



**43rd ANNUAL REPORT  
FOR THE FINANCIAL YEAR  
2019-20**

**SIKKIM INDUSTRIAL DEVELOPMENT  
AND INVESTMENT CORPORATION LTD.  
GANGTOK (SIKKIM)**

**PHONE : 03592-231530/232622/231411/231397**

**EMAIL : mdsidico@rediffmail.com**

43<sup>rd</sup> ANNUAL REPORT FOR THE FINANCIAL YEAR 2019-20

**SIKKIM INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LTD  
GANGTOK (SIKKIM)**

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**43<sup>rd</sup> ANNUAL REPORT 2019-20**

SIKKIM INDUSTRIAL DEVELOPMENT & INVESTMENT CORPORATION LTD.  
BOARD OF DIRECTORS AS ON 31.03.2020

**CHAIRMAN**

SHRI Janak Kumar Gurung,  
Nominated by the Government

**BOARD OF DIRECTORS**

Secretary,  
Department of Commerce & Industries

Additional Chief Secretary,  
Finance, Revenue & Expenditure Department

Managing Director,  
State Bank of Sikkim

Managing Director,  
SIDICO

**BANKERS**

State Bank of Sikkim  
SISCO Bank  
Axis Bank  
Bank of Maharashtra  
Corporation Bank  
State bank of India  
Kotak Mahindra Bank  
IDBI Bank, Jorethang

**BRANCH OFFICE**

Jorethang  
South Sikkim

**AUDITORS**

Sushil Das & Associates,  
Chartered Accountant  
Gangtok

**REGD. OFFICE**

Udyog Bhawan,  
Tadong, Gangtok  
East Sikkim



SIKKIM INDUSTRIAL DEVELOPMENT & INVESTMENT CORPORATION LTD.  
(A Government of Sikkim Undertaking)  
Udyog Bhawan, Gangtok-737 102

No. SIDICO/297

Dated: 22.09.2020

To,  
The Hon'ble Chairman, SIDICO;  
The Secretary, Commerce & Industries Department;  
The Additional Chief Secretary, FRED,  
The Managing Director, State Bank of Sikkim

Sir,

**Re: Board Meeting of SIDICO.**

This is to inform you that the 114<sup>th</sup> meeting of the Board of Directors of Sikkim Industrial Development & Investment Corporation Ltd. (SIDICO) is proposed to be held as:

Date: 29.09.2020

Venue: Conference Hall of Commerce & Industries Dept.  
Tadong, Gangtok.

Time: 2.00 P.M

Your presence is highly solicited for the meet.

The Agenda papers are enclosed herewith.

Thanking You.

Yours sincerely,

**Managing Director,  
SIDICO**

Ref. No: SIDICO/507

Dated: 18.02.2021

To,  
The Hon'ble Chairman, SIDICO;  
The Secretary, Commerce & Industries Department;  
The Additional Chief Secretary, FRED,  
The Managing Director, State Bank of Sikkim  
The Chief General Manager, IDBI, Kolkata

**Sub: Annual General Meeting of SIDICO.**

Sir,

This is to inform you that the 43<sup>rd</sup> Annual General Meeting of SIDICO is scheduled to be held as under:

Date: 26.02.2021

Time: 2.30.PM

Venue: Conference Hall, Commerce & Industries Department,  
Udyog Bhawan, Tadong.

Your presence is highly solicited for the meet.

The agenda paper is enclosed herewith.

Thanking You.

Yours sincerely,

**Managing Director,  
SIDICO.**

## **DIRECTOR'S REPORT**

The Board presents the Forty Third Annual Report together with the Audited Financial Statement and Auditor's Report for the Financial Year ended 31<sup>st</sup> March 2020.

Sikkim Industrial Development and Investment Corporation Limited is a public benefit corporation created by the State to advance job opportunities and economic welfare of the people of the State of Sikkim. The Corporation primarily does this by providing various loans to the people of Sikkim and also by working as a facilitator for the various development projects of the State Government.

### **I. ECONOMIC BACKGROUND**

The Economic outlook for growth for FY 2019-20 was looking up prior to the outbreak of COVID-19. However, the COVID-19 pandemic has drastically altered this outlook. The global economy is expected to slump into recession in 2020-2021. The adverse impact of COVID-19 shall impact the tourism sector in state and also adversely impact the state's economic activity and may dent economic performance going forward. The first months of FY 2020-2021 has been a washout and the pandemic does not bode well for future growth. However, the strategies adopted by the State Government will help in the maintenance of sustainable economy.

The last financial year was a mixed bag from the point of view of the Corporation. The first half of the financial year saw good progress in resolution of the stress assets and disbursement of new loans which continued to an extent till the third quarter. With start of the fourth quarter, the outbreak of the COVID-19 in mainland China and its subsequent spread across globe, the outlook of global growth has markedly changed.

The impact of COVID-19 outbreak on economy and financial markets has been dramatic and severe. The lockdown measure initiated by the Government of India has led to considerable loss of income in the various sections of the society. In this context, the future outlook for Corporation business needs a careful revision.

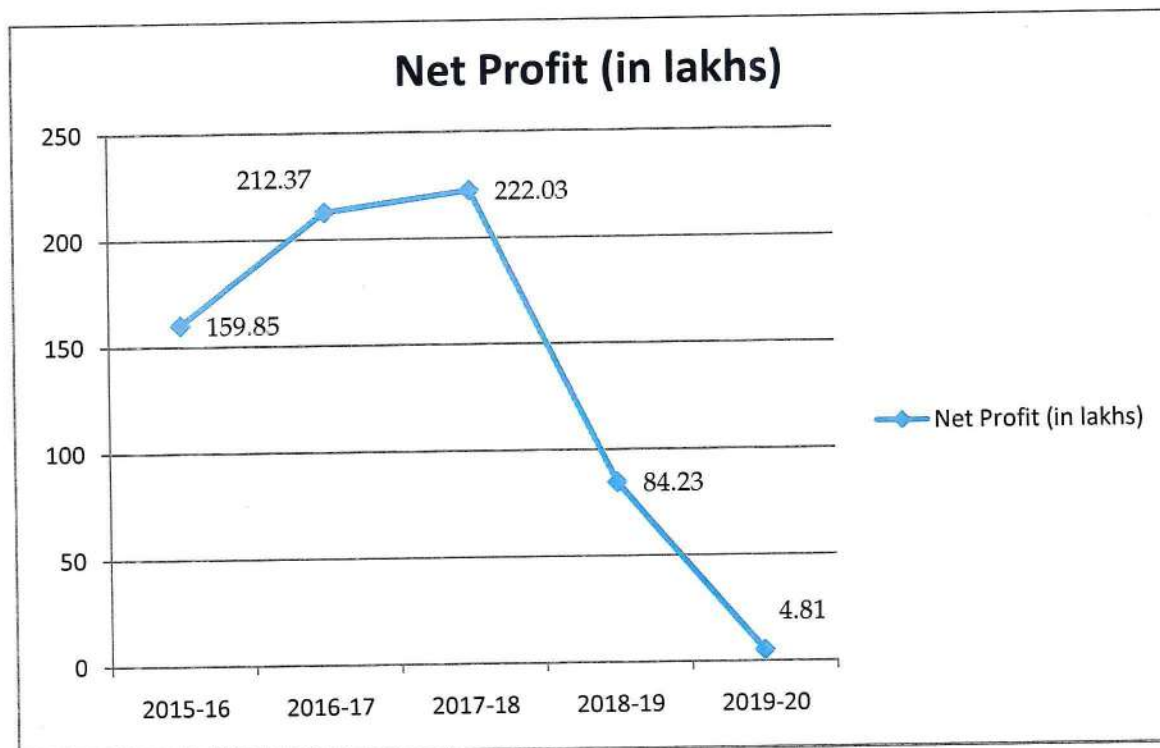
In a nutshell, the outlook on Corporation's business and the economy will be conditional on time frame by which the virus is completely eliminated, and normalcy restored. The Corporation's will also have to revisit its risk management framework, its internal models of risk assessment and capital planning and business procedures to better adapt to new operating environment.

With the above economic background the coming years will be very challenging for SIDICO as there would be various opportunities available for financing of projects in the tourism, agriculture sector and small scale industries. Policy initiative needs to be taken to make available low cost funds to promote the activities of the Corporation. Resolution on stressed asset has progressed during the year and further steps would be taken to ease out the stressed assets which will reflect in better profitability.



## II. FINANCIAL PERFORMANCE

PROFITABILITY	Particulars	Rs in Lakh	
		2019-20	2018-19
Total Revenue			
Earnings before interest, depreciation, taxes, amortization and exceptional items		26.65	149.45
Interest and Finance charges		0.12	0.06
Depreciation		20.12	24.40
Profit before tax		6.41	124.99
Income tax		1.60	40.76
Profit for the year		4.81	84.23
Balance profit brought forward		1,416.99	1,385.65
Exceptional items		-0.63	-52.89
Balance carried over to Balance Sheet		1,421.17	1,416.99



The interest income from loans during the year was Rs 369.72 Lakh showing an increase of 2.53% in comparison to the previous year. The non interest income decreased by 27.30% to Rs 222.44 Lakh in the Financial Year 2019-20 as against Rs 305.98 Lakh in Financial Year 2018-19.

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The operating profit of the Corporation reduced by 82.24% in the current Financial Year in comparison to the operating profit for the Financial Year 2019-20. The operating Profit for the year reduced to a large extent owing to retirement of two officers to whom leave encashment of

Rs. 21.69 Lakh was paid and expenses on Gratuity of Rs. 63.86 Lakh to enhance the limit of gratuity from 10 Lakh to 20 Lakh. Also arrear salary of Rs. 45.73 Lakhs was paid which contributed towards the decrease in profit. This has resulted in the Corporation posting a net profit of Rs 4.81 Lakh in Financial Year 2019-20.

The earnings per share for the Financial Year ended 31<sup>st</sup> March 2020 is Rs 2.81 as against earnings per share for Financial Year ended 31<sup>st</sup> March 2019 was Rs 49.41.

	2019-20	2018-19
<b>ASSETS</b>		
Fixed Assets	311.36	337.69
Balance with Banks	5,215.68	13,337.18
Loans and Advances	3,106.63	2,719.18
Investments	963.91	1,295.79
Other Assets	107.89	312.36
Securitisation Loan to Government of Sikkim	31,322.53	27,619.49
<b>Total Assets</b>	<b>41,028.00</b>	<b>45,621.69</b>
<b>LIABILITIES</b>		
Capital	1,714.30	1,714.30
Reserve and Surplus	1,696.78	1,695.44
Securitisation loans from Institutions	31,321.91	33,829.08
Unsecured loans from Government of Sikkim	202.87	202.87
Funds for implementation of different Govt. schemes	4,748.60	6,713.90
Provisions	1,331.47	1,329.87
Other Liabilities	12.07	136.23
<b>Total Liabilities</b>	<b>41,028.00</b>	<b>45,621.69</b>

Fixed Assets include The value of office building is Rs 1,65,03,000.00 which is as per the valuation report of the valuer. The asset has been taken into account on the basis of the 106<sup>th</sup> Meeting of the Board of Directors held on 31<sup>st</sup> January, 2018 whereby the investment in Sikkim Jewels has been adjusted against the value of the asset.

The balance with banks comprises of fixed deposit with banks of Rs 4,606.10 Lakh representing funds of Government of Sikkim managed by SIDICO for implementation of various schemes of the Government.



Investments comprise of investments made to the erstwhile Sikkim Vanaspati Limited amounting to Rs 93.27 Lakh. As the investment is doubtful of recovery a provision for the equal amount has been made in the accounts of the Corporation.

The loans and advances have been classified as per the Corporation's norms. Provision has been made based on the classifications. The total provision for non performing asset as on 31<sup>st</sup> March 2020 is Rs 1106.89 Lakh which is being carried forward for the past few years. The Corporation needs to review the classification norms and bring it at par with the standards followed by the financial institutions in India.

### III. DIRECTORS' RESPONSIBILITY STATEMENT

Based upon representation from the management the Board state that:

1. In preparing the Annual Account the applicable Accounting Standards have been reviewed and there are no material departures.
2. The Accounting Policies selected have been applied consistently and the judgements and estimates made are reasonable and prudent to give a true and fair view of the Corporation at the end of the Financial Year and of the profit of the Corporation for the year.
3. The Annual Accounts of the Corporation have been prepared on a 'going concern basis'.

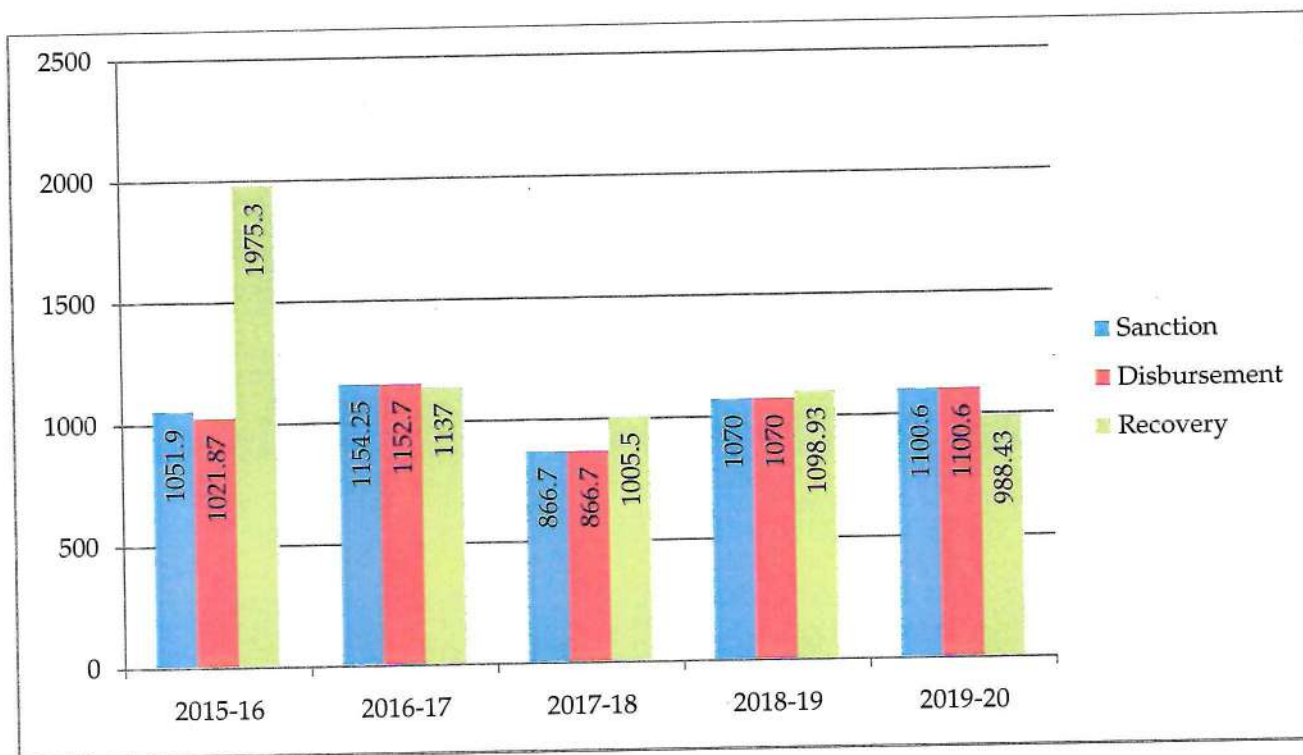
### IV. CORE OPERATIONS

The disbursement of loans and its recovery under the various schemes is the core area of operation of the Corporation. Details for the Financial Year 2019-20 are given below:-

Particulars	(Rs in Lakh)				
	Sanctioned	Disbursed	Recovered	Outstanding	Outstanding
	2019-20	2019-20	2019-20	Balance 31.03.2020	Balance 31.03.2019
Composite Loan	-	-	2.03	18.86	20.89
Computer Loan	-	-	11.00	7.63	18.63
Hotel Loan	-	-	55.52	194.05	249.57
Motor Vehicle Loan	-	-	-	2.68	2.68
Multipurpose Loans	1,100.60	1,100.60	918.40	2,357.05	2174.85
Small Scale Industries Loan	-	-	5.93	19.81	25.74
Staff Conveyance Loan	-	-	5.04	5.20	10.24
Staff Housing Loan	-	-	0.51	-	0.51
Vehicle Transport Loan	-	-	0.40	11.38	11.78
Chief Minister's Rogjar Yojana	-	-	-	4.26	4.26
<b>Grand Total</b>	<b>1,100.60</b>	<b>1,100.60</b>	<b>998.43</b>	<b>2,620.92</b>	<b>2,519.15</b>

The status of Loans Sanctioned, Disbursed and recovered during the past five years is as under:

	FY (Rs. In Lakhs)				
	2015-16	2016-17	2017-18	2018-19	2019-20
Sanction	1051.9	1154.25	866.7	1070	1100.60
Disbursement	1021.87	1152.7	866.7	1070	1100.60
Recovery	1975.3	1137	1005.5	1098.93	998.43



The other area of operations is the implementation and management of the various Government schemes on behalf of the Government of Sikkim. The details are as given below:-



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Particulars	Sanctioned	Disbursed	Recovered	Outstanding	Outstanding
				Balance	Balance
	2019-20	2019-20	2019-20	31.03.2020	31.03.2019
Comprehensive Education	70.00	155.03	204.98	2082.07	4154.55
Loan Scheme					
Chief Ministers' Self					
Employment Scheme	-	-	129.07	1447.19	1,341.76
Chief Ministers' Self					
Reliant Scheme	-	-	5.69	797.49	747.54
<b>Grand Total</b>	<b>70.00</b>	<b>155.03</b>	<b>334.05</b>	<b>4,326.75</b>	<b>6,243.85</b>

Chief Ministers Self Employment Scheme includes Rs. 7,94,22,589.00 representing the value of Loan and interest which have been waived by Government of Sikkim vide notification no: 38/Home/2018 dt: 02.07.2018.

## V. DIGITISATION

The digital payments landscape in India is evolving at a rapid rate, and your Corporation is playing an effective role in building momentum for transforming India through the digitalisation of the economy. In sync with the focus of the Government of India to create a less-cash economy, your Corporation has expanded digital payment acceptance infrastructure. In addition to offering essential acquiring services, the Corporation is also providing other services such as: Acceptance on PoS terminals, payment of loans through NEFT, RTGS and IMPS.

## VI. SHARE HOLDING PATTERN

Share Holders	As at 31st March 2020			As at 31st March 2019		
	No. of Shares held	% of Holding	Value Rs in Lakh)	No. of Shares held	% of Holding	Value Rs in Lakh)
Govt. of Sikkim	1,07,750	62.85%	1,077.50	1,07,750	62.85%	1,077.50
Industrial Development Bank of India	63,680	37.15%	636.80	63,680	37.15%	636.80

## VII. INTERNAL CONTROL MECHANISM

Corporation is committed to ensuring effective internal controls, operational efficiencies, prevention and detection of frauds and errors, security of organizational assets and accurate and timely financial information. The internal control mechanisms reflect the necessary and appropriate checks and balances.



## VIII. AUDIT

The auditors of the Corporation for the year ended 31<sup>st</sup> March 2020 is M/s Sushil Das and Associates, Chartered Accounts, Gangtok who have submitted their audit report together with the audited financial statements as on that date.

## IX. CAUTIONARY STATEMENT

Risks, uncertainties or future actions could differ materially from those expressed in the Director's report. These statements are relevant on the date of this report. The Directors have no obligation to update or revise any statements whether as a result of new information, future developments or otherwise. Therefore undue reliance should not be placed on these statements.

## X. ACKNOWLEDGEMENT

The Board places on record its appreciation and gratitude for guidance support and cooperation received from the Government of Sikkim and IDBI.

The Board takes this opportunity to thank all employees for their commitment, dedication and cooperation.

Place:- Gangtok  
Date:- 29.09.2020

For and on behalf of Board

H.P Kharel  
Managing Director

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of

Sikkim Industrial Development and Investment Corporation Limited

### ***Report on the Audit of the Standalone Financial Statements***

#### ***Opinion***

We have audited the standalone financial statements of Sikkim Industrial Development and Investment Corporation Limited ("the Corporation"), which comprise the balance sheet as at 31<sup>st</sup> March 2020, and the statement of Profit and Loss, for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Corporation as at March 31, 2020, and profit, for the year ended on that date.

#### ***Basis for Opinion***

We conducted our audit in accordance with the Standards on Auditing. 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 Corporation 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 there under, and we have fulfilled our other 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 opinion.

#### ***Emphasis of Matter***

We draw attention to Note No. 21 of the Standalone Financial Statements regarding impact of COVID-19 pandemic. The situation continues to be uncertain and the Company is evaluating the situation on an ongoing basis with respect to the challenges faced. Our opinion is not modified in respect of this matter.



**Key Audit Matters**

Key Audit Matters are those matters that in our professional judgment were of most significance in our audit of the Standalone Financial Statements for the year ended March 31, 2020. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters. We have determined the matters described below to be the Key Audit Matters to be communicated in our report:

Sl No	Key Audit Matters	How the matter was addressed in our audit
1.	<p>Classification of Advances, Income Recognition, Identification of and provisioning for non-performing Advances (Refer Schedule 1 Note 1.4 to the financial statements) Advances are Term Loans which are not categorised as secured by Tangible assets and Unsecured advances.</p> <p>Advances constitute 83.91 per cent of the Bank's total assets. They are, inter-alia, governed by income recognition, asset classification and provisioning norms as decided by the Board of Directors which provides guidelines related to classification of Advances into performing and nonperforming Advances (NPA). The Company classifies these Advances based on the directives of the Board of Directors as per its accounting policy 1.4. Identification of performing and non-performing Advances involves establishment of proper mechanism. The Bank accounts for all the transactions related to Advances in its Information Technology System (IT System) which does not identifies whether the advances are performing or nonperforming. Further, NPA classification and calculation of provision has not been done during the year. The carrying value of these advances (net of provisions) may be materially misstated. Considering the nature of the transactions, regulatory requirements, existing business environment, estimation/ judgement involved in valuation of securities, it is a matter of high importance for the intended users of the Standalone Financial Statements. Considering these aspects, we have determined this as a Key Audit Matter. Accordingly, our audit was focused on income recognition, asset classification and provisioning pertaining to advances due to the materiality of the balances.</p>	<p>Our audit approach towards advances with reference to the internal policies and procedures of the Company that includes the testing of the following:</p> <ol style="list-style-type: none"> <li>As the accuracy of the data input in the system for income recognition, classification into performing and non performing advances and provisioning in accordance with the directives of the Board of Directors.</li> <li>Examination of advances revealed that we could not rely on the reports of the software that is the IT System being used by the company with respect to the business logics/ parameters inbuilt in the system for tracking, identification and stamping of NPAs and provisioning in respect thereof.</li> </ol>

**Responsibility of Management for Standalone Financial Statements**

The Corporation's Board of Directors is responsible with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance of the Corporation in accordance with the accounting principles generally accepted in India, including the accounting Standards. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the



Corporation and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Corporation'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 Corporation or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the corporation's financial reporting process.

### ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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.

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 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. We are also responsible for expressing our opinion on whether the corporation 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.
- 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 Corporation's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related 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 Corporation to cease to continue as a going concern.

- 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.

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.

***Report on Other Legal and Regulatory Requirements***

We report that:

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.

- (a) In our opinion, proper books of account as required by law have been kept by the Corporation so far as it appears from our examination of those books.
- (b) The Balance Sheet and the Statement of Profit and Loss, dealt with by this Report are in agreement with the books of account.
- (c) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards.

With respect to the adequacy of the internal financial controls over financial reporting of the Corporation and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

**Place: Gangtok**

**Date: 29.09.2021**

**For Sushil Das & Associates**

**Chartered Accountants**

**Firm Regd. No: 326657E**

**Sushil Das**

**Partner**

**Membership No: 051057**

**UDIN: 21051057AAAAJS4092**



**SIKKIM INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED**

**1**

**COMPANY OVERVIEW**

The company was incorporated under the Sikkim Companies Act 1961. the registration number of the company on incorporation is memo no: 40/L/R dated 22/10/1988.

The Company is engaged in the work of Industrial Development in the State of Sikkim by promoting industries and financing the industrial enterprises and requirements of the people of Sikkim. It is also engaged in the carrying out of the schemes of the Government of Sikkim with regard to promoting self employment.

**1**

**SIGNIFICANT ACCOUNTING POLICIES:**

**1.1 Basis of preparation of financial statements**

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

**1.2 Use of estimates**

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes incircumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

**1.3 Revenue Recognition**

Revenue is primarily derived from interest earned from loan given under the various schemes. The interest earned on the loans given is accounted for on cash basis except for Interest earned on MPLS Loans..

The interest on loans classified as substandard, doubtful of loss assets is recognised on realisation.

Interest income on securitization loan to Government of Sikkim is recognised on accrual basis.

Interest on fixed income securities i.e term deposits with bank and investments is recognised on accrual basis.

Other Income are accounted for on cash basis.

The company recognises the income from funds made available by the Government of Sikkim for the loan schemes of the Government being managed by the company on :

Cash Basis for Interest earned from the borrowers account and

Interest earned from Term Deposits on accrual basis.

The interest earned from the borrowers account and term deposits banks is credited to the various schemes.

Such schemes of the Government of Sikkim managed by the company are :

- a) Developing Export Infrastructure & Allied Activities,
- b) Chief Ministers Self Employment Scheme
- c) Comprehensive Education Loan Scheme

**1.4 Loans and Advances**

a) Advances are classified into Standard, Sub-standard, Doubtful & Loss Assets.

b) Provision on advances categorised are as follows:

Standards : Installments not dues for more than 7 months- Provision rate 0.25%

Sub-Standards : Installments dues for a period of 7 months to 18 months - Provision rate 10%

Doubtful 1 : Installments dues for less than 3 years - Provision rate 30%

Doubtful 2 : Installments dues more than 3 years less than 10 years - Provision rate 75%

Loss Assets : Installments dues more than 10 years - Provision rate 100%

## SIKKIM INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED

**1.5 Tangible Assets**

Tangible assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized until.

**1.6 Depreciation and amortization**

a) Depreciation is calculated on written down value basis on Fixed Assets.

b) Fixed Assets are depreciated at the rates considered appropriate by the management as under:

Office Equipment	15%
Computers & Accessories	
Desktop Computer	15%
Computer UPS	15%
Notebook Computer	15%
Laptop Computer	15%
Furniture & Fixture	10%
Motor Vehicle	15%
Computer Software	15%

**1.7 Impairment**

The Management does not periodically assesses using external or internal sources, whether there is an indication that an asset may be impaired.

**1.8 Investments**

Investments are valued at cost. Provision for diminution in value of investment is provided.

**1.9 Inventories**

Inventories are stated at cost or net realisable value, whichever is lower. Cost is determined on weighted average method for all the inventories. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity.

**1.10 Staff Retirement Benefits**

a) Defined Contribution Plan- Contribution to Provident Fund is made at a pre determined rate and is charged to Profit and Loss Account.

b) Defined Benefit Plan - The company's liabilities towards gratuity is determined by Life Insurance Corporation of India with whom it has a plan with regard to the above and the amount so determined is deposited with the Life Insurance Corporation of India and such expenditure is debited to the Profit and Loss Account in the year the expenditure is incurred.

**1.11 Taxes on Income**

Current tax is the amount payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act 1961. Deferred Tax is recognised on timing differences being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred Tax Assets in respect of unabsorbed depreciation and carry forwarded losses are recognised if there is a virtual certainty that there will be sufficient future taxable income available to set off such losses.

**1.12 Provisions**

A provision is recognised when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be settle the obligation and a reliable estimate can be made of amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date.



### **1.5 Tangible Assets**

Tangible assets are stated at cost, less accumulated depreciation and impairment, if any. Direct costs are capitalized until.

### **1.6 Depreciation and amortization**

- a) Depreciation is calculated on written down value basis on Fixed Assets.  
b) Fixed Assets are depreciated at the rates considered appropriate by the management as under:

Office Equipment	15%
Computers & Accessories	
Desktop Computer	15%
Computer UPS	15%
Notebook Computer	15%
Laptop Computer	15%
Furniture & Fixture	10%
Motor Vehicle	15%

### **1.7 Impairment**

The Management does not periodically assesses using external or internal sources, whether there is an indication that an asset may be impaired.

### **1.8 Investments**

Investments are valued at cost. Provision for diminution in value of investment is provided.

### **1.9 Inventories**

Inventories are stated at cost or net realisable value, whichever is lower. Cost is determined on weighted average method for all the inventories. Cost comprises expenditure incurred in the normal course of business in bringing such inventories to its location and includes, where applicable, appropriate overheads based on normal level of activity.

### **1.10 Staff Retirement Benefits**

- a) Defined Contribution Plan- Contribution to Provident Fund is made at a pre determined rate and is charged to Profit and Loss Account.  
b) Defined Benefit Plan - The company's liabilities towards gratuity is determined by Life Insurance Corporation of India with whom it has a plan with regard to the above and the amount so determined is deposited with the Life Insurance Corporation of India and such expenditure is debited to the Profit and Loss Account in the year the expenditure is incurred.

### **1.11 Taxes on Income**

Current tax is the amount payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act 1961. Deferred Tax is recognised on timing differences being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

Deferred Tax Assets in respect of unabsorbed depreciation and carry forwarded losses are recognised if there is a virtual certainty that there will be sufficient future taxable income available to set off such losses.

### **1.12 Provisions**

A provision is recognised when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be settle the obligation and a reliable estimate can be made of amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date.

### **1.13 Contingent Liability**

A disclosure of Contingent Liability is made when there is a possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non occurrence of one or more uncertain future events not within the control of the organisation.



**SIKKIM INDUSTRIAL DEVELOPMENT CORPORATION LIMITED**

**1.13 Change in Accounting Policy**

In the Accounts for the Financial Year 2019-20 the Company has changed its policy of Accounting of Interest earned on MPLS Loans from Cash basis to Accrual basis.

**1.14 Contingent Liability**

A disclosure of Contingent Liability is made when there is a possible obligation arising from a past event, the existence of which will be confirmed by occurrence or non occurrence of one or more uncertain future events not within the control of the organisation.

## SIKKIM INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED

Balance Sheet As At	Note	31st, March 2020 (Rs)	31st, March 2019 (Rs)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders Funds</b>			
Share Capital	2	17,14,30,000.00	17,14,30,000.00
Reserves And Surplus	3	16,96,77,883.00	16,95,44,379.00
<b>NON CURRENT LIABILITIES</b>			
Long Term Borrowings	4	3,15,24,78,257.00	3,40,31,95,257.00
Other Long-term Liabilities	5	47,48,59,649.00	67,13,90,170.00
<b>Current Liabilities</b>			
Other Current Liabilities	6	12,07,137.00	1,36,25,453.00
Short-Term Provisions	7	13,31,46,776.00	13,29,87,076.00
		<b>4,10,27,99,702.00</b>	<b>4,56,21,72,335.00</b>
<b>ASSETS</b>			
<b>NON- CURRENT ASSETS</b>			
<b>Fixed Assets</b>			
Tangible Assets	8	2,93,76,124.00	3,17,24,536.00
Fixed Assets R&D Fund	8A	17,60,069.00	20,44,962.00
<b>Non- Current Investments</b>	9	9,63,90,591.00	12,95,79,783.00
<b>Long Term Loans &amp; Advances</b>	10	3,44,29,15,804.00	3,05,51,42,405.00
<b>Other Non- Current Assets</b>	11	1,07,89,246.00	99,61,696.00
<b>CURRENT ASSETS</b>			
Cash & Bank Balances	12	52,15,67,868.00	1,33,37,18,953.00
		<b>4,10,27,99,702.00</b>	<b>4,56,21,72,335.00</b>
Significant Accounting Policies	1	-	-

The accompanying notes 1 to 20 form an integral part of Financial Statement.  
As per our report of even date attached.

**For: Sushil Das & Associates**  
**Chartered Accountants**  
**Firm Regd No: 326657E**

**S.Das**  
**(Partner)**  
**Membership No: 051057**  
**Date: 29.09.2020**  
**Place: Gangtok**  
**UDIN NO: 2105107AAAAJSW4092**

For and on behalf of the Board of Directors

## SIKKIM INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED

Statement of Profit and Loss for the	Note	YEAR ENDED	
		31st, March 2020	31st, March 2019
		(Rs)	(Rs)
<b>INCOME</b>			
Income From Interest	13	3,69,71,776.00	3,60,59,987.00
Other Income	14	2,22,43,659.00	3,05,97,858.00
Total Revenue		<u>5,92,15,435.00</u>	<u>6,66,57,845.00</u>
<b>EXPENSES</b>			
Employee Benefit Expenses	15	5,46,41,698.00	4,83,64,399.00
Finance Cost	16	11,736.00	6,422.64
Other Expenses	17	19,08,330.00	33,48,221.00
Depreciation and Amorization Expenses	8	20,12,450.00	24,39,629.00
Total Expenses		<u>5,85,74,214.00</u>	<u>5,41,58,671.64</u>
<b>Profit before Exceptional Item &amp; Tax</b>		<b>6,41,221.00</b>	<b>1,24,99,173.36</b>
Provision for Income Tax		1,59,700.00	40,75,896.00
<b>Profit after tax carried forward</b>	4	<u><b>4,81,521.00</b></u>	<u><b>84,23,277.36</b></u>
Significant Accounting Policies	1		

The accompanying notes 1 to 20 form an integral part of Financial Statement.  
As per our report of even date attached.

**For: Sushil Das & Associates**  
**Chartered Accountants**  
**Firm Regd No: 326657E**

**S.Das**  
**(Partner)**  
**Membership No: 051057**  
**Date: 29.09.2020**  
**Place: Gangtok**  
**UDIN NO: 2105107AAAAJSW4092**

For and on behalf of the Board of Directors



## SIKKIM INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED

## Notes to Accounts for the Year ended 31st March 2020

The previous period figures have been regrouped/reclassified, wherever necessary to confirm to the current period presentation.

## 2

## SHARE CAPITAL

Particulars	As At	
	31.03.2020 (Rs)	31.03.2019 (Rs)
<b>Details of Authorised, Issued, Subscribed and Fully paid up Shares</b>		
2,00,000 Equity of Rs 1000.00 each, fully paid up (Previous year 2,00,000 Equity Shares)	20,00,00,000.00	20,00,00,000.00
<b>Issued, Subscribed, &amp; Paid Up</b>		
1,71,430 Equity of Rs 1000.00 each, fully paid up (Previous year 1,71,430 Equity Shares)	17,14,30,000.00	17,14,30,000.00
	<b>17,14,30,000.00</b>	<b>17,14,30,000.00</b>

Details of Share holders more than 5 percent of the Company

	As at 31st March 2020		As at 31st March 2019	
	No of Shares Held	(%) of Holding	No of Shares Held	(%) of Holding
Government of Sikkim	107750	62.85%	107750	62.85%
Industrial Development Bank of India	63680	37.15%	63680	37.15%
<b>TOTAL</b>	<b>171430</b>	<b>100%</b>	<b>171430</b>	<b>100%</b>

**SIKKIM INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED**  
**Notess to Accounts Contd....**

3

**RESERVES AND SURPLUS**

Particulars	As At	
	31.03.2020 (Rs)	31.03.2019 (Rs)
<b>Profit &amp; Loss Account</b>		
Balance as per last Financial Statement	14,16,99,027.00	13,85,65,206.00
Add: profit transferred from Profit and Loss	4,81,521.00	84,23,276.00
Add : Exceptional Items (note no. 3)	(63,124.00)	(52,89,455.00)
<b>Closing Balance</b>	<b>14,21,17,424.00</b>	<b>14,16,99,027.00</b>
<b>Capital Reserves</b>		
Grant From Govt. of Sikkim	22,91,189.00	22,91,189.00
Grant From Micro Enterprise	1,53,11,000.00	1,53,11,000.00
Reserve Fund for Investments	60,71,000.00	60,71,000.00
R & D Grant Fund	17,60,069.00	20,44,962.00
<b>Closing Balance</b>	<b>2,54,33,258.00</b>	<b>2,57,18,151.00</b>
<b>Other Reserves</b>	<b>21,27,201.00</b>	<b>21,27,201.00</b>
<b>Total of Reserve and Surplus</b>	<b>16,96,77,883.00</b>	<b>16,95,44,379.00</b>

Note 3

Unusal Items pertains to debit and credit of previous years the details are as under:

Income Tax for Financial Year	Rs	(78,85,705.00)	Dr
Adjustment of Interest excess credited in Previous Year	Rs	(63,124.00)	- Cr
Provision for Investments no longer required	Rs	-	- Cr
Provision for NPA no longer required	Rs	25,96,250.00	
		(63,124.00)	78,85,705.00

4

**LONG TERM BORROWINGS**

Particulars	As At	
	31.03.2020 (Rs)	31.03.2019 (Rs)
<b>SECURED LOANS</b>		
HUDCO Loan A/c -I	34,15,48,961.00	40,98,60,961.00
HUDCO Loan A/c -II	1,03,30,00,000.00	1,15,00,00,000.00
State Bank of Sikkim A/c No: 1	14,49,99,708.00	14,49,99,708.00
State Bank of Sikkim A/c No: 2	36,99,47,422.00	36,99,47,422.00
Loan From NABARD	1,24,26,95,000.00	1,30,81,00,000.00
	<b>3,13,21,91,091.00</b>	<b>3,38,29,08,091.00</b>

1 The above loan represents loan taken on behalf of the Government of Sikkim. The amount payable is represented by amount receivable from Government of Sikkim (Securitization Loan) shown under the head Long Term Loans & Advances under Current Assets

2 Rs. 62,145.00 of payment made to HUDCO against HUDCO Loan-I has not been received fro Government of Sikkim against the Securitization Loan (Sch-10)

**SIKKIM INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED**  
**Notes to Accounts Contd....**

Particulars	As At	
	31.03.2020 (Rs)	31.03.2019 (Rs)
<b>UNSECURED LOANS</b>		
From Government of Sikkim	2,02,87,166.00	2,02,87,166.00
<b>Closing Balance</b>	<b>2,02,87,166.00</b>	<b>2,02,87,166.00</b>
<b>TOTAL LONG TERM BORROWINGS</b>	<b>3,15,24,78,257.00</b>	<b>3,40,31,95,257.00</b>

5

**OTHER LONG TERM LIABILITIES**

Particulars	As At	
	31.03.2020 (Rs)	31.03.2019 (Rs)
<b>Funds</b>		
Developing Export Infrastructure & Allied Activities	3,32,12,022.00	4,11,88,546.00
Chief Ministers Self Reliant Mission	7,97,48,687.00	7,47,53,720.00
National Mission on Food Processing	42,432.00	72,432.00
Chief Ministers Self Employment Scheme	14,47,19,224.00	13,41,76,193.00
Comprehensive Education Loan Scheme	20,82,07,276.00	41,54,54,578.00
Capacity Building	1,28,450.00	1,28,450.00
R & D Grant Fund	-	-
Amount refundable to Govt. of Sikkim	9,195.00	9,195.00
Fund received from Govt. Of Sikkim	56,07,056.00	56,07,056.00
CSR Funds from MSME	2,00,000.00	-
NSIC	23,40,307.00	-
ESDP Scheme	2,45,000.00	-
Udayam Samagaam	4,00,000.00	-
	<b>47,48,59,649.00</b>	<b>67,13,90,170.00</b>

1. Funds made available by the Government of Sikkim for implementation of the schemes which are:

- Chief Ministers Self Reliant Mission
- Chief Ministers Self Employment Scheme
- Comprehensive Education Loan Scheme

The funds are being managed by SIDICO on behalf of the Government of Sikkim and assets of the fund is the ownership of the Government of Sikkim.

2. Chief Ministers Self Employment Scheme includes Rs. 7,94,22,589.00 representing the value of Loan and interest which have been waived by Government of Sikkim vide notification no: 38/Home/2018 dt: 02.07.2018.

3. Developing Export Infrastructure & Allied Activities is the fund provided by the Government of India to Government of Sikkim. The fund has been given to SIDICO to implement the project and all earnings and assets of the fund belong to the project.

4. Fund received from Govt. Of Sikkim Rs. 56,07,056.00 represent amount given by Commerce & Industries Department GOS.

5. Funds received under NSIC,ESDP Scheme & Udayam Samaagam have been deposited in SIDICO's Bank accounts and are being utilised by Commerce & Industries Department, GOS



**SIKKIM INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED****6****OTHER CURRENT LIABILITIES**

Particulars	As At	
	31.03.2020 (Rs)	31.03.2019 (Rs)
Liability for Expenses	1,26,768.00	-
Security Deposit	73,092.00	1,12,63,841.00
Sundry Deposit	56,100.00	56,100.00
Audit Fee Payable	40,000.00	1,16,000.00
Group Gratuity Scheme	-	15,12,061.00
Goods and Service Tax Output	9,11,177.00	6,77,451.00
	<b>12,07,137.00</b>	<b>1,36,25,453.00</b>

**7****SHORT TERM PROVISIONS**

Particulars	As At	
	31.03.2020 (Rs)	31.03.2019 (Rs)
Provision for Standard Asset	4,60,770.00	4,60,770.00
Provision for Non Performing Assets	9,06,89,360.00	9,06,89,360.00
Provision for Loss Assets	2,00,00,000.00	2,00,00,000.00
Provision for Income Tax	1,26,69,016.00	1,25,09,316.00
Provision for Investments	93,27,630.00	93,27,630.00
Provision for Mortgage Deed Fees	-	-
	<b>13,31,46,776.00</b>	<b>13,29,87,076.00</b>

The value of provisions for Standard Assets and Non Performing Assets has been done in earlier years and the actual provision required as on 31.03.2020 cannot be quantified in the absence of details.

**9****NON- CURRENT INVESTMENTS**

Particulars	As At	
	31.03.2020 (Rs)	31.03.2019 (Rs)
Long term investments - at cost		
Sikkim Jewels Limited		
Sikkim Vanaspati Limited	93,27,630.00	93,27,630.00
Webcon Limited	75,000.00	75,000.00
Investment in Mutual Fund	8,69,87,961.00	12,01,77,153.00
	9,63,90,591.00	12,95,79,783.00
	<b>9,63,90,591.00</b>	<b>12,95,79,783.00</b>

**Closing Balance**

Sikkim Vanaspati Limited has been liquidated. As the investments value as on date is NIL a provision for loss on investment amounting to Rs. 93,27,630.00 has been made and is appearing under Short Term Provisions.

**SIKKIM INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED**  
**Notes to Accounts Contd....**

**10****LONG TERM LOANS & ADVANCES**

Particulars	As At	
	31.03.2020 (Rs)	31.03.2019 (Rs)
<u>Borrowers Account</u>		
Chief Ministers Rojghar Yojna	4,26,103.00	4,26,103.00
Composite Loan	18,86,035.00	20,89,364.00
Computer Loan	7,63,178.00	18,62,836.00
Hotel Loan	1,94,05,023.00	2,49,57,215.00
Motor Vehicle Loan	2,68,933.00	2,68,933.00
Multipurpose Loan	23,57,04,664.00	21,74,85,491.00
Small Scale Industries Loan	19,81,423.00	25,74,499.00
Staff Conveyance Loan	5,19,513.00	10,24,060.00
Staff Housing Loan	-	51,317.00
Vehicle/Transport Loan	11,38,299.00	11,78,299.00
Loan to Sikkim Vanaspati Ltd	2,00,00,000.00	2,00,00,000.00
	<b>28,20,93,171.00</b>	<b>27,19,18,117.00</b>
<u>Others</u>		
Securitization Loan to Govt. of Sikkim	3,13,22,53,236.00	2,76,19,49,878.00
Accrued Interest On MPLS Loan	41,80,002.00	
Advance Income Tax	2,43,89,395.00	2,12,74,410.00
	<b>3,44,29,15,804.00</b>	<b>3,05,51,42,405.00</b>
Closing Balance		

- 1 Securitization Loan to Govt. of Sikkim represents the loan taken by SIDICO from HUDCO, State Bank of Sikkim and NABARD and the interest paid there on. The advance is equal to the liability as shown under the head Long Term Borrowings.
- 2 Borrowers account include Non Performing Assets the value of which has not been quantified except for Loan to Sikkim Vanaspati Limited for which a provision for loss assets has been made.

**11****OTHER NON-CURRENT ASSETS**

Particulars	As At	
	31.03.2020 (Rs)	31.03.2019 (Rs)
Advance to Staff	10,20,000.00	2,45,600.00
Sundry Receivables	36,725.00	36,725.00
Advance to Others	71,73,201.00	71,73,201.00
Advance to DOP	22,51,397.00	22,51,397.00
Telephone Deposit	19,025.00	19,025.00
Sundry Debtors Rent Receivable	6,000.00	6,000.00
Goods and Service Tax Input	2,82,898.00	2,29,748.00
	1,07,89,246.00	99,61,696.00
	<b>1,07,89,246.00</b>	<b>99,61,696.00</b>

**SIKKIM INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED**  
**Notes to Accounts Contd....**

**12****CASH & BANK BALANCE**

Particulars	As At	
	31.03.2020 (Rs)	31.03.2019 (Rs)
<b>Balances With Banks</b>		
In Current & Savings Account	1,44,69,525.00	12,17,14,978.00
Deposits with Banks with 12 months Maturity		
SIDICO Fund	4,64,88,395.00	-
Government Funds	46,06,09,948.00	54,17,59,767.00
NABARD Loan Fund	-	65,00,00,000.00
	<u>50,70,98,343.00</u>	<u>1,19,17,59,767.00</u>
Interest accrued but not due on deposits with banks		
SIDICO Fund	-	
Government of Sikkim Funds	-	2,02,44,208.00
		<u>2,02,44,208.00</u>
Total Bank Balance	<u><b>52,15,67,868.00</b></u>	<u><b>1,33,37,18,953.00</b></u>

Deposits with bank include deposits of Govt. Funds with the corporation and held in custody on behalf of the Government of Sikkim.

Current & Savings Bank Accounts include Rs.34,43,725.00 of Deposits of Government Schemes



# 43<sup>rd</sup> ANNUAL REPORT FOR THE FINANCIAL YEAR 2019-20

## SIKKIM INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED

GANGTOK, SIKKIM

Notes to Accounts Continued..

8

### Fixed Assets & Depreciation

Fixed Assets & Depreciation												
Sl.No	Names of the Assets	Rate of Depreciation	GROSS BLOCK (₹)				DEPRECIATION				NET BLOCK	
			As on 01.04.19	Additions during the year	Deletions during the year	As on 31.03.20	Upto 31.03.19	For the year (2019-20)	ADJ OF DEP	As on 31.03.20	As on 31.03.19	
			₹	₹		₹	₹	₹	₹	₹	₹	
1	Land	0%	1,16,53,293.00	-	-	1,16,53,293.00	-	-	-	1,16,53,293.00	1,16,53,293.00	
2	Office Buildings	10%	1,80,43,211.00	-	-	1,80,43,211.00	18,04,321.00	16,23,889.00	34,28,210.00	1,46,15,001.00	1,62,38,890.00	
2	Office Equipment	15%	23,72,995.00	33,517.00	-	24,06,512.00	20,86,089.00	48,063.00	21,34,152.00	2,72,360.00	2,86,906.00	
3	<u>Computers &amp; Accessories</u>		-	-	-	-	-	-	-	-	-	
3.1	Desktop Computer	15%	2,59,256.00	-	-	2,59,256.00	76,285.00	27,446.00	1,03,731.00	1,55,525.00	1,82,971.00	
3.2	Computer UPS	15%	3,570.00	-	-	3,570.00	1,860.00	257.00	2,117.00	1,453.00	1,710.00	
3.3	Notebook Computer	15%	31,500.00	-	-	31,500.00	16,408.00	2,264.00	18,672.00	12,828.00	15,092.00	
3.4	Laptop Computer	15%	47,250.00	-	-	47,250.00	23,720.00	3,530.00	27,250.00	20,000.00	23,530.00	
4	CCTV Camera	15%	4,120.00	-	-	4,120.00	618.00	525.00	1,143.00	2,977.00	3,502.00	
5	Software	15%	6,35,830.00	82,100.00	-	7,17,930.00	95,375.00	93,383.00	1,88,758.00	5,29,172.00	5,40,455.00	
6	Furniture & Fixture	10%	21,04,570.00	-	-	21,04,570.00	14,77,424.00	62,715.00	15,40,139.00	5,64,431.00	6,27,146.00	
7	Motor Vehicle	15%	50,68,533.00	-	11,48,523.00	39,20,010.00	29,17,492.00	1,50,378.00	23,70,926.00	15,49,084.00	21,51,041.00	
	Current year Total :		4,02,24,128.00	1,15,617.00	11,48,523.00	3,91,91,222.00	84,99,592.00	20,12,450.00	98,15,098.00	2,93,76,124.00	3,17,24,536.00	
	Previous Year Total :		3,71,45,808.00	32,53,875.00	1,75,555.00	4,02,24,128.00	60,59,963.00	24,39,629.00	84,99,592.00	3,17,24,536.00	3,10,85,845.00	

1 The value of Land and Factory Building located at Melli, South Sikkim, acquired by SIDICO in the year 2003 has not been included in the value of land.

43<sup>rd</sup> ANNUAL REPORT FOR THE FINANCIAL YEAR 2019-20

SIKKIM INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED

GANGTOK, SIKKIM  
Notes to Accounts Continued..  
8A

Fixed Assets & Depreciation of Research & Development Grant Fund

Sl.No	Names of the Assets	Rate of Depreciation	GROSS BLOCK (₹)			DEPRECIATION			NET BLOCK	
			As on 01.04.19	Additions during the year	Deletions during the year	As on 31.03.20	Upto 31.03.19	For the year (2019-20)	As on 31.03.20	As on 31.03.19
			₹	₹		₹	₹	₹	₹	₹
2	Office Equipment	15%	13,29,022.00			13,29,022.00	3,68,803.00	1,44,033.00	8,16,186.00	9,60,219.00
3	Computers & Accessories	15%	1,39,296.00	-	-	1,39,296.00	53,750.00	12,832.00	72,714.00	85,546.00
7	Furniture & Fixture	10%	5,39,564.00		-	5,39,564.00	1,02,517.00	43,705.00	3,93,342.00	4,37,047.00
8	Motor Vehicle	15%	9,72,578.00			9,72,578.00	4,10,428.00	84,323.00	4,77,827.00	5,62,150.00
	Current year Total :		29,80,460.00	-	-	29,80,460.00	9,35,498.00	2,84,893.00	17,60,069.00	20,44,962.00
Previous Year			29,80,460.00			29,80,460.00	6,03,188.00	3,32,310.00	9,35,498.00	23,77,272.00

**SIKKIM INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED****Notes to Accounts Contd....****13****INCOME FROM INTEREST**

Particulars	Year Ended	
	31.03.2020 (Rs)	31.03.2019 (Rs)
Composite Loan	64,171.00	24,613.00
Computer Loan	2,57,945.00	3,92,468.00
Hotel Loan	12,06,671.00	18,93,895.00
Housing Loan	43,221.00	1,02,634.00
Motor Vehicle Loan	-	2.00
Multipurpose Loan	3,50,62,209.00	2,78,27,070.00
SSI Loan	2,65,231.00	43,68,813.00
Staff Conveyance Loan	72,328.00	98,812.00
Subsidy Appraisal Fee	-	13,51,680.00
	<b>3,69,71,776.00</b>	<b>3,60,59,987.00</b>

**14****OTHER INCOME**

Particulars	Year Ended	
	31.03.2020 (Rs)	31.03.2019 (Rs)
Dividend from Investments	-	6,750.00
Interest on Term Deposit	1,18,53,487.00	2,16,41,535.00
Lease Rent on Land	2,78,500.00	2,62,000.00
Loan Application Form Fee	20,700.00	35,600.00
Loan Processing Fee	11,41,977.00	14,09,264.00
Miscellaneous income	13,159.00	-
Interest on Investment in Liquid Fund	73,95,712.00	61,77,153.00
Vehicle User Fee	-	30,000.00
NOC Fee	2,65,085.00	10,35,556.00
Interest on Income Tax Refund	1,70,239.00	-
Interest on Savings Account	9,71,109.00	-
Profit on Sale of Vehicle	1,33,691.00	-
	<b>2,22,43,659.00</b>	<b>3,05,97,858.00</b>

**15****EMPLOYEE BENEFIT EXPENSES**

Particulars	Year Ended	
	31.03.2020 (Rs)	31.03.2019 (Rs)
Salary and Allowances	3,75,01,420.00	3,50,13,993.00
Revised Pay Arrear	45,73,050.00	26,42,000.00
Contribution to E.P.F	33,46,180.00	30,01,354.00
EPF Administrative Charges	2,67,829.00	2,47,207.00
Gratuity	63,85,909.00	71,70,301.00
Medical Reimbursement	3,35,275.00	61,469.00
Staff Welfare	3,605.00	-
Uniform Allowances	44,000.00	44,000.00
Spectacle Allowance	15,000.00	37,490.00
Leave Encashment	21,69,430.00	1,46,585.00
	<b>35,46,41,698.00</b>	<b>4,83,64,399.00</b>



**SIKKIM INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED**  
**Notes to Accounts Contd....**

16

**Financial Cost**

Particulars	Year Ended	
	31.03.2020 (Rs)	31.03.2019 (Rs)
Bank Charges	6,536.00	6,422.64
POS Rental Charges	5,200.00	-
	<b>11,736.00</b>	<b>6,422.64</b>

17

**OTHER EXPENSES**

Particulars	Year Ended	
	31.03.2020 (Rs)	31.03.2019 (Rs)
Advertisement	23,400.00	13,200.00
Audit Fee	40,000.00	40,000.00
Income Tax Consultancy and Audit Fee	40,000.00	40,000.00
GST Consultancy Fees	41,000.00	36,000.00
Architects Fee		30,000.00
Board Meeting Expenses	31,702.00	32,258.00
Govt. Loan Expenses	30,000.00	1,12,159.00
Electricity	32,050.00	34,738.00
Legal Expenses	3,03,400.00	2,67,290.00
Membership Fee		
Travelling	1,11,386.00	3,05,490.00
Miscellaneous	72,254.00	1,86,217.00
Office Expenses	2,91,072.00	-
Newspaper & Periodicals	4,868.00	8,154.00
Postage	3,261.00	4,921.00
Printing & Stationary	1,24,865.00	2,21,726.00
Rent	88,000.00	96,000.00
Vehicle Running Expenses	3,45,901.00	1,53,067.00
Repair Maintenance of Equipment	1,84,322.00	41,230.00
Telephone	83,461.00	95,118.00
Consultancy fee for Subsidy Appraisal Fee		98,500.00
Chairman Expenses		6,91,858.00
GST Expenses	57,388.00	8,40,295.00
	<b>19,08,330.00</b>	<b>33,48,221.00</b>

**SIKKIM INDUSTRIAL DEVELOPMENT AND INVESTMENT CORPORATION LIMITED**  
**Notes to Accounts Contd....**

**18****Office Building**

The value of office building of Rs. 1,65,03000.00 is as per the valuation report of the valuer. The Asset has been taken into account on the basis of the 106th meeting of the Board of Directors held on 31st January 2018 whereby the investment in Sikkim Jewels has been written off on the liquidation of Sikkim Jewels.

**19****LONG TERM LOANS & ADVANCES**

Long Term Loans and Advances include advances paid to borrowers under different schemes amounting to Rs. 282093171.00. The reconciliation of the borrowers accounts with the control account is being carried out.

**20****RECONCILIATION OF LONG TERM BORROWINGS AND SECURITIZATION LOAN GOVT.****OF SIKKIM**

Balance of Long Term Borrowings Rs.	3,13,21,91,091.00
Balance of Securitization loan to Govt. Of Sikkim Rs.	<u>3,13,22,53,236.00</u>
Difference Rs.	<u>-62,145.00</u>

The difference is represented by  
 Amount Receivable from Commerce And Industries Dept

**For: Sushil Das & Associates**  
**Chartered Accountants**  
**Firm Regd No: 326657E**

**S.Das**  
**(Partner)**  
**Membership No: 051057**  
**Date: 29.09.2020**  
**Place: Gangtok**  
**UDIN NO: 2105107AAAAJSW4092**

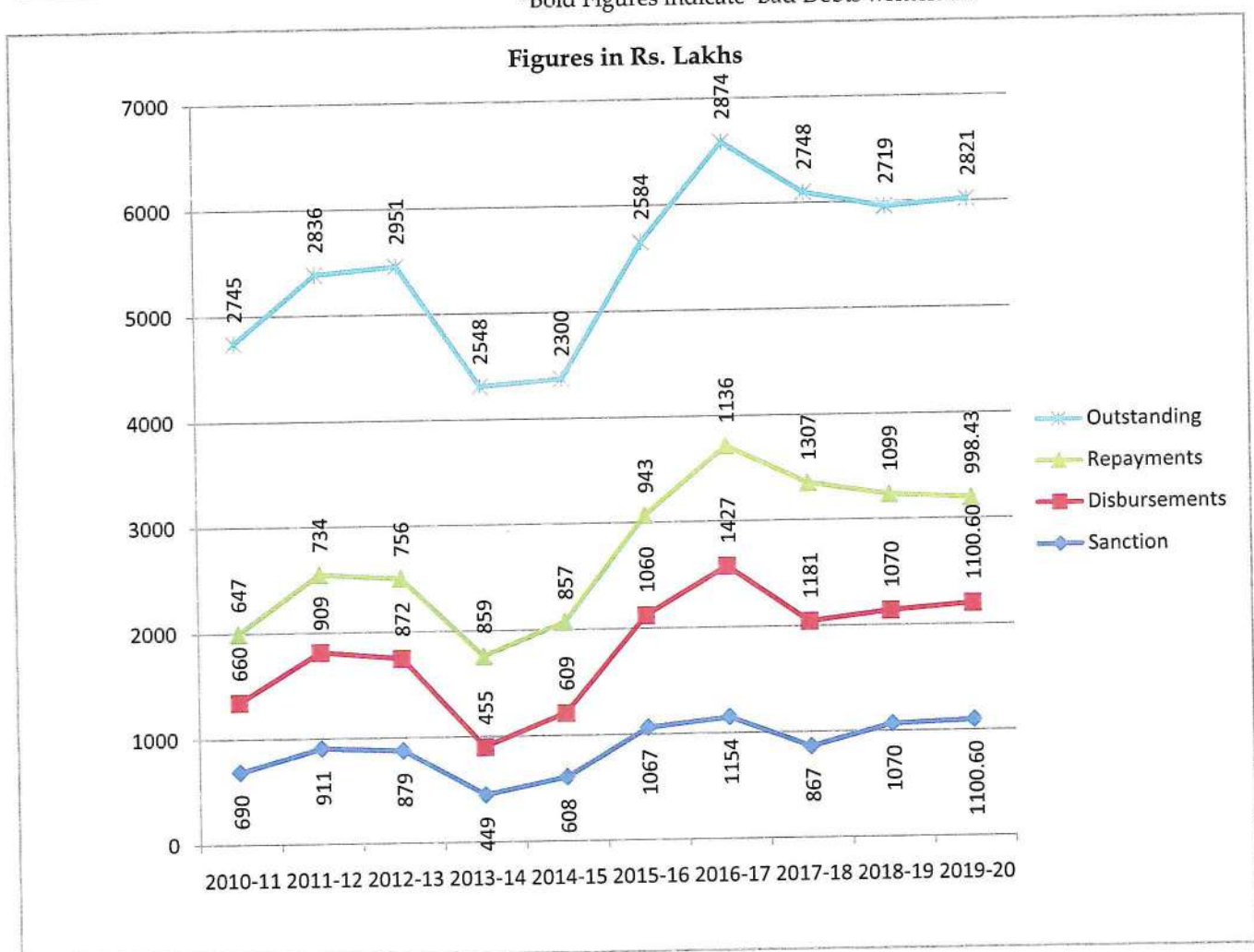
For and on behalf of the Board of Directors

**STATEMENT OF LOAN SANCTION,DISBURSEMENT,REPAYMENT & OUTSTANDING AS ON 31.03.2019**

**Statement 1**

Year	Sanction			Disbursements		Repayments		Outstanding
	No.	Term Loans	BL & Ors	Term Loans	BL& Ors.	Term Loans	BL& Ors.	Term Loans
2010-11	439	690	0	660	0	647	84	2745
2011-12	593	911	0	909	0	734	84	2836
2012-13	564	879	0	872	0	756	0	2951
2013-14	294	449	0	455	0	859	0	2548
2014-15	265	608	0	609	0	857	0	2300
2015-16	370	1067	0	1060	0	943	0	2584
2016-17	366	1154	0	1427	0	1136	0	2874
2017-18	278	867	0	1181	0	1307	0	2748
2018-19	211	1070	0	1070	0	1099	0	2719
2019-20	179	1100.60	0	1100.60	0	998.43	0	2821
<b>TOTAL</b>	<b>11865</b>	<b>16666</b>	<b>713</b>	<b>16772</b>	<b>589</b>	<b>14089</b>	<b>617</b>	<b>2821</b>

\*Bold Figures indicate Bad Debts written off





## Statement2

Rs. In Lakhs

## SCHEME-WISE CLASSIFICATION OF LOAN SANCTIONS AS ON 31.3.2020

Year	composite		SSI		Hotels		SVO		Others		Total	
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
OB as on 31.03.1988	367	65	157	995	96	235	112	83	0	0	732	1378
1988-89	35	9	25	326	12	21	11	8	0	0	83	363
1989-90	43	17	11	268	5	3	38	37	0	0	97	324
1990-91	30	24	9	62	22	83	21	27	0	0	82	196
1991-92	144	40	3	23	37	253	38	53	0	0	223	369
1992-93	12	5	0	0	6	5	12	12	1	200	31	221
1993-94	6	2	0	0	18	46	3	4	0	0	27	52
1994-95	8	4	0	0	10	27	10	13	0	0	28	44
1995-96	61	14	15	29	38	58	52	80	578	114.44	742	296
1996-97	33	6	12	25	45	74	27	34	772	183.5	889	324
1997-98	44	14	9	18	65	96	14	19	0	0	132	147
1998-99	21	5	7	9	76	113	6	9	132	78.66	242	213
1999-00	11	3	5	6	44	60	0	0	80	48	140	116
2000-01	13	5	10	14	51	61	1	2	183	98.28	258	179
2001-02	15	5	20	45	98	127	2	4	164	82	299	262
2002-03	13	6	9	23	62	76	0	0	304	168	388	273
2003-04	18	7	5	8	46	76	0	0	380	194.77	450	286
2004-05	9	4	10	15	44	70	0	0	523	361.5	586	450
2005-06	3	1	5	7	38	64	0	0	575	572.02	621	644
2006-07	3	3	2	14	29	42	0	0	451	501.32	485	560
2007-08	1	0	1	2	38	62	0	0	530	493.55	570	558
2008-09	0	0	0	0	29	39	0	0	614	602.45	643	641
2009-10	2	1	4	7	14	19	0	0	538	662.95	558	690
2010-11	0	0	0	0	7	10	0	0	432	680.6	439	690
2011-12	2	1	3	4	9	19	0	0	579	887.85	593	911
2012-13	0	0	1	2	7	14	0	0	556	863.4	564	879
2013-14	1	1	1	2	7	9	0	0	285	438.15	294	449
2014-15	0	0	2	3	5	7	0	0	258	598.65	265	608
2015-16	0	0	0	0	5	8	0	0	365	1058.60	370	1067
2016-17	0	0	2	4	0	0	0	0	364	1150.24	366	1154
2017-18	0	0	0	0	1	1	0	0	277	865.70	278	867
2018-19	0	0	0	0	0	0	0	0	211	1070.00	211	1070
2019-20	0	0	0	0	0	0	0	0	179	1100.60	179	1101
TOTAL	895	240	328	1906	964	1774	347	383	9331	13075.23	11865	17379

Details of Chief Minister's Self Employment Scheme  
(CMSES) Upto March 2020

Activity - wise	2002-2003		2003-2004		2004-05		2005-06		2006-07		2007-08		2008-09		2009-10	
	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount
Industry	49	33.50	64	43.50	2	1.00	3	6.80	0	0.00	0	0.00	0	0.00	0	0.00
Agriculture	93	59.00	121	76.50	5	3.00	13	24.40	2	4.00	9	15.50	21	32.00	11	16.50
Animal Husbandry	444	263.50	512	304.00	19	11.00	13	14.50	0	0.00	12	12.05	41	63.50	214	321.00
Services	51	38.50	65	45.50	5	4.00	4	10.00	1	4.00	0	0.00	168	260.75	0	0.00
Business	565	344.50	686	419.00	20	12.00	15	27.00	0	0.00	51	68.63	354	578.70	721	1,041.50
Tourism	156	105.00	159	111.50	8	6.50	8	27.00	3	9.00	40	79.50	193	323.00	200	300.00
Vehicles																
Others	126	87.50	33	24.00	1	1.00	1	5.00	1	5.00	30	65.18	138	246.40	117	175.00
Total	1484	931.50	1640	1024.00	60	38.50	57	114.70	7	22.00	142	240.86	915	1,504.35	1263	1,854.00

Activity - wise	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16		2016-17		2017-18	
	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount
Industry	0	0.00	0	0.00		0.00	6	15.00	0	0.00	0	0.00	0	0.00	0	0.00
Agriculture	28	42.00	5	13.50	12	16.50	17	26.00	0	0.00	0	0.00	0	0.00	0	0.00
Animal Husbandry	174	261.00	38	61.60	84	103.75	39	58.50	0	0.00	2.00	5.00	0	0.00	0	0.00
Services	0	0.00	0	0.00	191	253.00	58	103.50	0	0.00			0	0.00	0	0.00
Business	180	270.00	64	98.25	43	76.50	180	229.00	0	0.00	9.00	26.50	0	0.00	0	0.00
Tourism	87	130.50	47	105.75	22	35.75	11	141.00	0	0.00	4.00	15.00	1.00	4.00	1	4.5
Vehicles			45	185.16	73	127.50	84	226.00	0	0.00	10.00	30.00			0	0.00
Others	75	112.50	39	81.50	43	108.25	515	584.00	0	0.00	5.00	17.00	1.00	3.50	0	0.00
Total	544	816.00	238	545.76	468	721.25	910	1383.00	0	0.00	30.00	93.50	2.00	7.50	1	4.5

2018-19			2019-20			Cumulative		
Activity - wise	No	Amount	Activity - wise	No	Amount	Activity - wise	No	Amount
Industry	0	0.00	Industry	0	0.00	Industry	124	99.80
Agriculture	0	0.00	Agriculture	0	0.00	Agriculture	337	328.90
Animal Husbandry	0	0.00	Animal Husbandry			Animal Husbandry	1592	1,479.40
Services	0	0.00	Services	0	0.00	Services	543	719.25
Business	0	0.00	Business	0	0.00	Business	2888	3,191.58
Tourism	0	0.00	Tourism	0	0.00	Tourism	940	1,398.00
Vehicles	0	0.00	Vehicles	0	0.00	Vehicles	212	568.66
Others	0	0.00	Others	0	0.00	Others	1125	1,515.83
Total	0	0.00	Total	0	0.00	TOTAL	7761	9,301.42

District - wise	2002-2003		2003-2004		2004-05		2005-06		2006-07		2007-08		2008-09		2009-10	
	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount
East	619	399.00	674	429.00	11	8.00	27	54.20	3	12.00	94	166.91	391	643.75	283	421.00
West	418	248.00	458	275.50	21	13.50	15	27.00	1	2.50	21	31.45	269	432.90	595	865.50
North	127	80.00	100	57.50	0	0.00	6	14.00	2	4.00	4	14.25	33	51.50	102	153.00
South	320	204.50	408	262.00	28	17.00	9	19.50	1	3.50	23	28.25	222	376.20	283	414.50
	1484	931.50	1640	1024.00	60	38.50	57	114.70	7	22.00	142	240.86	915	1,504.35	1263	1,854.00

2010-11	2011-12		2012-13		2013-14		2014-15		2015-16		2016-17		2017-18	
	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount
198	297.00	84	189.00	185	257.50	244	394.50	11.00	28.50	1.00	3.50	0	0.00	36%
159	238.50	34	80.97	102	172.75	252	370.50	8.00	26.50	1.00	4.00	1	4.50	30%
45	67.50	14	39.60	38	70.00	65	124.50	2.00	6.00			0	0.00	7%
142	213.00	106	236.19	143	221.00	349	493.50	9.00	32.50	2.00	7.50	0	0.00	27%
544	816.00	238	545.76	468	721.25	910	1383.00	30.00	93.50	0	0.00	1	4.50	100%

2019-20		
No	Amount	%
0	0.00	0%
0	0.00	0%
0	0.00	0%
0	0.00	0%

2018-19		
No	Amount	%
0	0.00	0%
0	0.00	0%
0	0.00	0%
0	0.00	0%
0	0.00	0%

Cumulative		%
No	Amount	%
2825	3,303.86	36%
2355	2,794.07	30%
538	681.85	7%
2043	2,521.64	27%
7761	9,301.42	100%



Gender - wise	2002-2003		2003-2004		2004-05		2006-07		2007-08		2008-09		2009-2010	
	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount
Female	552	346.50	408	408.00	28	19.00	15	21.00	62	5.00	369	600.40	487	730.50
Male	932	585.00	1232	616.00	32	19.50	42	93.70	80	17.00	546	903.95	776	1,123.50
	1484	931.50	1640	1024.00	60	38.50	57	114.70	142	22.00	915	1,504.35	1263	1,854.00

	2010-11		2011-12		2012-13		2013-14		2014-15		2015-16		2016-17		2017-18	
	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount	No	Amount
	220	330.00	101	230.51	206	298.50	276	403.50			10.00	28.50	2.00	7.50	1	4.50
	324	486.00	137	410.07	262	422.75	634	979.50			20.00	65.00			0	0.00
	544	816.00	238	640.58	468	721.25	910	1383.00	0	0.00	30.00	93.50	2.00	7.50	1	4.50

2018-19		2019-20	
No	Amount	No	Amount
0	0.00	0	0.00
0	0.00	0	0.00
0	0.00	0	0.00

2018-19		2019-20	
No	Amount	No	Amount
0	0.00	0	0.00
0	0.00	0	0.00
0	0.00	0	0.00

Cumulative			
No	Amount	%	
2738	3,575.34	38%	
5023	5,820.90	62%	
7761	9,396.24	100%	

# **COMPREHENSIVE EDUCATIONAL LOAN SCHEME UPTO 31.03.2020**

Particulars	Opening Bal. as on 31/03/14		2014-15*		2015-16*		2016-17*		2017-18*		2018-19*		2019-20*		Cumulative	
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
<b>India</b>	1968	3181.74	90	167.11	233	360.30	111	240.70	176	491.96	217	970.87	4	25.00	2799	5437.68
<b>Abroad</b>	156	1274.31	18	145.50	21	74.70	16	87.50	25	229.00	33	411.00	3	45.00	272	2267.01
<b>Total</b>	2124	4456.05	108	312.61	254	435.00	127	328.20	201	720.96	250	1381.87	7	70.00	3071	7704.69

Gender Wise	Opening Bal. as on 31/03/14		2014-15*		2015-16*		2016-17*		2017-18*		2018-19*		2019-20*		Cumulative	
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
<b>Male</b>	1103	2216.89	51	149.36	116	197.75	60	166.55	83	339.55	96	457.69	5	45.00	1514	3572.79
<b>Female</b>	1021	2239.16	57	163.25	138	237.25	67	161.65	118	381.41	154	924.18	2	25.00	1557	4131.90
<b>Total</b>	2124	4456.05	108	312.61	254	435.00	127	328.20	201	720.96	250	1381.87	7	70.00	3071	7704.69

District Wise	Opening Bal. as on 31/03/14		2014-15*		2015-16*		2016-17*		2017-18*		2018-19*		2019-20*		Cumulative	
	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.	No.	Amt.
<b>East</b>	904	2111.21	49	174.50	108	189.75	67	189.40	69	276.96	95	532.16	5	53.00	1297	3526.98
<b>West</b>	517	960.40	26	70.50	63	104.25	26	53.55	48	163.00	63	375.20	1	15.00	744	1741.90
<b>North</b>	112	280.94	8	15.60	17	31.75	5	9.50	15	50.50	16	114.70	0		173	502.99
<b>South</b>	591	1103.50	25	52.01	66	109.25	29	75.75	69	230.50	76	359.81	1	2.00	857	1932.82
<b>Total</b>	2124	4456.05	108	312.61	254	435.00	127	328.20	201	720.96	250	1381.87	7	70.00	3071	7704.69

\* Includes Additional Loan No. 237 (Sanctioned during 2011-12).

\* Includes Additional Loan No. 275 (Sanctioned during 2012-13).

\* Includes Additional Loan No. 269 (Sanctioned during 2013-14).

\* Includes Additional Loan No. 90 (Sanctioned during 2014-15).

\* Includes Additional Loan No. 209 (Sanctioned during 2015-16).

\* Includes Additional Loan No. 55 (Sanctioned during 2016-17).

\* Includes Additional Loan No. 39 (Sanctioned during 2017-18).

\* Includes Additional Loan No. 29 (Sanctioned during 2018-19).

\* Includes Additional Loan No. 1 (Sanctioned during 2019-20).