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Argee & Co
Chartered Accountants

INDEPENDENT AUDITOR'S REPORT

To the Members of
INKEL-KSIDC Projects Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements **of INKEL-KSIDC Projects Limited, Ernakulam** (the "Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash flows 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 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") 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, Total Comprehensive Income, Changes in Equity 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.

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. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matters	Response to Key Audit Matters & Conclusion
Interest on Late payment of Lease Premium As per the lease agreement entered into with Kerala State Industrial Development Corporation (KSIDC) dated 30.08.2010 and 02.09.2010 the company is liable for interest on late payment of lease premium on the land 273.79 Acres (Angamaly 30 Acres and Malappuram 243.79 Acres) leased by KSIDC to INKID. The interest as calculated is Rs. 805 Lakhs and the company has not provided for the liability in the books of accounts The Interest of Rs.805 lakh, pending final decision on waiver from Govt. of Kerala.	Our procedures included, but were not limited to the following: We have verified the official correspondences with the Govt of Kerala and KSIDC regarding the waiver of the interest claimed .

Management's Responsibilities for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Standalone Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making

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judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone 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.

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

Auditor's Responsibilities for the Audit of the Standalone Financial Statements
Our objectives are to obtain reasonable assurance about whether the Standalone 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 Standalone 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 Standalone 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 financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

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PANTHIYIL LANE
KOCHI-16

Under section143(3)(i) of the Act, 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 the 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 Company'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 Standalone 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.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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.

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From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Standalone Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit, 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid Financial Statements comply with the Ind AS prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on March 31, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act.

f) During the year the Company has not paid any managerial remuneration. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended: is not applicable to the company.

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g) 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 A"**

h) With respect to the other matters to be included in the Auditors' 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 Standalone Financial Statements. (Refer Note 31 to the financial statements.)

ii. The Company does not have any long-term contracts, including derivative contracts, hence provision as required under the applicable law or accounting standards for material foreseeable losses are not created.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

iv. (a) The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"}, with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities Identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented, that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or

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provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.

V. As stated in Statement of changes in equity to the standalone financial statements. The interim dividend declared and paid by the Company during the year is in compliance with Section 123 of the Act.

2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure B**" a statement on the matters specified in paragraphs 3 and 4 of the Order.

UDIN: 23019796BGVKXZ8680

For ARGEE & CO
Chartered Accountants
FRN: 000217S

C.A. M. Ramendran F.C.A.
Partner
(M. No. 19796)

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CHARTERED ACCOUNTANTS

Place: Kochi
Date: 15-06-2023

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

Report on the Internal Financial Controls Over Financial Reporting 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 **INKEL-KSIDC Projects Ltd, Ernakulam**, ("the Company") as of March 31, 2023 in conjunction with our audit of the Standalone Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by ICAI and the Standards on Auditing 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 ICAI. 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

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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.

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 standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with 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, to the best of our information and according to the explanations given to

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CHARTERED ACCOUNTANTS

us, 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, 2023, based on the criteria for internal financial control over financial reporting 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 ICAI.

UDIN: 23019796BGVKXZ8680

For ARGEE & CO
Chartered Accountants
FRN: 000217S

C.A. M. Ramendran F.C.A.
Partner
(M. No. 19796)

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CHARTERED ACCOUNTANTS

Place: Kochi
Date: 15-06-2023

ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the financial statements of the Company for the year ended March 31st 2023)

(i)

(a) (A) The company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;

(B) The company is maintaining proper records showing full particulars of intangible assets;

(b) The Property, Plant and Equipment have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;

(c) whether the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company, if not, provide the details thereof in the format below: -

Description of property	Gross carrying value	Held in name of	Whether promoter,director or their relative or employee	Period held –indicate range,where appropriate	Reason for notbeing held in name of company*
-	-	-	NIL	-	*also indicate if in dispute

(d) The company has not revalued its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder;

(ii)

(a) The company do not have inventory as the business of the company is promotion, setting up and maintenance of all types of Infra structure facilities, projects and ventures.

(b) During any point of time of the year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets;

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(iii) During the year the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties,

(iv) In our opinion and according to the information and explanations given to us, there are no transactions entered in respect of loans, investments, guarantees and securities, hence the provision of Section 185 and 186 of the Companies Act, 2013 are not applicable.;

(v) The Company has not accepted deposits during the year and does not have any unclaimed deposits as at March 31, 2023 and therefore, the provisions of the clause 3 (v) of the Order are not applicable to the Company.

(vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.

(vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.

(b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues in arrears as at March31, 2023 for a period of more than six months from the date they became payable.

(viii) During the year there are no such transactions not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);

(ix) The Company has not taken any loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (ix) of the Order is not applicable to the Company.

(x) The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under clause 3

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KOCHI-16
CHARTERED ACCOUNTANTS

(x) of the Order is not applicable to the Company

(xi) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.

(xii) The Company is not a Nidhi Company and hence reporting under clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company is in compliance with Section 177 and 188 of the Companies Act, 2013 where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements as required by the applicable accounting standards.

(xiv)

(a) The Company does not require separate internal audit system commensurate with the size of its business;

(xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected to its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.;

(xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.;

(xvii) The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.

(xviii) There has not been any resignation of the statutory auditors during the year;

(xix) On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, the auditor's knowledge of the Board of Directors and management plans, we are in the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;

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(xx)

(a) In our opinion and according to the information and explanations given to us, there is no amount, in respect of other than ongoing projects, to be transferred as unspent amount to a Fund specified in Schedule VII to the Companies Act within a period of six months of the expiry of the financial year in compliance with second proviso to sub-section (5) of section 135 of the said Act;

Financial Year	Amount unspent on CSR activities "other than Ongoing Projects."	Amount transferred to Fund specified in Schedule VII within 6 months from the end of the Financial Year.	Amount transferred after the due date (specify the date of deposit)
NIL	NIL	NIL	NIL

(b) There is no ongoing project under sub-section (5) of section 135 of the Companies Act.

UDIN: 23019796BGVKXZ8680

For ARGEE & CO
Chartered Accountants
FRN: 000217S

C.A. M. Ramendran F.C.A.
Partner
(M. No. 19796)

ARGEE & CO
PANTHIYIL LANE
KOCHI-16
CHARTERED ACCOUNTANTS

Place: Kochi
Date: 15-06-2023

INKEL-KSIDC Projects Limited

CIN -U774900KL2010PLC025553

Door No- 7/473 ZA -5 & 6 , Ajiyal Complex ,Post Office Road Kakkanad , Kochi -682030

Balance Sheet as at 31 March 2023

(Rs in Lakhs unless otherwise stated)

Particulars	Notes	As at 31 March 2023	As at 31 March 2022
Assets			
1. Non-current assets			
(a) Property, plant and equipment	2	697.90	288.80
(b) Right-of-use assets	2	1069.72	1188.09
(c) Capital work in progress		-	-
(d) Financial assets		-	-
(i)Other Financial Assets	3	44.89	174.89
(e) Deferred tax Assets	4	118.34	105.84
(f) Other non-current assets	5	297.43	297.05
2. Current assets		-	-
(a) Financial Assets		-	-
(i) Trade receivables	6	683.11	1472.20
(ii) Cash and cash equivalents	7	0.36	6.81
(iii) Bank balance other than Cash and cash equivalents	8	1768.30	1270.93
(iv) Other Financial Assets	9	24.25	24.17
(b) Other current assets	10	3.91	1.25
Total Assets		**4,708.22**	**4,830.03**
Equity and Liabilities			
Equity			
(a) Equity Share capital	SOCE	2476.14	2476.14
(b) Other equity	SOCE	1962.58	2338.26
Liabilities		-	-
(1)Non-current Liabilities		-	-
(a) Financial Liabilities		-	-
(i) Borrowings, (Non-current)		-	-
(ii) Other financial liabilities	11	13.88	7.87
(b) Provisions (Non-current)	12	0.14	0.00
(2)Current Liabilities		-	-
(a) Financial Liabilities		-	-
(i) Trade payables		-	-
(A) Total outstanding dues of micro, small and medium enterprises		-	-
(B) Total outstanding dues of creditors other than micro small and medium enterprises.	13	199.91	1.63
(ii)Other financial liabilities	14	0.03	0.03
(b) Other current liabilities	15	53.62	0.27
(c) Provisions (Current)		-	-
(d) Current Tax Liablities (net)	16	1.93	5.84
Total Equity and Liabilities		**4,708.22**	**4,830.03**

See accompanying notes to the financial statements 1-36

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Argee & Co
Chartered Accountants
Firm No.000217S

M Ramendran
(Partner)
Mem.No 19796

Place: Kochi
Date:15/06/2023

ARGEE & CO PANTHIYIL LANE KOCHI-16 CHARTERED ACCOUNTANTS

For and on behalf of the Board

Dr. Ellangovan K
Director
DIN: 05272476

Jose Kurian Mundackal
Director
DIN : 02656794

INKEL-KSIDC Projects Limited

CIN -U774900KL2010PLC025553

Door No- 7/473 ZA -5 & 6 , Ajiyal Complex ,Post Office Road Kakkanad , Kochi -682030

Statement of changes in Equity for the year ended 31-03-2023

A EQUITY SHARE CAPITAL

(Rs in Lakhs unless otherwise stated)

	Particulars	No. of Shares	Rs in Lakh
(a)	**Authorised Share Capital**		
	Balance as at 1 April 2022	2,50,00,000	2500
	Changes in Authorised Equity Share capital during the year	-	-
	Balance as at 31 March 2023	2,50,00,000	2,500
	Changes in Authorised Equity Share capital during the year	-	-
	Balance as at 31 March 2023	2,50,00,000	2,500
(b)	**Issued Share Capital**		
	Balance as at 1 April 2022	2,47,61,367	2476.1367
	Changes in Equity Share capital during the year	-	-
	Balance as at 31 March 2023	2,47,61,367	2,476.14
	Changes in Equity Share capital during the year	-	-
	Balance as at 31 March 2023	2,47,61,367	2,476.14

Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The company has one class of equity shares having a par value of `10 per share. Each shareholder is eligible for one vote per share held. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Shares in the Company held by each shareholder holding more than five percent shares				
Particulars	As at 31.03.2023		As at 31.03.2022	
	No. of Shares	% holding	No. of Shares	% holding
INKEL Limited	1,83,23,412	74%	1,83,23,412	74%
KSIDC Limited	64,37,955	26%	64,37,955	26%
Shares held by holding company and /or their subsidiaries / associates				
Equity shares of Rs.10/- each fully paid up held by				
Holding company - INKEL Limited	1,83,23,412	18,32,34,120	1,83,23,412	18,32,34,120

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KOCHI-16
CHARTERED ACCOUNTANTS

B Other Equity

Attributable to owners of Inkel KSIDC Projects Limited

(Rs in Lakhs unless otherwise stated)

Particulars	Retained Earnings	Other Comprehensive Income	Total Other Equity
Balance as at 1 April 2021	1331.69	3.75	1335.45
Prior period adjustments	-	-	-
Profit/ (Loss) for the Year	1006.56	0	1,006.56
Other Comprehensive Income	0	-3.75	(3.75)
Balance as at 31 March 2022	**2,338.26**	**(0.00)**	**2,338.26**
Prior period adjustments			
Profit/ (Loss) for the Year	119.55		119.55
Other Comprehensive Income		-	-
Dividend	495.23	-	495.23
Balance as at 31 March 2023	**1,962.58**	**(0.00)**	**1,962.58**

Remeasurements of Defined Benefit Plans Gains / Losses arising on Remeasurements of Defined Benefit Plans are recognised in the Other Comprehensive Income as per IND AS 19 and shall not be reclassified to the Statement of Profit or Loss in the subsequent years.

See accompanying notes to the financial statements 1-36

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Argee & Co

Chartered Accountants

Firm No.000217S

M Ramendran

(Partner)

Mem.No 19796

Place: Kochi

Date: 15/06/2023

ARGEE & CO PANTHIYIL LANE KOCHI-16 CHARTERED ACCOUNTANTS

For and on behalf of the Board

Dr Ellangovan K
Director
DIN: 05272476

Jose Kurian Mundackal
Director
DIN : 02656794

INKEL-KSIDC Projects Limited

CIN -U774900KL2010PLC025553

Door No- 7/473 ZA -5 & 6 , Ajiyal Complex ,Post Office Road Kakkanad , Kochi -682030

Statement of Profit & Loss for the year ended 31 March 2023

(Rs in Lakhs unless otherwise stated)

Particulars	Notes	Year ended 31 March, 2023	Year ended 31 March, 2022
Revenue from Operations			
I Revenue from Operations	18	283.23	1,310.80
II Other Income	19	171.66	211.18
III **Total Income (I + II)**		**454.88**	**1,521.98**
IV **Expenses**			
Employee Benefit Expense	20	2.61	3.16
Finance Costs	21	0.02	25.14
Depreciation and Amortisation Expense	22	174.78	87.89
Other Expenses	23	94.72	25.78
V **Total Expense**		**272.13**	**141.97**
VI Profit before Exceptional Items & Tax (III-V)		182.75	1,380.01
VII Exceptional Items			-
VIII Profit before Tax (VI-VII)		182.75	1,380.01
IX Tax Expense			
(1) Current Tax		75.70	370.84
(2) Prior Tax		-	-
(3) Deferred Tax	24	(12.50)	2.60
Total Tax Expenses		**63.20**	**373.44**
X Profit / (Loss) for the period from Continuing operations (VIII-IX)		119.55	1,006.56
XI Other Comprehensive Income			
(a)(i) Items that will not be reclassified to profit or loss (net)	25	-	(3.75)
(b)(i) Items that will be reclassified to profit or loss (net)			
(ii) Income tax relating to items that will be reclassified to Profit and Loss			
XII Total Comprehensive Income for the period (X+XI) Comprising Profit / (Loss) and Other comprehensive Income for the Period		119.55	1,002.81
Paid-Up Equity Share Capital (Face Value of Rs.10/-)		2,47,61,367	2,47,61,367
Reserves Excluding Revaluation Reserves			
XIII Earnings per share (of Rs.10/- each):			
Basic & Diluted in Rs, Ps	26	0.48	4.05

See accompanying notes to the financial statements 1-36

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Argee & Co

Chartered Accountants

Firm No.000217S

M Ramendran

(Partner)

Mem.No 19796

ARGEE & CO PANTHIYIL LANE KOCHI-16 CHARTERED ACCOUNTANTS

Place: Kochi

Date:15/06/2023

For and on behalf of the Board

Dr. Ellangovan K

Director

DIN: 05272476

Jose Kurian Mundack

Director

DIN : 02656794

INKEL-KSIDC Projects Limited

CIN -U774900KL2010PLC025553

Door No- 7/473 ZA -5 & 6 , Ajiyal Complex ,Post Office Road Kakkanad , Kochi -682030

Statement of Cash Flow for the year ended 31 March 2023

(Rs in Lakhs unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
A. Cash flow from operating activities		
Net profit before taxation	182.75	1,380.01
Adjustments for:		
Depreciation and amortization	174.78	87.89
Interest income	(166.00)	(205.78)
Finance Cost	0.00	25.14
Exceptional item		
Property, Plant And Equipment		-
Deffered Tax Assets	12.50	(2.60)
Cost of Land	103.37	475.99
Operating profit / (loss) before working capital changes	**307.41**	**1,760.65**
Adjustments for:		
Increase / (decrease) in trade & other receivables	903.46	(151.71)
(Increase) / decrease in Trade, other payables and provision	253.86	(547.69)
Cash generated from operations	**1,464.73**	**1,061.25**
Direct Taxes (TDS/Advance tax)	(68.91)	(365.00)
Cash flow from operating activities (A)	***1,395.82***	***696.26***
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(568.89)	(107.07)
Interest income	166.00	205.78
Fixed Deposits with banks	(497.36)	(589.43)
Net cash generated / (used) in investing activities	**(900.25)**	**(490.72)**
C. Cash flow from financing activities		
Repayment of loans	-	(174.45)
Interest expense	-	(25.14)
Dividend	(495.23)	-
Net cash generated / (used) in financing activities	**(495.23)**	**(199.58)**
Total cash generated from Operating, investing and financing activities	**0.34**	**5.96**
Cash and cash equivalents at the beginning of the year	0.01	0.85
Cash and cash equivalents at the end of the year	**0.36**	**6.81**
Cash in Hand	0.02	0.01
Balance With banks		
In Current Accounts	0.33	6.80
Net (Increase) /Decrease in cash and cash equivalents	**0.34**	**5.96**

See accompanying notes to the financial statements 1-36

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Argee & Co

Chartered Accountants

Firm No.000217S

M Ramendran

(Partner)

Mem.No 19796

Place: Kochi

Date:15/06/2023

ARGEE & CO PANTHIYIL LANE KOCHI-16 CHARTERED ACCOUNTANTS

For and on behalf of the Board

Dr. Ellangovan K

Director

DIN: 05272476

Jose Kurian Mundack

Director

DIN : 02656794

Corporate Information

INKEL- KSIDC Projects Limited is incorporated on 24 February 2010. It is classified as Non-govt company . The Company is engaged in the promotion, setting up and maintenance of all types of Infra structure facilities, projects and ventures.

The company (CIN :U774900KL2010PLC025553) is a public limited company domiciled and incorporated in India and it is an unlisted company . The company is a subsidiary of Inkel Limited (Holding Company)

1 Significant Accounting Policies

1.1 Statement of Compliance

These financial statements of the Company have been prepared in accordance with Indian Accounting Standard (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 15th June 2023

1.2 Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its financial statements as per the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1 April, 2017. Accordingly, the Company has prepared these financial statements which comprise the Balance Sheet as at 31 March 2023, the Statement of Profit and Loss, the Statements of Cash Flows and the Statement of Changes in Equity for the period ended 31 March 2023, and accounting policies and other explanatory information (together hereinafter referred to as" financial statements").

The financial statements have been prepared on a historical cost basis on the accrual basis of accounting, except for the following –

a Certain Financial assets and liabilities that is measured at fair value;

b Defined benefit plans - plan assets measured at fair value;

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The company reclassifies comparative amounts, unless impracticable and whenever the company changes the presentation or classification of items in its financial statements materially. No such material reclassification has been made during the year.

These financial statements are presented in Indian Rupees , which is also the Company's functional

1.3 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is classified as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is classified as current when:

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- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

All other liabilities are classified as non-current. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current – noncurrent classification of assets and liabilities.

1.4 Use of Estimates

In the application of the Company's accounting policies, management of the Company is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 31.

The few critical estimations and judgments made in applying accounting policies are:

Property, Plant and Equipment: Depreciation methods, estimated useful lives and residual value
Useful life of Property Plant and Equipment and Intangible Assets are as specified in Schedule II to the Companies Act, 2013 and on certain assets based on technical advice which considered the nature of the asset, the usage of the asset, expected physical wear and tear, the operating conditions of the asset, anticipated technological changes, manufacturers warranties and maintenance support.
Others include:

Estimation of defined benefit obligation
Estimations used for determination of tax expenses and tax balances
Estimates and judgements related to the assessment of liquidity risk
Estimates and judgements related to valuation of lease assets and lease receivables

Non-financial Assets:

For calculating the recoverable amount of non-financial assets, the company is required to estimate the value-in-use of the asset or the Cash Generating Unit and the fair value less costs to disposal. For calculating value in use the company is required to estimate the cash flows to be generated from using the asset. The fair value of an asset is estimated using a valuation technique where observable prices are not available. Further, the discount rate used in value in use calculations includes an estimate of risk assessment specific to the asset.

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Impairment of Financial Assets:

The company impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates include an estimation on forward looking information relating to not only the counterparty but also relating to the industry and the economy as a whole.

The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. The lifetime PD is 12 month PD based on an assessment of past history of default cases in 12 months. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date.

The company is not having any employees in the current year and hence disclosures under Ind AS 19 is not applicable. The funded portion towards the the retirement benefits plan is resting with Life insurance Corporation of India and will be utilised in the future when the company employees new eligible employees.

1.5 Inventories

The company do not hold any inventories, the lease hold land is subleased to others at a premium to earn lease rentals from lessee.

1.6 Plant Property & Equipment

On transition to Ind AS, the company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April 2017 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment, with corresponding adjustments to recognize the amount of unamortized deferred grant income if any, as at the date of the transition.

Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and impairment if any. Freehold land is carried at historical cost. The company is adopting the cost model for determining gross carrying amount. Cost comprises of purchase price, inward freight, duties, taxes and any attributable cost of bringing the assets to its working condition for its intended use.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components). The cost of replacement spares/ major inspection relating to property, plant and equipment is capitalized only when it is probable that future economic benefits associated with these will flow to the company and the cost of the item can be measured reliably.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed by the management at each financial year and adjusted prospectively, if appropriate.

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by management, the cost of construction is transferred to the appropriate category of property, plant and equipment. Costs associated with the commissioning of an asset are capitalized when the asset is available for use but incapable of operating at normal levels until the period of commissioning has been completed. Revenue generated If any, from production during the trial period is credited to capital work in progress.

Depreciation on fixed assets is calculated on a written down value method using the rates arrived at based on the useful lives prescribed under the schedule II to the Companies Act, 2013

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Loss arising from the retirement and gains and losses arising from disposal of fixed assets which are carried at cost are recognised in the Statement of Profit and Loss.

Items of fixed assets that have been retired from active use and are held for disposal are stated at the lower of their net book value and net realisable value and are classified under other current assets in financial statements. Any expected loss is recognised immediately in the Statement of Profit and Loss.

1.7 Impairment

The carrying amounts of assets are reviewed at each balance sheet date for if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount the recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and risks specific to the asset. In determining net selling price, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. After impairment, depreciation / amortization is provided on the revised carrying amount of the asset over its remaining useful life.

1.8 Financial assets

A financial asset inter-alia includes any asset that is cash or contractual obligation to receive cash or another financial asset or to exchange financial asset or financial liability under condition that are potentially favourable to the Company.

All financial assets are initially measured at fair value and transaction cost that is attributable to the acquisition of the financial asset is also adjusted.

For purposes of subsequent measurement financial assets are classified in three categories:

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets are classified using the following measurement categories:

- To be measured subsequently at fair value (either through other comprehensive income or through profit and loss), and;
- To be measured at amortised cost.

a. Trade Receivable

I. Trade receivables are recognized initially at fair value and subsequently measured at amortised cost, less provision for impairment.

II. For trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18, provision for bad and doubtful debts is based on the simplified approach of impairment of trade receivables permitted by Ind AS 109: Financial instruments which requires lifetime expected credit losses to be recognized excepting those which are contractually not due as per the terms of the contract or those which are considered realizable based on a case to case review. The expected credit loss is computed based on historical credit loss experience and is adjusted for forward looking information and also takes into account available external and internal credit risk factors.

b. Other loans and receivables

Other loans and receivables are measured at amortised cost, using the effective interest method less impairment. Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial.

c. Derecognition of financial asset

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The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

1.9 Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit and loss, loans and borrowings or payables.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. After initial recognition, interest-bearing loans are subsequently measured at amortised cost using the Effective interest rate method. Gains and losses if any are recognised in profit and loss when the liabilities are derecognised as well as through the amortisation of effective interest.

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expires.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

1.10 Revenue Recognition

The Company derives revenues primarily from sub-leasing of leased out properties under long-term lease arrangements that are in nature of financial leases and is recognized in the year in which the lease arrangements become operational assured and when the specific criteria for each of the company's activities are met as follows –

Revenue is recognized on satisfaction of performance obligation upon transfer of control of promised products or services to customers in an amount that reflects the consideration the Company expects to receive in exchange for those products or services.

The Company satisfies a performance obligation and recognises revenue over time, if one of the following criteria is met:

1. The customer simultaneously receives and consumes the benefits provided by the Company's performance; or
2. The Company's performance creates or enhances an asset that the customer controls as the asset is created or enhanced; or
3. The Company's performance does not create an asset with an alternative use to the Company and an entity has an enforceable right to payment for performance completed to date.

For performance obligations where one of the above conditions are not met, revenue is recognised at the point in time at which the performance obligation is satisfied.

a. Revenue from Sub-leasing

Revenue arising on disposal of current assets under long-term lease arrangements that are in nature of financial leases is recognized in the year in which the lease arrangements become operational.

Proportionate income during the period of license agreement and income from other arrangements which are in the nature of operating leases, are recognized as income in the respective years.

b Other incomes:

Interest income on Fixed deposit is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable. Other interest income if any are recognised on receipt basis.

1.11 Foreign Currency Transactions and Translations

Foreign currency transactions if any are recorded in the reporting currency by applying the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Foreign currency monetary items if any are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items if any are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined.

Exchange differences: Exchange differences arising on the settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they occur. The exchange differences arising on restatement / settlement of long-term foreign currency monetary items are capitalized as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets.

1.12 Government Grants

Government Grants and subsidies are recognized when there is reasonable assurance that the company will comply with the conditions attached to them and the grants / subsidy will be received.

1.13 Employee Benefits

The Company make defined contribution to Government Employee Provident Fund, and shown in Note No-20.

1.14 Cash Flows and Cash and Cash Equivalents

Statement of cash flows is prepared in accordance with the indirect method prescribed in the Ind AS 7. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, other short term highly liquid investments with original maturities of 3 months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

1.15 Operating Segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Company is engaged in the promotion, setting up and maintenance of all types of Infra structure facilities, projects and ventures and hence constitute a single business segment.

1.16 Earnings per Share

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit and loss attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit and loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

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1.17 Taxation

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognised in the Statement of Profit and Loss, except to the extent that it relates to items recognised directly in equity or in other comprehensive income.

Current Tax

Current tax includes provision for Income Tax computed under Special provision (i.e., Minimum alternate tax) or normal provision of Income Tax Act. Tax on Income for the current year is determined on the basis on estimated taxable income and tax credits computed in accordance with the provisions of the relevant tax laws and based on the expected outcome of assessments / appeals.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Any such reduction shall be reversed to the extent that it becomes probable that sufficient taxable profit will be available.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or items related to equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

1.18 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised when the company has a present obligation (legal or constructive) as a result of a past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, it's carrying amount is the present value of those cash flows (when the effect of time value of money is material). These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that an outflow of resources will not be required to settle the obligation or the amount of obligation cannot be measured with sufficient reliability. Contingent assets are not recognized in the books of account. If it has become virtually certain that an inflow of economic benefits will arise, the asset and the related income are recognised in the financial statements of the period in which the change occurs. If an inflow of economic benefits has become probable, an entity discloses the contingent asset

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1.19 Corporate social responsibility

Details regarding Corporate Social Resposibility and the amount required to be spent are provided in Note 27.

1.20 Leases

The Company applied for the first time certain amendments to the standards, which are effective for annual periods beginning on or after 1st April, 2019. The nature and the impact of each amendment is described below:

Ind AS 116 'Leases'

Ind AS 116 - 'Leases' (Ind AS 116) was notified in March, 2019 and it replaces Ind AS 17 Leases. Ind AS 116 is effective for annual periods beginning on or after 1st April, 2019. The Company has applied Ind AS 116 with a date of initial application of 1st April, 2019 using modified retrospective approach, under which the cumulative effect of initial application is recognized as at 1st April,

Pursuant to adoption of Ind AS 116, the Company recognised right-of-use assets and lease liabilities for those leases which were previously classified as operating leases, except for short-term leases and leases of low-value assets. The Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and right of use asset at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the balance sheet as on 31st March, 2023.

The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluates or for a portfolio of leases with similar characteristics

Set out below are the new accounting policies of the Company upon adoption of Ind AS 116, which ave

been applied from the date of initial application:

Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets, which comprises the initial amount of the lease liability, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Company is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight line basis over the lower of its estimated useful life and the lease term. Right-of-use assets are subject to impairment.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term applying modified retrospective approach. The lease payments include fixed payments less any lease incentives receivableand amounts expected to be paid under residual value guarantees.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date). It also applies recognition exemption to leases for which the underlying asset is of low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

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Leasing arrangement

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

The Company as lessee

A lease is classified at the inception date as a finance lease or an operating lease. A lease that transfers substantially all the risks and rewards incidental to ownership to the Company is classified as a finance lease.

A leased asset is depreciated over the useful life of the asset.

Application of New Accounting Pronouncements

New Accounting standards, amendments and interpretations adopted by the Company effective from April 1, 2020:

Amendment to Ind AS 116 – Leases

The MCA issued amendments to Ind AS 116, "Leases", provide lessees with an exemption from assessing whether a COVID-19-related rent concession is a lease modification. The amendments allowed the expedient to be applied to COVID-19-related rent concessions to payments originally due on or before June 30, 2021 and also require disclosure of the amount recognised in profit or loss to reflect changes in lease payments that arise from COVID-19-related rent concessions. The reporting period in which a lessee first applies the amendment, it is not required to disclose certain quantitative information required under Ind AS 8. The company has adopted Ind AS 116 - Leases pursuant to issuance of the Companies (Indian Accounting Standards) Amendment Rules, 2019, with effect from 1st April, 2019 as the impact on the Financial Statements of the Company has been incorporated in the accounts of the company.

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2 Property Plant & equipment

(Rs in Lakhs unless otherwise stated)

Description of Assets	Building	Furniture and Fittings	Electrical fittings	Motor Vehicle	Total	Right of Use Asset
Cost of Assets						
As at 01-04-2022	897.03	0.171	291.31	24.12	**1,212.63**	1363.56
Previous year	814.08	0.171	291.31	0	**1,105.56**	1905.35
Additions during the year	548.85	0	14.19	5.84029	**568.89**	**0.00**
Previous year	82.95	0	0.00	24.12	**107.07**	***0.00***
Sales / Disposal / Adjustments					-	119.99
Previous year	-	-	-	-	-	541.79
As at 31-03-2023	1,445.88	0.17	305.50	29.96	**1,781.52**	**1,243.57**
Previous year	*897.03*	*0.17*	*291.31*	*24.12*	**1,212.63**	***1,363.56***
Accumulated Depreciation						
As at 01-04-2022	750.84	0.16245	172.83	0	**923.83**	175.47
Previous year	721.56	0.16245	131.43	0	**853.15**	224.05
Charge for the year	122.20	0	30.71	6.88	**159.79**	14.99
Previous year	29.28	0	41.40	0	**70.68**	17.22
Adjustments during the year		-	-	-	-	16.62
Previous year			-	-	-	65.79
As at 31-03-2023	873.04	0.16	203.54	6.88	**1,083.62**	**173.84**
Previous year	750.84	0.16	172.83	-	**923.83**	**175.47**
Net Block						
As at 31-03-2023	572.85	0.01	101.97	23.08	**697.90**	1,069.72
As at 31-03-2022	146.19	0.01	118.48	24.12	**288.80**	1,188.09

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ARGEE & CO ★ PARTHIYIL LANE KOCHI-16 CHARTERED ACCOUNTANTS ★

18 **Revenue From Operations** **(Rs in Lakhs unless otherwise stated)**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Lease rentals INKEL Greens	158.48	723.35
Less cost of Lease asset derecognised	(37.59)	(182.43)
	120.89	540.93
Lease rentals Angamaly	224.91	974.34
Less cost of Lease asset derecognised	(65.79)	(293.57)
	159.12	680.78
Finance income on lease receivables	3.21	89.10
Total	**283.23**	**1,310.80**

19 **Other Income** **(Rs in Lakhs unless otherwise stated)**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest income	166.00	205.78
Other non-operating income	0.25	0.54
Sub lease levy	5.41	-
Reversal of provision for leave encashment	-	4.86
Total	**171.66**	**211.18**

20 **Employee Benefit Expenses** **(Rs in Lakhs unless otherwise stated)**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Salary & Allowances	2.23	-
Gratuity	0.05	-
Contribution to provident and other funds	0.34	3.16
Total	**2.61**	**3.16**

21 **Finance Costs** **(Rs in Lakhs unless otherwise stated)**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Interest expense to Banks	-	25.08
Interest On Income Tax	0.02	0.06
Total	**0.02**	**25.14**

22 **Depreciation & Amortisation Expenses** **(Rs in Lakhs unless otherwise stated)**

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Depreciation & Amortisation	174.78	87.89
Total	**174.78**	**87.89**

ARGEE & CO CHARTERED ACCOUNTANTS PANTHIYIL LANE KOCHI-16

23 Other Expenses

(Rs in Lakhs unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Audit fee (Payment to Statutory Audit)	1.75	1.75
Administrative expenses	0.33	0.10
Business promotion expenses	0.40	2.88
CSR Activity	49.12	-
Advertisement	-	0.20
Manpower Services cost	24.29	10.95
Electricity Charges	-	0.02
Land development expenses	4.94	-
Software Running Expenses	0.03	-
Postage	0.00	-
Membership/subscription	-	0.03
Rates & taxes	1.63	6.96
Repairs & Maintenance	4.11	0.44
Directors Sitting fees	1.60	1.40
Travelling Expense	0.17	0.01
Professional Charges	6.34	1.06
Total	94.72	25.78

24 Deferred tax

(Rs in Lakhs unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Opening balance recognized in profit or loss	105.84	108.44
Opening balance recognized in other comprehensive income		-
Recognised in profit or loss		

Deferred tax Contd..

(Rs in Lakhs unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Deferred Tax Liability		
Arising on account of difference in carrying amount and tax base of PPE and Intangibles		(2.60)
Deferred Tax Asset		
Arising on account of difference in carrying amount and tax base of PPE and Intangibles	12.50	-
Arising on account of unabsorbed business loss*		-
MAT Credit		
Add: Minimum Alternate Tax Credit Entitlement		-
Recognised in other comprehensive income		
Tax expense during the year recognized in the OCI		-
Net deferred tax (liability) / asset	118.34	105.85
Deferred tax expense / (Income)	(12.50)	2.60
Closing balance recognized in profit or loss	(12.50)	2.60
Closing balance recognized in other comprehensive income		-

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25 Other Comprehensive Income (Rs in Lakhs unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
(a)(i) Items that will not be reclassified to profit or loss (net)		
Actuarial Gain /(Loss) of defined Employee benefit plan	-	(3.75)
(ii) Income tax relating to items that will not be reclassified to Profit and Loss	-	-
(b)(i) Items that will be reclassified to profit or loss (net)	-	-
(ii) Income tax relating to items that will be reclassified to Profit and Loss	-	-
Total	-	-3.75

26 Earnings per Share (Rs in Lakhs unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Earnings per Share of Rs.100/- each		
Net Profit for the year	120	1,003
Basic Earnings per Share		
Weighted Average No. of Equity Shares	2,47,61,367	2,47,61,367
Basic EPS in Rs. Ps.	0.48	4.05
Diluted Earnings per Share		
Weighted Average No. of Equity Shares	2,47,61,367	2,47,61,367
Diluted EPS in Rs. Ps.	0.48	4.05

27 Corporate social responsibility

As per Section 135 of the Companies Act,2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility(CSR) Activities.

(Rs in Lakhs unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Gross amount required to be spent	29.07	20.05
Amount spent during the year	49.12	-

Note: Amount spent during the year includes previous year amount of Rs.20,04,784.00

28 Disclosures required under Ind AS 19 - "Employee Benefits Plan"

The Company has classified the various benefits provided to employees as under:

a) Defined Benefit Plans :

In accordance with IndAS 19, an actuarial valuation was carried out in respect of the aforesaid defined benefit plans based on the following assumptions.

i. Actuarial assumptions

Particulars	Employee gratuity	Employee gratuity
	31-03-2023	31-03-2022
Discount rate (per annum)	7.23%	-
Expected Rate of increase in compensation levels	5.00%	-
Expected Rate of return on plan assets.	0%	-

Mortality Rate	IALM 2012-14	-
Retirement age	60.00	-

The discount rate assumed is 7.23 % per annum which is determined by reference to market yield at the Balance Sheet date on government bonds.

(Rs in Lakhs unless otherwise stated)

ii.Reconciliation of present value of defined benefit obligation and fair value of assets

Particulars	31-03-2023	31-03-2022
Funded net liability recognized in balance sheet	0.05	-
Amount classified as:		
Non current provision (Note no 12)	0.05	-

29 Activity in Foreign Currency

The company is not having any transactions during the current year (Previous year - Nil) in the nature of procurement of assets or materials.

30 Related Party Disclosure

In accordance with the requirement of Ind AS -24 on " Related Party Disclosures" the names of the related parties where control exists/able to exercise significant influence along with the aggregate transactions/ year end balance with them as identified and certified by the management are given below:

Names of related parties and nature of relationship where control exists are as under:

Holding Company — INKEL Limited

Associated companies — KSIDC Ltd

Names of other related parties and nature of relationship

Directors — CV Rappai

Prasanth Raghunathan

Jose Kurian

Dr.EllangovanK

Jayakrishnan Krishnan Menon

Transactions with related parties / KMP **(Rs in Lakhs unless otherwise stated)**

Related Party	2022-23	2021-22
Sitting Fees paid to Directors	1.6	1.4
Internal road work at Angamaly.	308.45	0
Dividend	366.47	128.76
Reimbursement of cost of services - INKEL Limited	13.32	0

Outstanding Balances **(Rs in Lakhs unless otherwise stated)**

Related Party	As at 31 March, 2023	As at 31 March, 2022
Payable to INKEL Limited	196.97	-
Receivable from KSIDC	44.54	44.54

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31 Details of Provision for Contingent Liability

Movement in provisions as required by IND AS - 37 - "Provisions, Contingent Liabilities and Contingent Asset".

(Rs in Lakhs unless otherwise stated)

Particulars	Year ended 31 March 2023	Year ended 31 March 2022
Provision for Expenses	805	805

Interest as per the lease agreement entered into with Kerala State Industrial Development Corporation (KSIDC) not provided in the books for the lease premium, being paid on instalments as the matter is under renegotiation by the management with KSIDC /GOKand is expecting a waiver.

The details of Provisions, Contingent Liabilities and Contingent Assets are as required under Ind AS-37 Provisions, Contingent Liabilities and Contingent Assets for the year ended 31st March 2023

The company has pending the following litigations with various courts and which in its opinion has no impact on its financial position in the financial statements as on 31 March 2023

Claims by		Status
M/s. Commercial Taxes Department Financial impact Rs. 3,29,69,182/- (Previous year Rs. 3,29,69,182/-)		Request filed before the Honourable High Court of Kerala for direction to expediting the claim for refund of Service Tax paid

32 Capital Management

The Company's objective when managing capital is to safeguard continuity and healthy capital ratios in order to support its operations. The Company's overall strategy remains unchanged from previous year. The Company sets the amounts of capital required on the basis of the levels of operations and other long term operating plans.

Financial Risk Management

The Company's activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The Company's focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's exposure to credit risk is influenced mainly by the individual characteristic of each customer. The Company does not engage in the trading of financial assets for speculative purpose nor does it write options. The most significant financial risk to which the company is exposed are described below:-

The Company has assessed market risk, credit risk and liquidity risk to its financial instruments.

Market Risk

Is the risk of loss of future earnings, fair values or cash flows that may result from a change in the price of a financial instrument, as a result of interest rates, foreign exchange rates and other price risks. Financial instruments affected by market risks, Primarily include loans & borrowings, investments and foreign currency receivables, payables and borrowings.

Currency Risk :

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company doesn't have any foreign exchange exposure during the year and the comparative year. Hence the company is not exposed to any currency risk.

Price Risk

The Company is in the business of promotion, setting up and maintenance of all types of Infra structure facilities, projects and ventures. The revenue of the company comprise of sub lease of leased out land of the company. The lease rent is calculated as per the prevailing rates of the land in the market. The company is not holding any securities and hence the price risk involved in the operations of the company is minimal.

Credit Risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in financial loss to the company. The company is exposed to credit risk for receivable, cash and cash equivalents and short term loans.

ARCEE & CO CHARTERED ACCOUNTANTS PANTHIYIL LANE KOCHI-16

Cash and cash equivalents and short-term Loans (Loans current)

The Company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has been transacting for years.
The Company has made deposits with Scheduled banks for tenure more than 3 months and hence the credit risk of the company is kept at minimal level.

Trade Receivables
The company is exposed to credit risk from its operating activities primarily from trade receivable amounting to Rs. 6,83,11,258.11 and Rs.14,72,20,231.09 as of 31 March 2023 and 31 March 2022 respectively. The company has standard operating procedure for obtaining sufficient security where appropriate, as a means of mitigating the risk of financial loss from defaults. The credit quality of the company's customers is monitored on an on going basis and assessed for impairment where indicators of such impairment exist. The history of trade receivables shows a negligible provision for bad and doubtful debts. The solvency of customers and their ability to repay the receivable is considered in assessing receivables for impairment. Therefore , the Company does not expect any material risk on account of non performance by any of the Company's counterparties. Where receivables are impaired, the Company actively seeks to recover the amounts in question and enforce the compliance with credit terms.

Aeging of Trade receivables (Rs in Lakhs unless otherwise stated)

Particulars	Year ended 31 March 20223	Year ended 31 March 2022
0-180 Days	683.11	1,472.20
181-365 Days		-
366-730 Days		-
More than 730 Days		-
Total	683	1,472

Liquidity Risk
The Company requires funds both for short-term operational needs as well as for long-term growth projects. The Company generates sufficient cash flows from the current operations which together with the available cash and cash equivalents provide liquidity both in the short-term as well as in the long-term. The Company obtained term loan from banks for its development activities to mitigate the liquidity risk.

33 Capital and Other Commitments
Estimated amount of contracts remaining to be executed on Capital Account, net of advances and not provided for -Rs. Nil (Previous Year - Nil).

34 Fair Value Measurements
Financial Instruments by category
The carrying value and fair value of financial instruments by categories are as follows:

The management assessed that the fair value of cash and cash equivalents, trade receivables, loans, other financial assets, trade payable and other financial liabilities approximate the carrying amount largely due to short term maturity of this instruments.

Fair value of financial assets and liabilities measured at amortized cost

The management assessed that for amortized cost instruments, fair value approximate largely to the carrying amount.

35 Leases
As a lessor
Leases are classified as finance lease whenever the terms of the lease transfer substantially all the risks and rewards incidental to ownership to the lessee. All other leases are classified as operating lease. Amount due from lessees under finance leases are recorded as receivables at the Company's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. The Company recognises lease payments received under operating leases as income on a straight-line basis over the lease term.

ARGEE & CO PANTHIYIL LANE KOCHI-16 CHARTERED ACCOUNTANTS

(Rs in Lakhs unless otherwise stated)

Particulars	31 March 2023	31 March 2022
Finance Lease Receivable - Non-current	640.97	1,459.65
Finance Lease Receivable - Current	2.02	1.80
	642.99	1,461.45

Amount receivable under Finance Lease

(Rs in Lakhs unless otherwise stated)

Particulars	Minimum Lease Payments as at 31 March 2023	Minimum Lease Payments as at 31 March 2022
Less than a year	2.02	1.80
One to two years	2.14	1.89
Two to three years	2.27	2.01
Three to four years	2.40	2.13
Four to five years	2.55	2.25
Total (A)	11.38	10.08
More than five years (B)	2,762.87	2,633.57
Total (A +B)	2,774.25	2,643.65
Unearned finance income	(2,131.25)	(1,182.20)
Present Value of Minimum Lease Payments Receivab	642.99	1,461.45

As a lessee

The company has taken on lease the following properties as per the rates mentioned as follows

(Rs in Lakhs unless otherwise stated)

Locations	Angamaly	Malappuram
Date	30-08-2010	02-09-2010
Area	3,000	24,879
Tenure	90	90
Start	30-08-2010	02-09-2010
End	29-08-2100	01-09-2100
Cost of Land	3,066	4,018

The cost of the land is paid or settled as per the registered lease agreements executed with in 24 months from the date of the lease agreement and there is no liability pending towards the lease and the decommissioning liability at the end of the lease term is not ascertained in the agreement.

(Rs in Lakhs unless otherwise stated)

Particulars	31 March 2023	31 March 2022
Lease Hold Asset	1,070	1,188
Lease liability		

ARGEE & CO CHARTERED ACCOUNTANTS PANTHIYIL LANE KOCHI-16

36 Ratios

Particulars	Ratio for the year 2022-23	Ratio for the year 2021-22	Variance
Current ratio	9.71	357.43	871%
Debt Service Coverage Ratio	-	0.0001	-100%
Return on Equity	0.05	0.41	-95%
Inventory Turnover Ratio	-	-	0%
Trade Receivable turnover Ratio	0.41	0.89	-59%
Trade Payable Turnover Ratio	0.706	0.001	-29%
Net Capital Turnover Ratio	0.06	0.27	-94%
Net Profit Ratio	0.42	0.77	-58%
Return On Capital Employed	0.03	0.21	-97%
Return On Investment	-	-	0%

Note : Decrease in Current ratio due to increase in trade payables and other current liabilities and decrease in trade receivables.

Note: Decrease in Net capital turnover ratio is due to the reduction in the turnover.

Note: Decrease in Return on equity and return on capital employed due to decrease in profit.

Note: Increase in trade payable turnover ratio is due to the increase of trade payables.

Note: Decrease in Trade receivale ratio is due to reduction of trade receivable.

Note: Decrease in Net profit ratio is due to reduction in net profit

As per our report of even date

For Argee & Co
Chartered Accountants
Firm No.000217S

M Ramendran
(Partner)
Mem.No 19796

Place: Kochi
Date:15/06/2023

ARGEE & CO
PANTHIYIL LANE
KOCHI-16
CHARTERED ACCOUNTANTS

For and on behalf of the Board

Dr. Ellangovan K
Director
DIN: 05272476

Jose Kurian Mundackal
Director
DIN : 02656794