

H.No: 39/2695,
Panthiyil Lane,
Warriam Road,
Kochi - 682 016, India.
Tel: ++91 484 4037565
E-mail: aargee.co@gmail.com

Argee & Co

Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

**To the Members of
INKEL-EKK Roads Private Limited**

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **INKEL-EKK Roads Private Limited, Ernakulam**, which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss and the Statement of Cash flow for the year ended on that date, 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 required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Accounting Standards prescribed under section 133 of the Act, and other accounting principles generally accepted in India, of the State of Affairs of the Company as at March 31, 2023, and its Profit/Loss, and its Cash Flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Standalone Financial Statements in accordance with the Standards on Auditing (SAs) 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 Standalone 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 ("ICAI") together with the ethical requirements that are relevant to our audit of the Standalone Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and



appropriate to provide a basis for our opinion on the Standalone Financial Statements subject to the following points.

Emphasis of Matter

Our opinion is not modified in respect of these matters.

- The Company has used the borrowings from banks and financial institutions for the specific purpose for which it was taken at the balance sheet date except the following Loans advanced to the following Companies from FY 2019-2020 onwards
a) Inkel Limited - Rs. 45,02,00,000/-
b) EKK-Infrastructure Limited - Rs. 17,51,00,000/- (Note-2.3,2.11)
- Equity shares for Rs. 10,32,00,000/- held by Inkel Ltd and Rs. 3,96,00,000/- held by EKK Infrastructures Ltd respectively have been pledged with State Bank of India as per the terms and conditions of the Facility Agreement dated 16.05.2019. (Note-2.1.1)
- During the financial year 2022-23 the company has further advanced an amount of Rs.23.53 Crores to Inkel Ltd as inter corporate loan. (Note-2.11)
- As per the Notification No. 15/2022 dated 30th December 2022, annuity fee became a taxable service with effect from 01.01.2023. As a result, statutory dues include GST payable amounting to Rs. 316.19 lakhs against the invoice number INKEKK2223/001 to Road Infrastructure Company Kerala limited (RICK) dated 14.03.2023. The company have not remitted the GST dues to government as it is not recovered from RICK and not provided the interest on delayed payment of GST in the books. (Note-2.7)

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 of the current period. 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. Key audit matter is not applicable to the company as it is an unlisted company.

Key Audit Matters	Response to Key Audit Matters & Conclusion
NIL	NIL

