹	₹
	Tangible Asset									
1	Land	39,38,135			39,38,135	-	-		-	39,38,135
2	Buildings	17,87,43,594	43,53,130		18,30,96,725	3,85,83,531	68,56,975		4,54,40,506	14,01,60,063
3	Furniture, Electrical Fittings	1,04,39,324	1,02,601		1,05,41,926	82,83,951	5,82,872		88,66,823	21,55,373
4	Office Equipments	1,32,27,318	5,63,475	2,894	1,37,87,899	1,14,72,364	9,33,237	2,892	1,24,02,709	17,54,954
5	Temporary Structures	2,82,61,908			2,82,61,908	2,67,87,160	61,653		2,68,48,813	14,74,748
6	Vehicles	2,01,35,649			2,01,35,649	1,36,61,272	20,23,601		1,56,84,874	64,74,376
7	Computers	1,65,03,037	19,445		1,65,22,483	1,51,34,091	8,20,874		1,59,54,965	13,68,946
	Total	27,12,48,965	50,38,651	2,894	27,62,84,724	11,39,22,369	1,12,79,212	2,892	12,51,98,690	15,73,26,595
	Intangible Asset									
1	Computer Software	8,94,714	98,23,025	-	1,07,17,739	7,53,876	20,12,641	-	27,66,517	52,38,434
	Total	8,94,714	98,23,025	-	1,07,17,739	7,53,876	20,12,641	-	27,66,517	52,38,434
	Grand Total	27,21,43,679	1,48,61,676	2,894	28,70,02,464	11,46,76,245	1,32,91,853	2,892	12,79,65,207	16,25,65,029
	Previous year	26,69,94,316	1,02,64,123	17,164	27,72,41,275	10,17,27,730	1,34,93,462	17,145	11,46,76,245	
Note: 1. No part of the Fixed Asset is revalued during the year (Previous Year : Nil)										
2. Cost of software is amortised on straight line basis over its estimated useful life of 5 years										



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED			
NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019			
Note No.	Particulars	As at 31.03.2019 ₹	As at 31.03.2018 ₹
9	NON CURRENT INVESTMENTS - OTHERS		
	I) FULLY PAID EQUITY SHARE S		
	a) Shares with ITCOT Consultancy and Services Limited	1,00,000	1,00,000
	(1,000 shares of ₹100/- each fully paid up) (Unquoted)		
	b) Shares with Sivakasi Co-op Industrial Estate Limited	10,000	10,000
	(10 shares of ₹1,000/- each fully paid up) (Unquoted)		
	c) Shares with Small Industries Product Promotion Organisation Limited	10,00,000	10,00,000
	(1,00,000 shares of ₹10/- each fully paid up) (Unquoted)		
	d) Shares with Guindy IE Infrastructure Upgradation Company - Associate Company	25,000	25,000
	(2500 Shares of ₹ 10 Each fully paid up) (Unquoted)		
	Adjustment on Consolidation		
	Add/(Less): SIDCO's Share of Current year Profit	73,227	563
	Add/(Less): SIDCO's Share of Opening Balance of P & L	563	-
		98,790	25,563
	e) Shares with Tamil Nadu News Print & Papers Ltd,	1,08,35,000	1,08,35,000
	(1,00,000 Shares of ₹ 10/- each with premium of ₹ 100/- less incentive received (quoted market value as on 31.03 2019 is ₹ 205.95 Lakh)		
	f) Shares with Namakkal District Truck Body Building Industrial Estate	50,000	50,000
	(5,000 Shares of ₹ 10 each with fully paid up) (Unquoted)		
	Total	1,20,93,790	1,20,20,563
	Less: Provision for Diminution in value of investments *	10,00,000	10,00,000
	Total	1,10,93,790	1,10,20,563
	II) DEBENTURES		
	10.60% Unsecured Redeemable Non-Convertible Taxable Pooled bonds of Water and Sanitation Pooled Fund - 2022 (100 bonds of ₹1 lakh each)	80,00,000	1,00,00,000
	Total	1,90,93,790	2,10,20,563

* Considering the erosion in the network of SIPPO, provision for diminution in value of investment is provided from the year 2011 - 2012 onwards.



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED

NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2019

Note No.	Particulars	As at 31.03.2019 ₹	As at 31.03.2018 ₹
10	LONG TERM-LOANS AND ADVANCES		
	Amount due on HP (Secured considered good)	1,02,62,042	1,02,64,317
	Other Loans & Advances		
	i) Unsecured considered good		
	Government Departments, Public Bodies * & **	4,37,43,431	4,07,21,498
	Others	9,84,457	7,60,743
	ii) Unsecured considered Doubtful		
	Government Departments, Public Bodies	9,27,572	9,27,572
	Others ***	2,17,20,214	2,17,87,315
	Less: Allowance for bad and doubtful advances ****	(2,26,47,786)	(2,27,14,887)
	Total	5,49,89,930	5,17,46,558
<p>* Includes a sum of ₹7,64,999/- deposited with the Office of the Regional Provident Fund Commissioner, Tamilnadu under EDLI Scheme for the orders issued by them in Order No.K2/TN/7626/97 Dt.19.09.97. This amount represents the 75% of total demand paid for filing appeal before Tribunal.</p>			
<p>** Includes a sum of ₹17,05,698/- in deposit with Court towards land acquisition cost in dispute.</p>			
<p>*** Includes a sum of ₹1,70,36,649/- spent by SIDCO for Madurai Hosiery Industries Association (MAHIA). As the principal itself is considered bad & doubtful, interest has not been recognised in the books.</p>			
11	OTHER NON - CURRENT ASSETS		
	TRADE RECEIVABLES		
	Trade receivables outstanding for more than One year		
	i) Unsecured considered good	8,36,17,966	6,21,01,508
	ii) Unsecured considered Doubtful	4,82,66,668	4,80,04,197
	Less: Provision for bad & doubtful trade receivables*	(4,82,66,668)	(4,80,04,197)
	Total	8,36,17,966	6,21,01,508
<p>* Provision has been made for trade receivables outstanding for more than three years.</p>			



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED
NOTES TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST
MARCH 2019

Note No.	Particulars	As at 31.03.2019 ₹	As at 31.03.2018 ₹	
12	CURRENT ASSETS			
	INVENTORIES (as certified by Management)			
	Work-in-Progress			
	Works Under Construction **	31,76,13,574	28,51,69,458	
	Land to be sold **	48,13,31,921	44,97,34,033	
	Land & Building to be sold * & **	31,59,47,776	40,02,05,430	
	Stock-in-Trade			
	Stock of Sheds	70,45,024	71,31,024	
	Stock of resumed shed	38,82,431	50,74,100	
	Stock of Multistoried Modules	15,23,07,458	16,69,40,115	
	Stock of Material	17,19,970	25,46,010	
	Stock of Tiny Sheds	3,400	5,200	
	Stock of Stationery	1,91,804	1,40,821	
	Total	1,28,00,43,358	1,31,69,46,191	
* The transfer of title for 13,622 sqft of Land in Guindy by the Govt of Tamil Nadu is yet to be done pending completion of necessary formalities.				
** The details of Land to be sold, Land & Building to be sold, Works under Construction for the year are as follows:				
		Land and building to be sold	Land and building to be sold	Works under Construction
	Opening Balance	44,97,34,033	40,02,05,430	28,51,69,458
		(45,08,47,522)	(39,95,31,374)	(22,62,29,543)
	Additions	4,26,21,666	45,38,094	26,91,97,575
		(64,42,678)	(6,74,056)	(14,73,44,411)
	Less: Deletions	1,10,23,778	8,87,95,748	23,67,53,459
		(75,56,167)		(8,84,04,496)
	Closing	48,13,31,921	31,59,47,776	31,76,13,574
	(Previous year's figures are shown in brackets)	(44,97,34,033)	(40,02,05,430)	(28,51,69,458)
13	TRADE RECEIVABLES			
	Trade receivables (Others) - Less than Six Months			
	Unsecured considered good		6,21,28,551	6,39,39,703
	Total		6,21,28,551	6,39,39,703
14	CASH & CASH EQUIVALENTS			
	Cash on hand (Cheques, Drafts & Stamps)		47,180	91,450
	Balance with Nationalised Banks			
	- In Current Account		5,42,78,850	2,74,79,175
	- In Deposit Account		92,65,50,059	48,21,35,456
	Balance with other Banks in Deposit Accounts		57,01,59,485	53,83,06,258
	Total		1,55,10,35,574	1,04,80,12,339
15	SHORT TERM LOANS AND ADVANCES			
	Prepaid Expenses		17,63,115	18,54,181
	Other Loans & Advances			
	(unsecured considered good)			
	i) Government Departments, Public Bodies		5,22,48,611	3,49,25,515
	ii) Others		84,38,036	93,34,649
	Total		6,24,49,762	4,61,14,345
16	OTHER CURRENT ASSETS			
	Interest Accrued on Bank Deposits		2,07,19,335	1,97,85,015
	Total		2,07,19,335	1,97,85,015



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED

NOTES TO CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2019

Note No.	Particulars	For the year ended 31.03.19 ₹	For the year ended 31.03.18 ₹
17	REVENUE FROM OPERATIONS		
	Sale of Traded Goods		
	Paraffin Wax	14,66,28,810	14,65,25,055
	TNPL Paper	83,38,361	91,76,538
		15,49,67,171	15,57,01,593
	Sale of Plots & Sheds		
	Plot	18,09,94,261	25,33,64,207
	Land & Building	20,98,32,700	-
	Shed	90,91,991	48,18,500
		39,99,18,952	25,81,82,707
	Total Sales	55,48,86,123	41,38,84,300
	Other Operating Income		
	Development Charges Received - Lease Plots	4,71,250	56,39,050
	Interest	1,08,42,294	1,40,05,911
	Consulting charges under MAS	2,28,814	2,76,769
	Rent	3,40,91,747	3,41,58,384
	Water charges	80,33,328	77,29,688
	Maintenance charges	1,33,31,752	1,11,32,541
	Processing Fee	20,95,000	20,08,962
	Transaction Fee	90,01,000	72,73,737
	Indenter Trade Discount	7,10,760	8,15,224
	Discount (RINL Chennai)	-	-
	Total	7,88,05,945	8,30,40,266
	Grand Total	63,36,92,068	49,69,24,566
18	OTHER INCOME		
	Interest on deposits	4,33,05,690	3,92,48,379
	Other Interest	7,91,443	17,57,034
	Land Compensation Received	-	7,94,23,722
	Penal Interest received *	16,83,644	18,42,190
	Profit on Sale of Assets	-	-
	Dividend Income	5,50,000	8,00,000
	Misc Receipts	3,44,40,244	2,45,78,301
	Total	8,07,71,021	14,76,49,626

* As per Accounting Policy, the Company accounts penal interest on "as and when collected basis". The Penal Interest on the installments due but not collected before 31st March 2019 in respect of loans granted on Hire Purchase Installments has not been taken into account and such Penal Interest amount to Rs. 11,803/- (Previous year Rs. 2,885/-)



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED			
NOTES TO CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2019			
Note No.	Particulars	For the year ended 31.03.19 ₹	For the year ended 31.03.18 ₹
19	PURCHASES		
	Purchase of Traded goods	15,10,10,211	15,23,25,480
	Cost of Developed Plots	5,34,70,734	6,93,71,713
	Cost of Land & Building	8,87,95,748	-
	Cost of Multistoried Modules	1,35,091	21,55,303
	Total	29,34,11,784	22,38,52,496
20	CHANGES IN INVENTORIES		
	Opening Stock		
	Stock of Material	25,46,010	25,56,790
	Stock of Workshed	71,31,024	72,45,874
	Stock of Tiny Shed	5,200	5,200
	Stock of Multistoried Modules	16,69,40,115	18,54,89,017
	Stock of Resumed shed	50,74,100	54,70,600
	Total A	18,16,96,449	20,07,67,481
	Less: Closing Stock		
	Stock of Material	17,19,970	25,46,010
	Stock of Workshed	70,45,024	71,31,024
	Stock of Tiny Shed	3,400	5,200
	Stock of Multistoried Modules	15,23,07,458	16,69,40,115
	Stock of Resumed shed	38,82,431	50,74,100
	Total B	16,49,58,283	18,16,96,449
	Total A-B	1,67,38,166	1,90,71,032
21	DEVELOPMENT CHARGES		
	Development Charges - Lease Plots	3,00,109	29,28,471
	Total	3,00,109	29,28,471
22	EMPLOYEE BENEFIT EXPENSES		
	Salaries & Bonus	16,86,21,680	14,51,61,094
	EPF Contribution	1,63,42,927	1,47,00,030
	Gratuity & Leave Encashment Expenses	4,31,33,967	2,48,40,022
	Pension Contribution	15,68,764	14,87,741
	Staff Welfare Expenses	33,81,520	32,83,966
	Total	23,30,48,858	18,94,72,853
23	OTHER EXPENSES		
	Travelling & Conveyance	35,30,185	30,11,132
	Directors Sitting Fees	-	39,800
	Rates and Taxes	90,52,039	51,87,677
	Printing and Stationery	8,13,063	8,40,104
	Postage, Telephone & Telegrams	15,67,857	18,05,735
	Electricity Charges	1,01,49,904	86,63,363
	Advertisement & Exhibition Expenses	18,34,449	52,65,071



TAMILNADU SMALL INDUSTRIES DEVELOPMENT CORPORATION LIMITED

**NOTES TO CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR
ENDED 31ST MARCH 2019**

Note No.	Particulars	For the year ended 31.03.19 ₹	For the year ended 31.03.18 ₹
	Legal & Professional fees	2,37,382	2,25,277
	Insurance Charges	8,46,919	6,19,677
	Estate Maintenance	4,05,14,689	3,03,52,192
	Water Charges	49,80,569	51,36,113
	Misc Expenses	89,15,422	1,06,22,297
	Contribution for the Development of MSMEs	6,25,000	8,75,000
	Bad Debts written off *	77,324	46,419
	CSR Plan Expenses	23,60,070	7,00,000
	Repairs & Maintenance		
	Buildings	1,39,68,753	90,21,223
	Equipments	5,84,772	9,33,660
	Vehicle	41,67,287	38,34,045
	Auditor Remuneration		
	Audit Fees for Statutory Auditors	2,50,000	2,00,000
	T.A. to Statutory Auditors	1,00,000	1,00,000
	Audit fee for Tax Audit	40,000	40,000
	Audit Fees for Internal Auditors	4,19,000	4,10,000
	Audit fee for Trusts EPF & GST	58,000	26,000
	Total	10,50,92,684	8,79,54,785
* After competent authority passes orders for writing off the outstanding dues, the dues are written off from the books of account.			
24	FINANCE COST		
	Bank Charges & Commission	84,180	95,158
	Interest on Net Receipts on Govt IE	1,42,25,748	41,34,548
	Total	1,43,09,928	42,29,706
25	PRIOR PERIOD ITEMS - NET		
	PRIOR PERIOD ITEMS - CREDIT		
	Service Tax	8,920	3,97,410
	EB Feeder Line	3,33,800	2,67,905
	Excess Depreciation withdrawn	-	5,27,800
	Total	3,42,720	11,93,115
	PRIOR PERIOD ITEMS - DEBIT		
	Interest on Net Receipts on Govt IE	-	9,05,915
	Total	-	9,05,915
	Grand Total	-	2,87,200
26	EXCEPTIONAL ITEMS		
	Provision for Diminution in value of investments	-	-
	Provision for Bad & Doubtful Advances written Back	(67,101)	-
	Provision for Bad & Doubtful Receivables	2,62,471	(11,25,085)
	Total	1,95,370	(11,25,085)



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2019

Note No. 27 - OTHER NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(I) Corporate Information:

Tamilnadu Small Industries Development Corporation Ltd (TANSIDCO) is a wholly owned undertaking of Government of Tamilnadu incorporated on 23rd March, 1970 with the objective of assisting and promoting the interests of Micro, Small and Medium Enterprises (MSMEs) in the State. The Company has been fulfilling the objective through its various activities contributing to the development of MSMEs. The Industrial Estates Developed by TANSIDCO are scattered throughout the state. TANSIDCO has so far developed 118 Industrial Estates, including 5 Women Industrial Parks (WIPs) apart from 40 Government Industrial Estates managed on agency basis.

(ii) Confirmation of Balances:

The parties have been addressed to confirm the balances as on the Balance Sheet date. It has also been intimated that in the absence of confirmation before the specified date, it will be construed that the balance has been confirmed. In the absence of non-receipt of confirmation, the balances are treated as confirmed. However, on a conservative basis a sum of ₹ 4,82,66,668/- and ₹ 2,26,47,786/- (previous year ₹ 4,80,04,197/- and ₹ 2,27,14,887/-) have been provided as on 31.03.2019 for the balances outstanding under "Trade Receivable" and "Loans and Advances" respectively exceeding three years.

(iii) Bonus

Provision for bonus is made based on the GO issued by the State Government during the previous year for payment of bonus to the C & D category of employees of State PSUs, and ex-gratia for A & B category of employees is accounted only in the year in which the GO is received and payment effected.

(iv) Expenditure on Government Industrial Estates

In G.O. Ms. No.785, Industries dated 07.06.1988, the Government issued orders transferring the entire Land and Buildings in the Government Industrial Estates to SIDCO. In view of the difficulties encountered by the Company the implementation of the orders issued in G.O. has not been given effect to, pending clarification from Government.

The expenditure on the maintenance of Government Industrial Estates and Developed Plot Estates for the year is ₹ 3,68,00,980/- (previous year ₹ 3,89,43,398/-). As per G.O.Ms.No.877 Industries Department dated 01-07-1982, a sum of ₹ 39,96,000/-, being



4% of the capital cost of ₹ 9.99 crores has been recovered / adjusted. The balance ₹ 3,28,04,980/- (previous year ₹ 3,49,47,399/-) has been absorbed by SIDCO as current year expenses.

- (v) Expenditure in foreign Currency (incurred from Grants) : ₹ Nil
Previous Year : ₹ 7,48,073/-
- (vi) There are no sheds allotted on Lease cum Sale basis during the year.
- (vii) There are no impairment of assets to be provided for as on 31.03.2019.
- (viii) Outstanding capital commitment on construction of building ₹ 0.70 crores (previous year ₹ 0.75 crores).

(ix) Related Party Disclosure:

The salaries and allowances to staff, pension contribution, staff welfare expenses and traveling allowances include the following amounts relating to the Chairman and the Managing Director paid during the year.

Sl. No	Name	Salary & Allowances ₹	Leave salary & Pension Contribution ₹	Medical Reimbursement ₹	Travelling Allowance & others ₹
1	Selvi Apoorva, IAS, Chairperson & Managing Director	26,97,274	3,66,822	-	2,82,574
2	Thiru Dharmendra Pratap Yadav, IAS, Chairman & Managing Director	70,864	-	-	54,132
	Total	27,68,138	3,66,822	-	3,36,706

(x) Payment to Statutory Auditors

	2018 - 2019 ₹	2017 - 2018 ₹
Statutory Audit fee	2,50,000	2,00,000
Reimbursement of TA and out of Pocket expenses for the year 2018 - 2019	1,00,000	1,00,000

(xi) Earnings per Share

The basic earnings per share ("EPS") is computed by dividing the net profit after tax for the year available for the equity shareholders by the weighted average number of equity shares outstanding during the year.

		2018 - 2019 ₹	2017 - 2018 ₹
A	Profit after Tax	2,86,01,027	6,90,66,970
B	Shares outstanding (No.)	2,51,400	2,51,400
C	Basic and diluted Earnings per share (A / B) (Face Value - ₹1000 per share)	114	275



xii) CSR Expenditure

a) Gross amount required to be spent during the year Rs.16,74,586/-

b) Amount spent during the year on Rs.23,60,070/-

Sl. No		In Cash	Yet to be paid in cash	Total
i)	Construction / Acquisition of any asset	-	-	-
ii)	On purposes other than (i) above	23,60,070	-	23,60,070

(xiii) Notes on Grants

The details of Grant as on 31.03.2019 are as follows

Sl. No	Details of Grant	Opening Balance as on 01.04.2018	Addition	Deletion	Closing Balance as on 31.03.2019
	1	2	3	4	5
1	Central and State Government Grant received towards Engineering Cluster, Paramakudi for the Common Facility Centre	45,572	32,51,765	32,46,525	50,812
2	Central and State Government Grant received towards Auto Components Cluster, Hosur for the Common Facility Centre	73,490	0	0	73,490
3	Central and State Government Grant received towards Coir Cluster, Erode for the Common Facility Centre	38,39,184	57,228	34,46,400	4,50,012
4	Central and State Government Grant received towards Engineering Cluster, Ranipet, Vellore District for the Common Facility Centre	51,09,844	1,48,527	45,63,652	6,94,719
5	Central and State Government Grant received towards M/s Sri Ganga Seva Sangam, Tirunelveli, Brick Cluster, for the Common Facility Centre	13,97,148	0	0	13,97,148
6	Central and State Government Grant received towards creation of Industrial Estate Palayapatti, Thanjavur District		2,88,39,000	2,88,39,000	0
7	Central and State Government Grant towards Rice Mill Cluster, Keelapavoor for the Common Facility Centre	3,52,465	0	3,33,576	18,889
8	Central and State Government Grant towards Gold Jewellery Cluster, Madurai for the Common Facility Centre	88,473	1,55,09,341	1,55,97,271	543
9	Central and State Government Grant received towards creation of Industrial Estate Periyaneessalur, Cuddalore District		1,25,30,000	1,25,30,000	0

10	Central and State Government Grant received towards Printing Cluster, Krishnagiri for the Common Facility Centre	10,000	0	0	10,000
11	Central and State Government Grant received towards Printing Cluster, Sivakasi for the Common Facility Centre	24,836	60,80,000	61,04,836	0
12	Central Government Grant received towards NSSH Scheme	1,17,86,103	4,69,411	1,06,56,165	15,99,349
13	Central and State Government Grant received towards Stainless Steel Utensils Cluster, Kumbakonam for the Common Facility Centre	46,445	49,54,285	39,35,599	10,65,131
14	Central and State Government Grant received towards Steel Product Fabrication Cluster, Salem for the Common Facility Centre	1,09,92,759	1,34,59,459	50,95,910	1,93,56,308
15	Central and State Government Grant received towards Wet Grinder Cluster, Coimbatore for the Common Facility Centre	92,888	0	0	92,888
16	Central and State Government Grant towards Rice Mill Cluster, Alangulam, Tirunelveli for the Common Facility Centre	12,07,769	7,222	11,76,561	38,430
17	State Government Grant received towards setting up of Common Effluent Treatment Plant at Thirumudivakkam Industrial Estate, Phase-I under Common Production Infrastructure (micro cluster)	90,46,569	5,13,247	0	95,59,816
18	State Government Grant received towards setting up of Common Facility Centre in the Multistoried Industrial Complex at Thirumudivakkam Industrial Estate, Phase-II under Common Production Infrastructure (micro cluster)	1,25,00,000	5,68,222	0	1,30,68,222
19	State Government Grant received towards establishment of Private Industrial cluster by M/s. CODISSIA Park Cluster Coimbatore Districts	5,11,72,616	19,02,055	2,50,00,000	2,80,74,671
20	State Government Grant received towards setting up of Common Facility Centre at Erode Industrial Estate under Common Production Infrastructure (micro cluster)	1,16,76,110	4,77,625	0	1,21,53,735

21	State Government Grant received towards setting up of Common Facility Centre at Kakkallur Industrial Estate under Common Production Infrastructure (micro cluster)	1,16,75,651	4,78,094	0	1,21,53,745
22	State Government Grant for JICA Project received towards upgradation of Industrial Estate Eachmbadi		9,00,00,000	1,06,60,460	7,93,39,540
23	Central and State Government Grant received towards Engineering Cluster, Ambattur for the Common Facility Centre	4,26,886	4,09,07,588	4,10,60,463	2,74,011
24	Central and State Government Grant received towards Gate and Grill Cluster, Thirumullaivoyal for the Common Facility Centre	22,74,364	40,02,066	39,41,459	23,34,971
25	Central and State Government Grant received towards Gold Jewellery Cluster, Trichy for the Common Facility Centre	14,45,898	2,24,51,213	1,34,44,267	1,04,52,844
26	State Government Grant received towards Maintenance of Estates (Transferred from IC & DIC)		10,00,00,000	12,46,111	9,87,53,889
27	State Government Grant received towards Formation of New Industrial Estate Koranampatti, Salem District.		2,66,40,000	54,33,084	2,12,06,916
28	State Government Grant received towards Namakkal Truck Body Building Unit in Namakkal District	95,30,225	4,40,612	0	99,70,837
29	Central and State Government Grant received towards Plastic Cluster, Kancheepuram for the Common Facility Centre	58,235	0	0	58,235
30	Central and State Government Grant received towards Power Loom Cluster, Salem for the Common Facility Centre	85,877	4,54,55,824	2,86,53,185	1,68,88,516
31	State Government Grant received towards establishment of Private Industrial Cluster by M/s. Madurai Engineering Cluster Pvt Ltd, Madurai District	3,42,20,934	12,59,453	68,23,300	2,86,57,087
32	Central and State Government Grant received towards Readymade Garment (Women) Cluster, Dhalavaipuram for the Common Facility Centre	74,386	10,50,259	11,08,466	16,179
33	Central and State Government Grant received towards Rice Mill Cluster, Thanjavur for the Common Facility Centre	60,724	27,77,021	20,59,835	7,77,910

34	Central and State Government Grant received towards Safety Matches Cluster, O.Mettupatti for the Common Facility Centre.	27,00,806	1,03,810	4,73,819	23,30,797
35	State Government Grant received towards establishment of Private Industrial cluster by M/s. Southern District Textile Cluster, Virudhunagar District	3,76,35,522	17,41,480	0	3,93,77,002
36	State Government Grant received towards CPI of Silver Anklet Cluster, Salem District.	0	87,49,055	0	87,49,055
37	State Government grant for JICA Project received towards upgradation of Industrial Estate Punjaikalakurichi	0	8,00,00,000	5,31,73,374	2,68,26,626
38	State Government grant for JICA Project received towards upgradation of Industrial Estate Sakkarakottai	0	10,00,00,000	2,76,32,238	7,23,67,762
39	State Government Grant received towards Tea Park Cluster Coimbatore	0	1,12,71,883	1,12,50,000	21,883
40	State Government Grant for JICA Project received towards upgradation of Industrial Estate Thandarai	0	8,00,00,000	3,41,46,828	4,58,53,172
41	State Government Grant International Exhibition with Buyer - Seller Trade Meet	10,22,98,756	61,72,932	1,61,000	10,83,10,688
42	State Government Grant Special Export Promotion & Marketing Support	58,37,651	2,07,17,705	2,41,07,681	24,47,675
43	State Government Grant GIM II 2019		20,00,000	19,70,050	29,950
44	State Government Grant International Engineering Sourcing Show		34,359	34,359	0
45	Central and state Government grant received towards upgradation of Industrial Estate Thiruverambur, Trichy District		2,39,50,000	44,71,768	1,94,78,232
46	State Government grant Trade Facilitation Centre Madurai	5,18,14,529	36,30,244	0	5,54,44,773
47	State Government grant Trade Facilitation Centre Salem	5,18,14,529	36,30,247	0	5,54,44,776
48	State Government grant Trade Facilitation Centre Trichy	5,18,14,535	36,30,259	0	5,54,44,794
	Total	48,32,31,779	76,98,61,491	39,23,77,242	86,07,16,028
	Previous Year Total	8,24,46,149	82,82,19,058	42,74,33,428	48,32,31,779



(xiv) Employee Benefits

The disclosure required under Accounting Standard 15 “Employees Benefits” as per the provision of the Companies Act, 2013, is given below:

(a) Defined Contribution Plan:

Contribution to defined Contribution Plan, recognized as expense for the year are as under:

Employer's contribution to Provident Fund for the year 2018 - 19 ₹163.43 lakhs (previous year ₹147.00 lakhs).

The Company's Provident Fund has been exempted u/s 17(1) (a) of the Employees Provident Fund and Miscellaneous Provisions Act, 1952.

(b) Defined Benefit Plan:

Gratuity:

The Company provides for gratuity, a defined benefit retirement plan (the “Gratuity Plan”) covering the eligible employees. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. Vesting occurs upon completion of five years of service. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation as at the balance sheet date, by the Life Insurance Corporation of India based upon which, the company contributes all the ascertained liabilities to the SIDCO Employees' Gratuity Fund Trust (the “Trust”). Trustees administer contributions by means of a Group Gratuity Policy with Life Insurance Corporation of India. The employees enrolled after 01.03.2013 are covered by a separate policy under the New Group Gratuity Cash Accumulation Plan introduced by LIC of India on 23.10.2013.

As required under AS 15 the status of the *Gratuity Plan (FUNDED)* based on the report given by LIC of India is furnished below:

1	Assumptions	31.03.2019	31.03.2018
	Discount Rate	7.50%	8%
	Salary Escalation	5%	5%
2	Table showing changes in present value of obligations		₹
	Present value of obligations as at beginning of the year	6,47,58,336	6,59,72,626
	Interest cost	51,80,667	52,77,810
	Current Service Cost	34,16,598	31,88,423
	Benefits Paid	(1,44,48,500)	(1,33,03,053)
	Actuarial (gain) /loss on obligation	1,91,35,976	36,22,530
	Present value of obligations as at end of the year	7,80,43,077	6,47,58,336

3	Table showing changes in the fair value of plan assets		
	Fair value of plan assets at beginning of the year	7,32,93,713	7,45,15,195
	Expected return on plan assets	52,30,987	51,47,387
	Contributions	2,39,52,418	69,34,184
	Benefits paid	(1,44,48,500)	(1,33,03,053)
	Actuarial gain on plan assets	-	Nil
	Fair value of plan assets at the end of the year	8,80,28,617	7,32,93,713
4	Table showing fair value of plan assets		
	Fair Value of plan assets at beginning of the year	7,32,93,713	7,45,15,195
	Actual return on plan assets	52,30,987	51,47,387
	Contributions	2,39,52,418	69,34,184
	Benefits paid	(1,44,48,500)	(1,33,03,053)
	Fair value of plan assets at the end of the year	8,80,28,617	7,32,93,713
	Funded status (Asset) / Liability	99,85,540	85,35,377
	Excess of actual over estimated return on plan assets	-	Nil
5	Actuarial Gain / Loss recognized		
	Actuarial (gain)/ loss on obligation	(1,91,35,976)	(36,22,530)
	Actuarial (gain)/ loss for the year - plan assets	-	-
	Actuarial (gain)/ loss on obligations	1,91,35,976	36,22,530
	Actuarial (gain)/ loss recognized in the year	1,91,35,976	36,22,530
6	The amounts to be recognized in the balance sheet and statements of profit and loss		
	Present value of obligations as at the end of the year	7,80,43,077	6,47,58,336
	Fair value of plan assets as at the end of the year	8,80,28,617	7,32,93,713
	Funded status	99,85,540	85,35,377
	Net assets/ (Liability) recognized in Balance Sheet	99,85,540	85,35,377
7	Expenses Recognised in statement of Profit & Loss		
	Current Service Cost	34,16,598	31,88,423
	Interest Cost	51,80,667	52,77,810
	Expected return on plan assets	(52,30,987)	(51,47,387)
	Net Actuarial (gain) / loss recognized in the year	1,91,35,976	36,22,530
	Expenses to be recognized in the profit & loss	2,25,02,254	69,41,376



Leave encashment

The employees of the company are entitled to compensated absence. The employees can carry forward a portion of the unutilized accrued compensated absence and utilize it in future periods or receive cash compensation at retirement or termination of employment for the unutilized accrued compensated absence for a maximum of 330 days. The company records an obligation for compensated absences in the period in which the employee renders the services that increase this entitlement. The company measures the expected cost of compensated absence as the additional amount that the company expects to pay as a result of the unused entitlement that has accumulated at the balance sheet date based on actuarial valuations. During the year, the Company has subscribed to the Group Leave Encashment Scheme of LIC of India with the same terms stated above. The employees enrolled after 01.03.2013 are covered by a separate policy under the New Group Leave Encashment Plan introduced by LIC of India on 23.10.2013.

As required under AS-15 R, the details of the **Leave Liability** (FUNDED) are given below:

1	Assumptions	31.03.2019	31.03.2018
	Discount Rate	8%	8%
	Salary Escalation	5%	5%
2	Table showing changes in present value of obligations	₹	₹
	Present value of obligations as at beginning of the year	5,93,09,529	5,83,64,419
	Interest cost	47,44,763	46,69,154
	Current Service Cost	20,51,460	18,29,845
	Benefits Paid	(1,49,43,839)	(2,09,90,177)
	Actuarial (gain)/ loss on obligation	1,97,84,376	1,54,36,288
	Present value of obligations as at end of the year	7,09,46,289	5,93,09,529
3	Table showing changes in the fair value of plan assets		
	Fair value of plan assets at beginning of the year	6,53,28,920	6,47,41,336
	Expected return on plan assets	45,73,265	40,36,641
	Contributions	2,31,68,449	1,75,41,120
	Benefits paid	(1,49,43,839)	(2,09,90,177)
	Actuarial gain on plan assets	-	Nil
	Fair value of plan assets at the end of the year	7,81,26,796	6,53,28,920
4	Table showing fair value of plan assets		
	Fair Value of plan assets at beginning of the year	6,53,28,920	6,47,41,336
	Actual return on plan assets	45,73,265	40,36,641



	Contributions	2,31,68,449	1,75,41,120
	Benefits paid	(1,49,43,839)	(2,09,90,177)
	Fair value of plan assets at the end of the year	7,81,26,796	6,53,28,920
	Funded status (Asset) / Liability	71,80,507	60,19,391
	Excess of actual over estimated return on plan assets	Nil	Nil
5	Actuarial Gain / Loss recognized		
	Actuarial (gain)/ loss on obligation	(1,97,84,376)	(1,54,36,288)
	Actuarial (gain)/ loss for the year - plan assets	-	Nil
	Actuarial (gain)/ loss on obligations	1,97,84,376	1,54,36,288
	Actuarial (gain)/ loss recognized in the year	1,97,84,376	1,54,36,288
6	The amounts to be recognized in the balance sheet and statements of profit and loss		
	Present value of obligations as at the end of the year	7,09,46,289	5,93,09,529
	Fair value of plan assets as at the end of the year	7,81,26,796	6,53,28,920
	Funded status	71,80,507	60,19,391
	Net assets/ (Liability) recognized in Balance Sheet	(71,80,507)	(60,19,391)
7	Expenses Recognised in statement of Profit & Loss		
	Current Service Cost	20,51,460	18,29,845
	Interest Cost	47,44,763	46,69,154
	Expected return on plan assets	(45,73,265)	(40,36,641)
	Net Actuarial (gain) / loss recognized in the year	1,97,84,376	1,54,36,288
	Expenses recognized in the profit & loss	2,20,07,334	1,78,98,646

(xv) Disclosure in respect of the interests in Associate Company is furnished as under:

a)	Company Name	Guindy Industrial Estate Infrastructure Upgradation Company	
b)	Registered Office	Sidco Corporate Office Building, Thiru Vi Ka Industrial Estate, Guindy, Chennai-32.	
		For the year ended 31.03.2019	For the year ended 31.03.2018
c)	Paid up Share Capital	1,00,000	1,00,000
d)	Share holding		
	TANSIDCO	25%	25%
	TIIC	25%	25%
	TUFIDCO	1%	1%
	IEMA	49%	49%



		₹	₹
e)	Reserve & Surplus	1,704	(2,91,202)
f)	Current Liabilities	76,39,076	52,00,580
g)	Non Current Assets	4,44,983	4,46,736
h)	Current Assets	72,95,797	45,62,642
i)	Income	29,12,770	6,04,222
j)	Expenditure	26,19,864	6,01,969

**(xvi) DISCLOSURE REQUIREMENT OF CONTINGENT LIABILITIES AS PER AS 29
FOR THE YEAR 2018 - 2019**

CLAIMS AGAINST THE COMPANY NOT ACKNOWLEDGED AS DEBIT

Sl. No.	Details	Opening Balance as on 1.4.2018 ₹	Addition ₹	Deletion ₹	Closing Balance as on 31.3.2019 ₹
1	Disputed Liability for Income Tax pending for the Assessment years 1989-1990, 1992-93, 2003-2004 to 2005-06, 2007-08, 2008-09, 2009-10 to 2013-14, 2015-16 and 2016-17	4,98,87,279	61,34,570	78,140	5,59,43,709
2	Estimated Liability payable to Regional Provident Fund Commissioner Tamilnadu under EDLI Scheme vide their Order No. K2/TN/7626/197	2,54,998	-	-	2,54,998
3(*)	Liability towards payment of Land Cost to Govt in respect of the locations where industrial estates have been developed based on enter upon permission and allotment made.	24,92,68,352	-	23,27,31,522	1,65,36,830
4(**)	Liability towards Urban Land Tax in respect of Ambattur Industrial Estate	2,19,11,644	-	-	2,19,11,644
5	Liability towards damages claimed by M/s Rockfort Paints & Chemicals at IE Mathur	7,89,800	3,49,200	-	11,39,000
6	Liability towards Short Deduction of TDS	1,62,571	-	16,068	1,46,503
	Total	32,22,74,644	64,83,770	23,28,25,730	9,67,22,484



(*) The Corporation has developed Industrial Estates / Tiny Sector complexes in the following locations on the Poramboke Lands based on the enter upon permission given by the Government pending alienation orders. The land cost in these locations has now been recommended by the District Collector to the CLA based on the guideline value prevailing in the year of such recommendation. Government have issued G.O.Ms.No.172 Revenue Department Land Disposal Wing LD5 (1) Section dated 09-05-2017 ordered to fix land cost based on the rate prevailing at the time of granting enter upon permission including notional increase on the modalities of G.O.Ms.No.907 Revenue Department dated 13-12-94 and the same has been forwarded to the concerned District Collector in all cases where advance entry has been made by SIDCO and allotment made to the entrepreneurs.

The land cost due on the basis of the recommendation of the District Collectors concerned with notional increase at 12% per annum up to 2018 is as follows:

Sl. No.	Location	Extent (in Acre)	Land cost due
1	Thirumayam Village and Taluk, Pudukkottai District	0.21	22,38,140/-
2	Padappai Village, Sriperumbudur Taluk, Kancheepuram District	1.37	1,32,36,614/-
3	Madhanur Village, Vaniyambadi Taluk, Vellore District	0.30	10,62,076/-
	Total	1.88	1,65,36,830/-

(**) The Assistant Commissioner, Urban Land Tax, Poonamallee has raised demand under Urban Land Tax for Rs.2,67,36,580/- to be collected from SIDCO in respect of Korattur, Patravakkam, Mannur and Mugappair villages in Ambattur Industrial Estate. SIDCO has addressed Secretary to Government, Revenue Department for issue of necessary Government Orders duly exempting SIDCO from paying Urban Land Tax as SIDCO is not owning any land in the Industrial Estate, Ambattur and acting only as an agent of the Government and the same has been informed to the Thasildar, Ambattur Taluk. Pending orders of exemption from the Government, a sum of Rs. 2,19,11,644/- after adjusting a provision of Rs.48,24,936/- made based on earlier demand, is shown as Contingent Liability.



(xvii) CONSOLIDATED INFORMATION ABOUT BUSINESS SEGMENT 2018 - 2019						
Particulars	Industrial Estate Development		Trading Activity			Consolidated Total
	Current Year	Previous Year	Current Year	Previous Year	Current Year	Previous Year
	₹	₹	₹	₹	₹	₹
REVENUE						
External Sales	39,99,18,952	25,81,82,707	15,49,67,171	15,57,01,593	55,48,86,123	41,38,84,300
Other Income	8,26,82,080	14,76,77,849	9,39,577	10,91,994	8,36,21,657	14,87,69,843
Interest Income	2,25,14,742	2,61,22,669	97,500	10,36,135	2,26,12,242	2,71,58,804
Total	50,51,15,774	43,19,83,225	15,60,04,248	15,78,29,722	66,11,20,022	58,98,12,947
Other Unallocated Corporate Results					(20,31,65,429)	(18,62,38,313)
Segment Result	27,28,78,417	30,88,65,812	(1,81,51,427)	(55,62,650)	25,47,26,990	30,33,03,162
Profit Before Depreciation	27,28,78,417	30,88,65,812	(1,81,51,427)	(55,62,650)	5,15,61,561	11,70,64,849
Depreciation	5,95,616	7,36,640	2,518	2,793	(5,98,134)	(7,39,433)
Unallocated Depreciation					(1,26,93,719)	(1,27,54,029)
Profit before Prior Period, Exceptional, Extraordinary & Tax					3,82,69,708	10,35,71,387
Prior Period Item					3,42,720	2,87,200
Profit before Exceptional, Extraordinary & Tax					3,86,12,428	10,38,58,587
Exceptional item					(1,95,370)	11,25,085
Profit before Exceptional, Extraordinary & Tax					3,84,17,058	10,49,83,672
Extraordinary Item						
Provision for Income Tax					(91,00,000)	(3,60,00,000)
Deferred Tax					0	0
Tax relating to earlier year					(7,89,258)	(83,298)
Add: Share of Profit / (Loss) from Associate Company					73,227	563
Profit After Tax					2,86,01,027	6,90,67,533
OTHER INFORMATION						
Segment Assets and clo. stock	36,34,08,877	35,72,91,453	39,46,942	47,73,856	36,73,55,819	36,20,65,309
Unallocated Corporate Assets					3,05,36,51,121	2,54,48,41,625
Total Assets	36,34,08,877	35,72,91,453	39,46,942	47,73,856	3,42,10,06,940	2,90,69,06,934
Segment Liabilities	64,72,95,274	47,40,34,574	4,43,381	2,53,854	64,77,38,655	47,42,88,428
Unallocated Corporate Liabilities					2,64,53,03,077	2,31,79,42,260
Unallocated Cor. Dep. Reserve					10,42,16,712	9,15,22,993
Depreciation Reserve	2,25,95,338	2,20,02,613	11,53,157	11,50,639	2,37,48,495	2,31,53,252
	66,98,90,612	49,60,37,187	15,96,538	14,04,493	3,42,10,06,940	2,90,69,06,934
Segment revenue, segment results and segment assets & liabilities include the respective amounts identifiable to each of the segment as also amounts allocated on a reasonable basis . The expenses and income and assets and liabilities which are not directly related to the business segment, are shown as unallocable.						



(xviii) Proposed Dividend

As per the Common Dividend Policy evolved by the Government of Tamil Nadu vide GO (Ms) No.123 Finance (BPE) Dept dt. 19.05.2014, the SPSUs have to declare dividend at 30% of net profit (after tax) or 30% of paid up Share Capital whichever is higher subject to availability of disposable profits. However, the Government in GO (Ms) No.52 MSME (C) Dept dt. 05.08.2019 have exempted TANSIDCO from declaring dividend for three years starting from 2018 – 19, considering the funds requirement for investment plans. The Board, after assessing the financial position of TANSIDCO vis-a-vis the projects to be implemented, has decided not to provide for dividend for the year.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2019

Note No. 28 - SIGNIFICANT ACCOUNTING POLICIES

I. Principles of Consolidation

The Consolidated Financial Statements of the Group are prepared in accordance with Accounting Standard – 21 “Consolidated Financial Statements”

Investments in Associate has been accounted under the equity method as per Accounting Standard – 23 on “Accounting for Investments in Associates in Consolidated Financial Statements”. The carrying amount of the investment is adjusted for the post acquisition change in the investor's share of net assets of the investee. The consolidated statement of profit and loss reflects the investor's share of the results of operations of the investee.

II. Other Significant Accounting Policies

(a) Method of Accounting

The Financial Statements have been prepared under the historical cost convention and on the basis of going concern and the system of accounting followed is mercantile system in accordance with generally accepted accounting principles in India Accounting Standards notified under section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and provisions of the Companies Act, 2013 as adopted consistently by the Company except where stated otherwise.

Use of Estimates:

The preparation of financial statements requires management to make estimates and assumptions of some of the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities on the date of the financial statements and amounts of revenues and expenses during the period reported. However, any revision to accounting estimates or difference between the actual results and estimates are recognized prospectively in the period in which the results are known/materialised.

(b) Inventories:

- a) The inventories of raw materials, work sheds and tiny sheds including sheds resumed are valued (as certified by the management) at cost or at realisable value whichever is lower.
- b) Works under construction representing expenditure incurred on land development and building remaining incomplete are valued at cost (as certified by the Management)
- c) The excesses and shortages in stock in trade (i.e.) raw materials are adjusted in the closing stock.



d) Resumed Sheds

The resumed sheds are taken to stock at cost or realizable value of such sheds whichever is lower. The difference between value of resumed sheds and respective Trade receivables comprising of principal and interest dues is charged to Profit & Loss Account.

e) Land to be sold is valued at cost.

Cost formula used is as under

- (i) Trading Goods - FIFO
- (ii) Tiny shed & work shed - Weighted Average (Industrial Estate wise)

(c) Cash Flow Statement

Cash Flow Statement has been prepared under Indirect Method. Cash and Cash Equivalents comprise of Cash in Hand, Current Accounts (including Fixed Deposits) held with Banks.

(d) Income Recognition:

Upto 31.03.2014 sale of sheds and plots is accounted in the year in which such sheds and plots are handed over to the allottees including that of sale under Lease cum sale basis.

Since 01.04.2014 the revenue from the sale of plots/sheds is recognized in the year in which

- a) full cost of plot/shed is realized and MOU for handing over of the plots / shed is executed between SIDCO and allottee in the case of outright sale allotments, and
- b) Margin money (initial payment) is realized and LCS deed is executed in the case of hire purchase allotments.

In respect of allotment of plots on 30 years lease basis, cost of the plot is collected treating 50% as plot deposit refundable at the end of 30 years and 50% as non-refundable development charges. The development charges is recognised as income in the year of execution of MOU for handing over of the plot.

Revenue from sale of goods is recognised as and when the property in the goods (Raw Materials) is transferred to the buyer for consideration and invoice is raised.

Penal Interest on overdue payment on hire purchase sale of plots / sheds is accounted as and when received and penal interest on overdue payments on outright sales is accounted in the year in which the sale of plot / shed is recognised in the books i.e. in the year of handing over of such plot/sheds.

Service Charges levied on Common Facility Centre Projects assisted by Government of India under Cluster Development Program are accounted in the year in which the grants are released to the Special Purpose Vehicles of the respective Clusters.



Service Charges levied on Deposit Works is accounted on completion of the works.

Other items of income are recognized in accordance with the Accounting Standard (AS – 9).

(e) Fixed Assets:

Fixed Assets are stated at cost of construction or acquisition, Cost includes all cost incidental to acquisition, installation, commissioning, where these expenses are directly identifiable to the specific assets and allocated to such assets.

Cost of assets not put to use before the year end are disclosed under capital work in progress. Assets under construction are not depreciated, Assets are capitalized when they are put to use.

(f) Depreciation:

Depreciation on fixed assets is charged over the useful life of the assets in WDV method in accordance with Schedule II to the Companies Act, 2013.

Depreciation for the assets purchased / disposed of during the year is provided on pro rata basis.

In respect of individual asset costing less than ₹ 5,000/- full depreciation has been provided in the year of addition.

Computer software being intangible assets is amortized on straight line basis over its estimated useful life of 5 years.

(g) Impairment of Assets

All fixed assets are reviewed for impairment. Wherever events or changes in circumstances indicate that the carrying amount may not be recoverable, the impairment loss is provided for to the same extent.

(h) Accounting for effects in foreign exchange rates

There is no foreign currency transaction during the year.

(i) Grants Received from Government

- a) Grants related to infrastructure development / improvement is treated as Current Liabilities till such time they are expended. Grants received on behalf of Special Purpose Vehicle are treated as Current Liabilities till such time they are transferred to the Special Purpose Vehicles.
- b) Grants related to specific purposes with conditions are treated as Current Liabilities till such time they are transferred for the purpose for which they are granted.
- c) Interests earned on grants are credited to the respective grant accounts.



(j) Investments:

The investments are shown at cost after making provision for diminution in value of investments, if any, as at balance sheet date and considered as long term investments.

(k) Employees Benefits

(a) Short Term Employee Benefits are charged to Profit & Loss Account at the undiscounted amount in the year in which related service is rendered.

(b) Provident Fund

The Company pays fixed contribution to Provident Fund at pre-determined rates to a separate irrevocable trust approved by the Commissioner of Income Tax, which makes investments in permitted securities. The contribution to the fund for the year is recognized as expenses and is charged to Profit & Loss Account.

(c) The Company has taken Group Gratuity Policy with LIC of India with effect from 01.03.1998 and premium is paid as determined by LIC. Gratuity is a post employment defined benefit plan (Funded by LIC). The amount recognized in the Balance Sheet represents the present value of defined benefit obligation at the Balance Sheet date excess of fair value of Plan assets (as given by LIC).

(d) The Company has subscribed to Group Leave Encashment Policy with LIC of India with effect from 01.03.2010 to cover all eligible employees and premium has been paid as determined by LIC of India. The amount recognized in the Balance Sheet represents the present value of defined benefit obligation at the Balance Sheet date excess of fair value of plan assets (as given by LIC).

(e) Voluntary Retirement compensation (Exgratia) is amortized over a period of 5 years.

(l) Borrowing cost

Borrowing costs, attributable to qualifying assets, are capitalized up to the date the asset is ready for use / put to use. All other borrowing costs are charged to revenue.

(m) Segment Accounting Policy

The corporation has identified two business segments viz Industrial Estate Development and Trading in Industrial Raw Material (ie) trading of items like paper, Iron & Steel, Wax and Potassium chlorite to facilitate the development and growth of the Small Scale Industries in the State of Tamilnadu.

Policy on Secondary Segment Reporting:

The Company's main activities are confined only to the State of Tamilnadu which is covered under same economic environment wherein the risks and returns are not different. Hence the Company is not recognising any Geographical segment for reporting as required under "Accounting Standard - 17" in respect of Secondary Segment (i.e. Geographical Segment).



Policy of the Corporation for identifying segment results:

All revenues that can be reasonably identified with a particular segment is taken as the revenue of that particular segment. Similarly, all expenses that can be reasonably identified with a particular segment is taken as the segment expense of that segment in order to arrive at the Segment Contribution. Income and expenses not identified with a particular segment is shown separately. In case of Segment Assets and Liabilities, those Assets and Liabilities that can be identified with a particular segment is taken as the Assets or Liabilities of that particular segment. Other Assets and Liabilities are taken to the reconciliation statement reconciling segment assets with total assets and segment liabilities with total liabilities.

(n) Related Party Transaction

Remuneration to key Managerial Personnel is disclosed as 'Related Party Transaction' in the Notes to Accounts.

(o) Leases

The particulars required in respect of financial leases entered into by the Company are disclosed in the Notes to Accounts.

(p) Earnings per share

The Company reports basic and diluted earnings per share in accordance with the Accounting standard – 20.

(q) Accounting for Taxes on Income.

Income Tax is accounted in accordance with AS 22 “Accounting for Taxes on Income” which includes Current Tax and Deferred Tax.

Deferred Tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing difference of earlier years. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available.

(r) Provision and Contingencies

- (a) The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made for the amount of obligation.
- (b) A disclosure for a Contingent Liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.



(s) Government Industrial Estates

- (a) The cost of land for sale of developed plots and sheds in Government Industrial Estates is paid to Government as per the formula laid down by the Government in GO MS No.815 Industries Department dt: 04.12.1987 after handing over of such plots / sheds and collection of the amount. With the issue of GO (Ms) No.31 MSME (C) Department dt: 19.06.2013, cost of land for sale of developed plots and sheds in Government Industrial Estates is paid to the Government at the cost adopted as per the method ordered in the GO after deducting administrative charges and development charges incurred by SIDCO on handing over of such plots / sheds and collection of the amount.
- (b) Water charges, Maintenance Charges, Rent and other receipts in respect of Government Industrial Estates maintained on agency basis and paid to the Government is accounted on collection basis.
- (c) No agency commission is paid to the Company.

III. General

- i) The figures shown in the accounts are rounded off to the nearest rupee.
- ii) Previous year's figures are not furnished as the current year is the first year of Consolidated Financial Statement.

R. VENKATESAN
Chief Accounts Officer
(CFO)

ANU GEORGE
Director
(DIN: 07940662)

HANS RAJ VERMA
Chairman & Managing Director
(DIN: 00130877)

As per our report of even date
For M/s L.U. Krishnan & Co
Chartered Accountants
Firm Reg. 001527S

Place : Chennai
Date : 14.10.2019

S. JOTHIRAJAN
Partner
Membership No. 211121
UDIN :19211121AAAABG9704



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