



Creating Infrastructure  
A PPP INITIATIVE OF GOVERNMENT OF KERALA



# 17<sup>TH</sup> ANNUAL REPORT

— 2023-2024 —

# Industrial Parks



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**Shri P Rajeeve**  
Chairman

Dear Shareholders,

I am delighted to inform you about the continued strong performance of your Company, which has achieved its highest turnover and profit since its inception. The Company has recorded its second-highest turnover for the year and reported its best-ever profit of ₹16.25 Crore, reflecting a 26.16% increase compared to the previous year. Improved performance by our subsidiaries and associate companies has also significantly contributed to the overall turnover of INKEL group. The group's profit of ₹30.74 Cr has shown an impressive gain of 113.03% over the previous year.

After a period of derailing growth trajectory, the company has now achieved a resilient recovery and successfully turned around to become a consistently profitable venture. This remarkable performance is the result of effective etiquettes, diligent project oversight and portfolio management. The Company has regained its growth momentum and has taken decisive measures to diversify our revenue streams, positioning ourselves as a comprehensive infrastructure consultant that offers innovative and cost-efficient solutions to our clients.

While INKEL faces the challenges related to past investments, we were able to successfully contest the cases in various legal forums. Although there is no finality in the disposal of cases, your company is investing time, effort and money to defend the interest of all the shareholders. Though, on the face of it many are vexatious petitions filed with malicious intentions, the fact is that your company is facing large number of legal cases in various forums.

INKEL's foray into the renewable energy sector has opened a new chapter in portfolio expansion. We have won the tender from KSEBL for implementing a 14 MW wind energy project, and discussions are underway for an additional 18 MW of solar energy potential. In addition to advancements in project monitoring and renewable energy, the Company has identified new areas for expansion both within and outside the State.

I am confident that INKEL is well-positioned to meet the infrastructure needs of the State. Our entire team, including the Board of Directors, Managing Director, and all employees, are motivated and enthusiastic about elevating the Company to one of the leading Infrastructure Development Consultants in the State.

In line with our commitment to sharing our success with our shareholders, the Board has recommended a higher dividend this year. I wish all of you a successful year in 2024-25.

Warm regards,

P. RAJEEVE  
Chairman

”



## Dr. K Ellangovan

Managing Director

Dear Shareholders,

I am pleased to inform you that for the second consecutive year INKEL has reported good performance with its highest profit ever made. This was possible due to range of activities that included diversifying our portfolio and leveraging our assets. Though the annual turnover has decreased slightly from ₹81.17 Cr to ₹79.20 Cr showing a reduction of 2.43%, the Profit After Tax (PAT) has increased to ₹16.25 Cr as against ₹12.88 Cr last year, showing an increase of 26.16%. As regards the performance of INKEL's subsidiaries and associate companies, it's a mixed bag. While some of the subsidiary companies have improved their performance, other have stagnated as a result of litigations and market forces. Nevertheless, the group performance for the year in reporting is the best ever performance ever. The overall turnover of the group has increased to ₹115.11 Cr as against the previous year turnover of ₹100.99 Cr showing an increase of 13.98%. Likewise, the PAT of the group has increased to ₹30.74 Cr as against the previous year performance of ₹14.43 Cr showing an impressive gain of 113.03%. This was possible due to the team work of Board of Directors and the entire team of employees of INKEL and the credit should go them as well.

As part of our efforts to amend the 'business model' of the company, we are actively considering expanding our foot fall in other States with some of the huge opportunities staring at us, mainly in renewable energy projects. We have created a new section – Estate Division- and created a continuous revenue stream to the company by way of facility maintenance fees, in INKEL's Angamaly Industrial Estate and INKEL GREEN in Malappuram. This stream will yield a continuous revenue of more than ₹1.5 Cr every year. Further, our proposed hybrid renewable energy park in Palakkad will generate close to 32 MW energy and will be one of its kind with wind and solar energy generation. While the entire 14 MW wind energy will be sold to KSEBL under a 25-year power purchase agreement (PPA), the solar energy is being marketed to some of the extra high-tension consumers in the State on a long-term power delivery agreement (PDA). Hopefully, we will be able to implement new projects in the logistics sector as well in the near future.

Notwithstanding these achievements we have areas of concern as well. Investment into Seguro Foundations and Structures in the year 2017, has not only led to loss of the entire investment of ₹13.8 Cr, but also led to large number of litigations against INKEL. The company is fighting these litigations under the able guidance of the Legal Subcommittee and the Board of Directors. Similarly, investments made in the Calicut Expressway Project (P) Ltd brought INKEL at the verge of extinction, as the performance Bank Guarantee of ₹85.52 Cr issued by INKEL in 2019, was under the threat of revocation by NHAI. INKEL was not able to implement the project as outlined in the agreement with KMC, the original bidder. However, the Board of Directors with their astute management decision, could retrieve the situation by ring fencing the company from all possible damages. INKEL has not only received back the PBG from NHAI but also started receiving the money spent on the project from the original bidder M/s KMC. Indeed, KMC has indemnified INKEL from all the damages that could happen due to non-implementation of Calicut Expressway Project. This is the single most important achievement of the present Board of Directors, to say the least. The details are outlined in the section 'Over view' in this report.

Finally, I would like to inform you all that despite the dire need of capital to expand project lines, considering your interest as well the Board of Directors have recommended a dividend of 4.75% for the FY 2023-24. The Company will pay ₹8.45 Cr to its shareholders, which is the highest ever dividend paid by INKEL. This is second year in succession the company has paid the dividend. I am sure, with another year of good performance we will be able to list the shares in the market, which will greatly benefit you. I hope this dream is realized soon.

Warm regards,

Dr. Ellangovan K  
Managing Director.



## Board Of Directors



**Mr. P. Rajeeve**  
Chairman



**Dr. K. Ellangovan**  
Managing Director



**Mr. S. Harikishore, IAS**  
Director



**Mr. C. V. Rappai**  
Director



**Mr. Varghese Kurian**  
Director



**Mr. Mohamed Althaf**  
Director



**Mr. Jacob Kovoov Ninan**  
Independent Director



**Adv. Geethakumary P. S.**  
Independent Director



**Mr. Jayakrishnan Krishna  
Menon**  
Director

**INKEL LIMITED**

CIN: U45209KL2007PLC020471

**Board of Directors**

Chairman	:	Mr. P. Rajeeve Hon'ble Minister (Law, Industries & Coir), Government of Kerala
Managing Director	:	Dr. K. Ellangovan
Directors	:	Mr. S. Harikishore, IAS Mr. Varghese Kurian Mr. C.V. Rappai Mr. Mohamed Althaf Mr. Jayakrishnan Krishna Menon Adv. Geethakumary P.S Mr. Jacob Kovoov Ninan
Chief Financial Officer	:	CA Riju Thomas
Company Secretary	:	CS Baiju Thankayathil
Statutory Auditors	:	M/s Elias George & Co, Chartered Accountants, Ernakulam
Secretarial Auditors	:	RVS & Associates, Company Secretaries LLP Thiruvananthapuram
Bankers	:	SBI, CSEZ Branch, Kakkanad
Registrar and Share Transfer Agents	:	Integrated Registry Management Services Pvt Ltd, Bangalore
Registered Office	:	Door No. 14/812 & 813, 1 <sup>st</sup> Floor, Ajiyal Complex, Kakkanad, Cochin, Ernakulam, Kerala – 682030, India
Website	:	<a href="http://www.inkel.in">www.inkel.in</a>
E-mail ID	:	<a href="mailto:deptcs@inkel.in">deptcs@inkel.in</a>
Phone	:	0484 2978101, 2978103

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### INKEL – AN OVERVIEW

INKEL Limited, a Public Private Partnership (PPP) enterprise of Government of Kerala with significant participation from Non-resident Malayalees and others, is set on a growth trajectory to expand its portfolio investments. In addition to the existing projects to construct quality infrastructure, notably in health, education, tourism, transport and finance departments, INKEL has emerged as one of the top performers among the empanelled SPVs in the assessment of KIIFB, for its quality work.

Guided by its unwavering commitment, INKEL has placed highest emphasis on safety and quality in every project we undertake. Our endeavour to deliver the best to our esteemed clients, leaving an indelible mark on Kerala's landscape of progress and development, is what INKEL has shown in the past. At INKEL, our expertise spans across diverse domains, encompassing holistic Project Management Consultancy (PMC) and construction services in the EPC (Engineering Procurement and Construction) mode within the civil construction industry. Additionally, we excel in the Renewable Energy sector, specializing in Solar and Wind Energy solutions. Now, the new trajectory of growth will catapult INKEL into areas such as logistic infrastructure across the state.

#### PERFORMANCE YOY

Although the annual turnover of the Company has decreased slightly from ₹81.17 Cr in the FY 2022-23 to ₹79.20 Cr in the FY 2023-24 showing a reduction of 2.43%, the Profit After Tax (PAT) has increased to

₹16.25 Cr as against ₹12.88 Cr last year, showing an increase of 26.16%. This is primarily due to increase in the income of lease premiums in the estate division and the dividend income from INKEL-EKK and INKID. This initiative is aimed at harnessing the profit accrued by the subsidiaries to the investing company, an effort not seen taken in the past. With prudent management of expenses and revenue, INKEL could post an all-time achievement in net profit, reaching a historical high of ₹16.25 Cr.

The growth of income in the subsidiaries and associate companies has boosted the overall turnover of the INKEL Group of companies to ₹115.11 Cr as against the previous year turnover of ₹100.99 Cr showing an increase of 13.98%. Likewise, the PAT of the group has increased to ₹30.74 Cr. as against the previous year performance of ₹14.43 Cr showing an impressive gain of 113.03%. The graph - 1 below shows the trend in financial performance of INKEL over a period of past 10 years.

The graph 2 below also shows the inconsistent level of PAT in the last 10 years. The years from 2019-20 to 2021-22 has been downward trend with negative numbers primarily due to the investments made in the private company Seguro Foundations and Structures (SFS). The entire loss of investment in SFS amounting to ₹13.8 Cr was written off in the year 2019-20. The last two years shows a steady improvements, owing to revenue from the Renewable energy and Estate divisions.

Graph 1 – Performance of INKEL in the last 10 years.

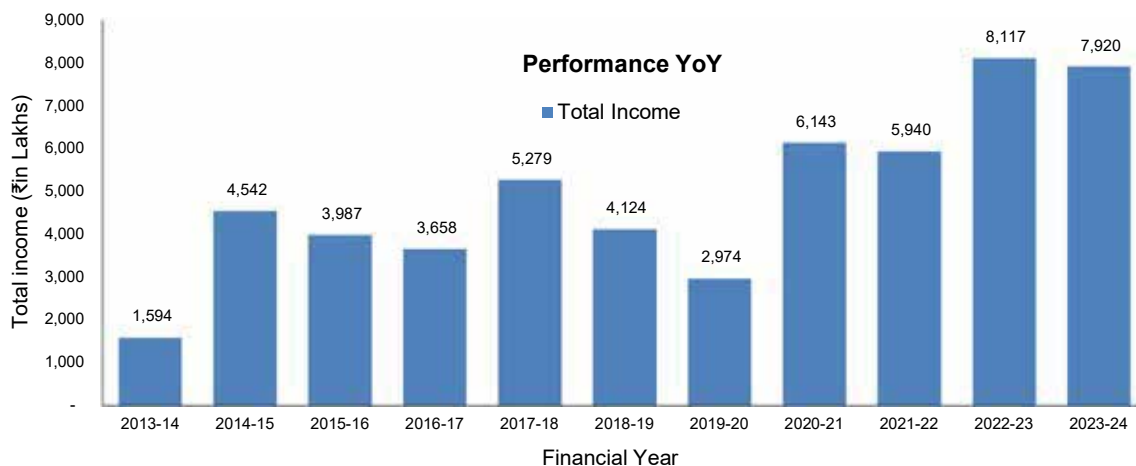
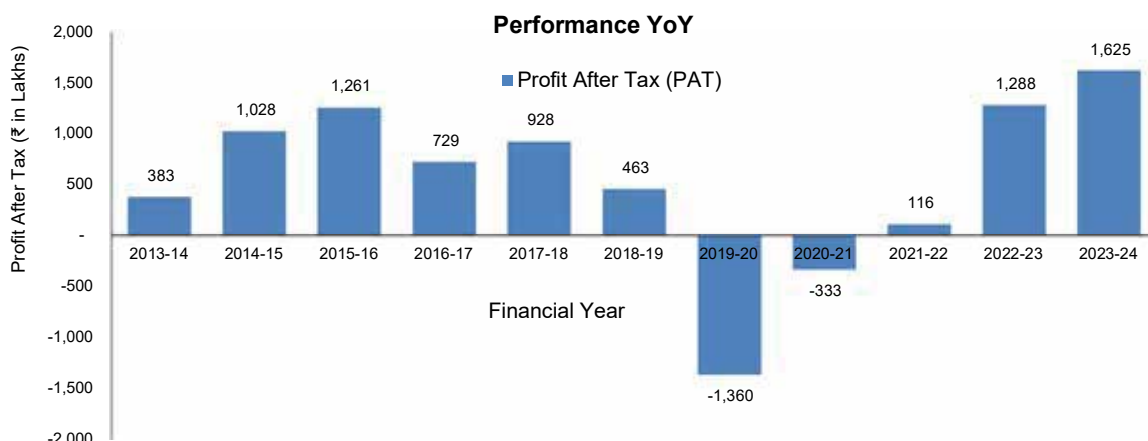




Table 2 – Profit After Tax of INKEL in the last 10 years



**PROJECT MANAGEMENT CONSULTANCY (PMC)**

The PMC division of INKEL commenced its' operations in 2007, with an aim to set sustainable infrastructure models to address the infrastructure requirements in the State. The works undertaken by the PMC division includes PMC services as well as Non-PMC / EPC construction. All the PMC works are carried out under the funding from Kerala Infrastructure Investment Fund Board (KIIFB) and other Government Departments like National Health Mission, Department of Transport, Education, Finance, Smart Mission Limited, KSIDC, KINFRA and Tourism.

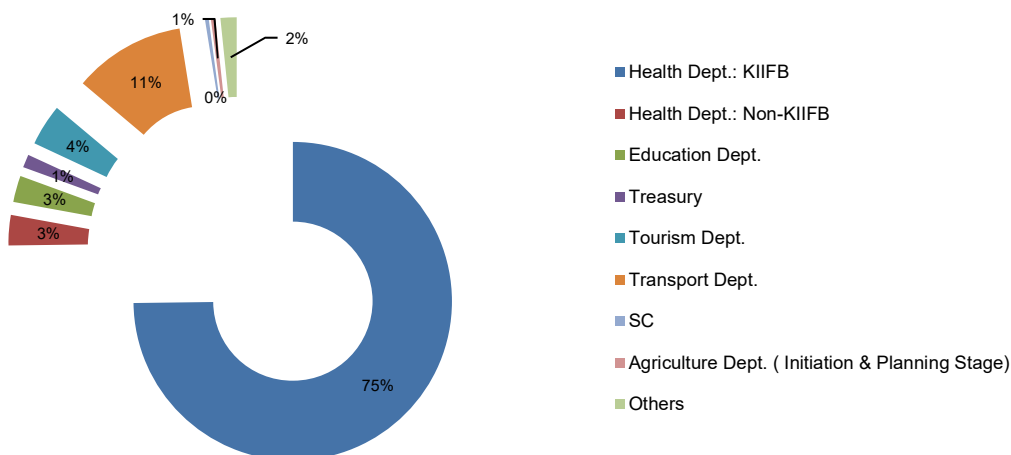
As an ISO 9001:2015 certified Project Management Consultancy, we take pride in offering comprehensive solutions for infrastructure projects, from concept to commissioning, in diverse sectors such as super specialty hospitals, roads and bridges, logistics, education, housing, research, heritage conservation, and more. We provide our clients with innovative and cost-efficient solutions while ensuring effective risk management. In addition to core project management

activities, our PMC division excels in assisting with statutory approvals and offering training sessions for in-house capacity building in their core tasks and team work.

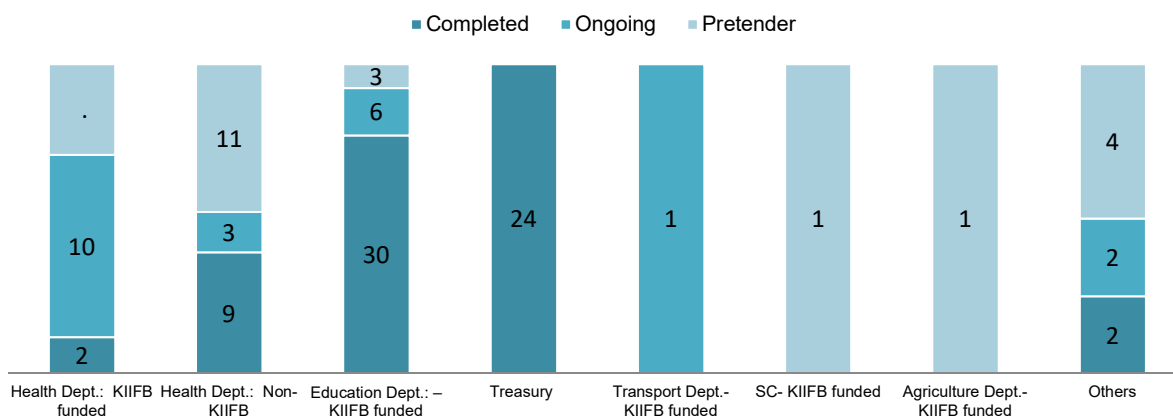
Our in-house team is skilled in project consulting, engineering and design services including feasibility studies, concept notes, DPRs, estimation, tendering, value engineering, construction management and supervision and project closure services. We are committed to delivering projects that are not only environmentally and socially sustainable but also financially viable.

Currently works to the tune of ₹1440 Cr is under construction with INKEL, of which nearly 97% are Government Projects funded by KIIFB. In order to expand further strategic initiatives were taken to explore new business verticals including strengthening of Design & Engineering Wing, empanelment with other agencies / Government Departments, Training Academy, focusing on Facility Management and an attempt to enter the private sector.

**Sector-wise distribution of current PMC projects:**



Distribution of PMC projects based on work status (Nos)



**NON - PMC / EPC WORKS**

Our Services in EPC operation covers overall basic and conceptual engineering, detailed engineering, life-cycle solutions, project management, procurement, logistics, installation, testing, commissioning and initial start-up across a wide range of projects. Supported by the in-house PMC and Engineering & Design Team, INKEL has taken up construction of projects as an EPC contractor, possessing full range of expertise in the whole EPC process. Our clientele includes MIV, KMMML, GED, Koppam Cooperative Bank. In a view to increase our revenue from EPC works, efforts are made to take up EPC works other than Government projects and engage empanelled contractors / JV for execution of the same.

**RENEWABLE ENERGY (RE)**

INKEL Limited, is one of the leading turnkey Solar EPC players in the State. It has an experienced in-house design, engineering and construction team that, with its technical expertise and in-depth industry know-how, can develop the most cost-effective and energy efficient PV solar plants of any scale for any kind of terrain.

INKEL’s systematic and integrated approach enables it to execute large-scale solar power projects on time, every time. INKEL has the prowess to manage solar energy projects of any scale and deliver turnkey projects across utility sectors, rooftop or special projects like floating solar plants, BESS, mini and micro-grids. INKEL is backed by an energetic team of renewable energy experts having years of experience in the sector.

INKEL is the Government accredited agency for installation and maintenance of Solar Power Plants in the Local Self-Governing Department and the Department of Co-Operation. Further, INKEL has also extended its wings to the State of Karnataka by taking up the execution of Hybrid Rooftop Solar Systems for the Rural Development and Panchayath Raj

Department in 8 districts. Currently almost 500+ installations have been completed.

INKEL has signed MOU with National Institute of Wind Energy for development of wind power project at Palakkad. The portfolio of clients in renewable energy division includes KSEB, ANERT Local Self-Governing Department, Kerala Rural Development and Panchayath Raj Department, Karnataka, Kerala State Transport Project, SCST Department - Kerala, Smart City Trivandrum Limited, Department of Health - Kerala etc.

Major Projects under Execution includes 3.5MWp Ground Mounted Solar power plant is under execution for KSEBL under 11MWp PMKUSUM at Mylatty, 2MWp Ground Mounted Solar power plant for KSEBL under 11MWp PMKUSUM at Kanjikode, 1.25MWp Ground Mounted Solar power plant for KSEBL under 8MWp at Kanjikode, 32MW Wind-Solar Hybrid Power Park at Palakkad, RDPR Karnataka: 1MWp Hybrid rooftop systems are being installed at various Panchayath Buildings in Karnataka etc and the division eagerly looking forward to venture into new verticals like Renewable Energy Parks and Battery Energy Storage System (BESS).

**ABOUT INKEL GROUP OF COMPANIES**

INKEL Group is a conglomerate consists of its Subsidiaries, Joint Ventures and Associate Companies. INKEL has deployed its resources in these companies to benefit from the economies of scale and leveraging synergies between its different units. A brief about them are as under:

• **INKEL KSIDC Projects Limited (INKID)**

INKID is a joint venture between INKEL and Kerala State Industrial Development Corporation Limited (KSIDC), incorporated with the main objective of land infrastructure development for industrial purposes. It holds two land parcels at Angamaly and Malappuram,

handed over by Government of Kerala for development on long lease for a period of 90 years. This land being developed with state-of the art infrastructure facilities and leased out to various small scale and medium scale industries.

- **INKEL EKK Roads Private Limited (INKEL EKK)**

INKEL-EKK is a Special Purpose Vehicle (SPV) incorporated by INKEL and EKK Infrastructure Limited with the objective to execute the Project 'Rehabilitation of State Highways and Major district Roads-Package B' in Kottayam and Thiruvananthapuram districts. INKEL EKK has been awarded with the work of Rehabilitation of State Highways and Major district Roads in Kottayam / Thiruvananthapuram districts consists of 2 roads, namely Kanjirappally Kanjiram Kavala 36.1Km and Vellanad - Chettachal 21.9 Km on DBFMT (Design, Build, Finance, Maintain and Transfer) by Road Infrastructure Company Kerala Limited (RICKL), a Company owned by Government of Kerala, on Annuity basis. Currently INKEL EKK is engaged in the Operation and Maintenance activities of these roads and are progressing in a satisfactory manner.

- **INKES Trade Centre Limited (INKES)**

INKEL and Kerala State Industrial Enterprises Limited (KSIE) has setup the Joint Venture company INKES for commercial development of the land in which was under the possession of KSIE. While the land was provided by KSIE, INKEL has invested for acquiring additional land and development of the project.

INKES is in possession of a land parcel of 1.38 acres situated near Thampanoor, Trivandrum. It is proposed to construct a 'Trade Centre'. Various options are being sought to use of the land profitably by constructing business centre, sharing work space with ancillary facilities. It intends to explore the possibility of build, operate and transfer model projects by inviting investors to invest in this project.

- **INKEL Infrastructure Development Projects Limited (IIDPL)**

IIDPL, a 100% subsidiary of INKEL was constituted as an investing arm of INKEL for infrastructure development in various sectors. The first project invested by IIDPL on behalf of INKEL is the Calicut Expressway Project Limited (CEPL). As per the agreement with KMC, the original concessionaire of NHAI, the project was to be implemented by CEPL, the SPV. IIDPL had acquired 49% of CEPL's share in two stages. Under the contract signed with KMC/CEPL, IIDPL will have to achieve financial closure and pay KMC an amount of ₹149 Cr towards transferring the project to IIDPL for implementation.

However, INKEL and IIDPL could not get the financial closure and the project faced termination from NHAI. As a result, the Performance Bank Guarantee (PBG) furnished by INKEL for ₹85.52 Cr was under revocation. Besides, INKEL / IIDPL had spent huge amount for pre-project activities, leaving a serious threat of huge financial loss. The expenditures incurred included financial charges paid to L & T Financial Services and other agencies besides releasing mobilisation advance to KMC.

INKEL in 2020 made an effort to bring in M/s Welspun as a substitute for IIDPL. However, although the company agreed and signed the 'term sheet', they backout later citing penalties imposed by NHAI for delayed implementation of the project.

The Board of Directors in 2022 took up the issue with NHAI and KMC and got them agree to take back the project and release the PBG and reimburse the money spent on the project. As a result of prolonged negotiation, KMC agreed to replace the PBG, indemnified INKEL and IIDPL from all damages that could accrue due to non-implementation of the project. Further KMC agreed to reimburse ₹48 Cr in various instalments to INKEL. First three instalments amounting to ₹23.51 Cr is already received by IIDPL.

INKEL has infused equity capital ₹14 Cr in IIDPL in the year 2023-24, and made its net worth close to positive, with an intention to restart the projects in IIDPL. In order to reinvigorate IIDPL, it has incorporated a wholly owned subsidiary company, INKEL Renewable Energy Private Limited, with the objective to further facilitate infrastructure facilities in renewable energy sector.

- **INKEL Renewable Energy Private Limited (INKEL RE)**

INKEL RE was incorporated as a wholly owned subsidiary of IIDPL. This move is in line with INKEL's commitment to sustainability and its vision of making a positive impact on our renewable energy landscape. It aims to bring in large-scale private investment in renewable energy infrastructure development under government control. At INKEL RE, our mission is to develop and operate renewable energy projects that are socially, environmentally, and economically sustainable while delivering superior value to its stakeholders.

INKEL RE has won a tender for KSEBL for implementing a 14 MWp wind energy project. Besides, another 18 MWp Solar energy potential was also found and a project to harness this energy as well is on serious discussions. This project is expected to be completed in 18-months' time.

- **MIV Logistics Private Limited (MIV)**

MIV, the associate company of INKEL was formed with 39.43% equity participation by INKEL with five others. INKEL has also infused additional capital of ₹16 Cr in the year 2015-16 as 10.75% redeemable cumulative preference share capital. MIV has incorporated as a Container Freight Station (CFS) to be engaged in cargo and logistics business for all container and cargo related activities. MIV CFS is one of the largest CFS in Kerala enabled with world-class infrastructure that offers a wide range of services for smooth cargo transportation. The CFS is strategically located at Vallarpadam Terminal in close proximity to Cochin Port Trust. The CFS is spread over 18.76 acres with a capacity of 80,000 Tonnes per annum. The company is not performing as expected owing to bad investment into the project, Seabird Seaplane with ₹5.72 Cr. The project could not take off and the investments have to be written off. Otherwise, the company is making operational profits and has paid the huge loan availed from SBI and reduced the exposure to the limit required by Customs for bonding the cargo in the CFS.

- **Other investments- Seguro Foundations & Structures Private Limited (SFS) & SEGURO INKEL Consortium LLP (SEGURO LLP)**

Following INKEL's acquisition of a 65% stake in the company SFS in the year 2017, the company is currently facing multiple litigations across various legal forums from the former Managing Director of SEGURO and some former Directors of INKEL on various grounds. Owing to certain allegations of financial irregularities in SFS, a committee was constituted by INKEL's Board to examine the allegations. The committee constituted by the Board of INKEL has found out serious lapses, irregularities, diversion of funds and misappropriations including "Overvaluation of Seguro's shares for investment by INKEL, Practice of showing inflated unbilled revenue

(work in progress), Non Utilisation of Investment by INKEL on any projects, Irregularities in financial transactions and diversion of funds, absence of transparency in related party transactions, Statutory non compliances and malpractices to hide the same, availing higher working capital facility from bank by submitting inflated receivable" etc. and recommended the Board to consider legal remedies against the erstwhile management of SFS.

The audits simultaneously conducted by the management of INKEL by engaging a firm of chartered accountants had also confirmed these findings. Based on the aforesaid reports INKEL has initiated legal actions against SFS and its erstwhile management. Having regard to the report that SFS's shares were overvalued through misrepresenting its financial positions and the investment made by INKEL was siphoned away by the Managing Director of SFS, the Board of INKEL has declared the transaction of investment in SFS as a fraud on INKEL by SFS.

The investment of ₹13.8 Cr in SFS was written off by INKEL in the FY 2019-20 the last nominee director of INKEL from SFS Board was withdrawn on 25.10.2019. Arbitration cases are being conducted to seek the possibility of the Director(s) of SFS compensating INKEL for the losses sustained by the company by virtue of the aforementioned investment. Indeed, INKEL as a company has no involvement in the affairs of SFS post the suspension of the former Managing Director of SEGURO. The projects were managed by the then Chairman and MD of Seguro Shri Mohamed Sagheer, till his exit in October 2019. It is incidental that Shri Mohamed Sagheer was the MD of INEKL at that point in time and as such there was no supervision of INKEL's Board in the affairs of SFS. The company now has no Board and the same was not reconstituted post with drawl of Directors from INKEL. Therefore, INKEL has approached NCLT with a prayer to appoint a panel of experts and an Administrator to oversee the functioning of SFS.

## Projects At Glance

### 1 Ongoing Projects



Cochin Cancer Research Center



Govt. Medical College, Ernakulam – SSB



GMCE-MLT



DH Mavelikkara

### 2 Completed Projects



Family Health Centre Ettumanoor



GHSS Naluchira



GHSS Panamattam



Alappuzha Heritage Projects



2 Completed Projects



1.5MWp Solar Power plant at Nenmara Palakkad



2MWp Autokast Limited Cherthala



2MWp Solar Power Plant at Mananthavady



400kWp Solar Power Plant at Cherpulassery



400kWp Solar power plant at Manjeshwaram



100kWp Solar Power plant at Kelappaji College of Agricultural Engineering & Food Technology, Malappuram

3 Projects Commenced



GMC Thirissur- Mother & Child Block



GMC Thirissur- Super Speciality Block



Taluk Hospital Kunnamkulam



Taluk Hospital Pathanapuram



General Hospital, Kottayam

**INKEL LIMITED**

CIN: U45209KL2007PLC020471

Door No. 14/812&813, 1<sup>st</sup> Floor, Ajjiyal Complex,  
Kakkanad, Cochin, Ernakulam, Kerala - 682030**NOTICE TO THE MEMBERS**

NOTICE is hereby given that the 17<sup>th</sup> Annual General Meeting (AGM) of the members of INKEL Limited (the Company/INKEL) will be held on **Monday, the 9<sup>th</sup> day of September 2024 at 12.00 Noon (IST)** at IMA House, Stadium Link Road, Behind Jawaharlal Nehru International Stadium, Kathrikadavu, Palarivattom PO, Kaloor, Ernakulam, Kerala 682025, to transact the following businesses.

**ORDINARY BUSINESS**

- 1) To receive, consider and adopt:
  - a) The Audited Standalone Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2024 together with the Reports of the Board of Directors and Auditors thereon; and
  - b) The Audited Consolidated Financial Statements of the Company for the Financial Year ended 31<sup>st</sup> March 2024 together with the Report of the Auditors thereon.
- 2) To declare dividend on equity shares of the Company for the Financial Year ended 31<sup>st</sup> March 2024.
- 3) To appoint a Director in the place of Mr. Rappai Vareed Chirayath, holding DIN: 02011057, who retires by rotation and being eligible, offers himself for re-appointment.
- 4) To appoint Statutory Auditors of the Company.

To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants, Ernakulam Firm Registration No. 001488S, be and are hereby appointed as Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of this Annual General Meeting (“AGM”) till the conclusion of the 22<sup>nd</sup> AGM, at such remuneration as recommended by the Audit Committee and as may be mutually agreed between the Board of Directors of the Company and the Statutory Auditors from time to time.”

“RESOLVED FURTHER THAT the Board of Directors of the Company, including any Committee thereof be and is hereby authorized to finalize their terms of engagement according to the scope of their services as Statutory Auditors and other permissible assignments, if any, in line with prevailing rules and regulations made in this regard including their terms of appointment and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.”

**SPECIAL BUSINESS**

- 5) To reappoint Adv. Geethakumary P.S., holding DIN: 08087165 as an Independent Director.

To consider and if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT pursuant to the provisions of Section 149, 150, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, and such other rules, regulations, circulars, directions and guidelines issued by the Ministry of Corporate Affairs from time to time, Adv. Geethakumary P.S., holding DIN: 08087165, who was appointed as an Independent Director for the first term of two consecutive years ending on 29<sup>th</sup> March 2024 and being eligible and upon recommendation of Nomination and Remuneration Committee, reappointed as an Additional Director of the Company in the category of Independent Director with effect from 29<sup>th</sup> March 2024, be and is hereby reappointed as an Independent Director of the Company for the second term of three years, commencing from 29<sup>th</sup> March 2024 to 28<sup>th</sup> March 2027.”

- 6) To extend the period of appointment of Mr. Jacob Kovoov Ninan, holding DIN: 01213357 as an Independent Director.

To consider and if thought fit, to pass the following resolution as a SPECIAL RESOLUTION:

“RESOLVED THAT in supersession of the earlier special resolution passed by the members of the

company at the AGM held on 19<sup>th</sup> August 2023 and pursuant to the provisions of Sections 149, 150, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force) the Articles of Association of the Company and such other rules, regulations, circulars, directions and guidelines issued by the Ministry of Corporate Affairs from time to time and based on the recommendation of the Nomination and Remuneration Committee and the Board of Directors of the Company, the term of office of Mr. Jacob Kovoov Ninan, holding DIN: 01213357 who was appointed as an Independent Director for the second term of two consecutive years, be and is hereby revised before the expiry of his current term to four consecutive years by extending the period by two more years, to continue to hold the office of Independent Director till 9<sup>th</sup> November 2026.”

- 7) To extend the period of appointment of Dr. Ellangovan K. holding DIN:05272476 as Managing Director by re-appointing him for further period of Five Years.

To consider and if thought fit, to pass the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT pursuant to Sections 196, 197, 198 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and Rules made thereunder, including any statutory modification(s) from time to time or any re-enactment thereof for the time being in force read with Schedule V of the Act and Articles of Association of the Company, pursuant to the recommendation of the Nomination and Remuneration Committee and the Board of Directors, the period of appointment of Dr. Ellangovan K., holding DIN: 05272476 as Managing Director be and is hereby extended by re-appointing him as Managing Director of the Company for further period of Five Years with effect from 23<sup>rd</sup> February 2025, upon the existing terms and conditions and remuneration as approved by the members herein below.”

“RESOLVED FURTHER THAT in supersession of the earlier resolution passed by the members of the company at the AGM held on 15<sup>th</sup> September 2022 and pursuant to Sections 196, 197, 198 and other applicable provisions, if any, of the Act and Rules made thereunder, including any statutory modification from time to time or any re-enactment thereof for the time being in force read with Schedule V of the Act and Articles of Association of the Company, pursuant to the recommendation of the

Nomination and Remuneration Committee and the Board of Directors, the consent of the Members of the Company be and is hereby accorded to continue to pay the present monthly salary of ₹3,42,000/- with an annual increment of 10% effective from 1<sup>st</sup> April 2024 and to continue other allowances and perks as under.

1. Car/SUV with driver for personal and official use.
2. Mobile and Landline telephone / Broadband at the residence, for personal and official use.
3. Medical reimbursement benefits, subject to the maximum amount of 15 days salary (gross salary) per financial year.
4. Continue the current incentives based on the turnover and profit for the time being and to revise the same as and when the Board decides to do the same.
5. Gratuity and other benefits applicable to the employees of the Company as per Company’s rules and policies.”

“RESOLVED FURTHER THAT the terms of remuneration, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time and in the event of absence or inadequacy of profits in any financial year, the remuneration comprising salary, perquisites and benefits approved herein above be continued to be paid as remuneration to the Managing Director, subject to the limits stipulated under Schedule V read with Section 196 and 197 of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors (including any Committee of Directors) be and is hereby authorised to vary, modify and or revise the terms and conditions of appointment including the remuneration from time to time to the extent the Board of Directors may deem appropriate, within the overall limits under the Act or such other applicable provisions or any amendment thereto, in such manner as may be agreed to between the Board and Dr. Ellangovan K. and to do all such acts, deeds and things and execute all such documents, instruments and writings as may be necessary, proper, expedient or incidental and to delegate all or any of its powers herein conferred to any Committee of Directors to give effect to the aforesaid resolution.”

By order of the Board  
For **INKEL Limited**

Place : **Cochin**  
Date : **01.08.2024**

**Baiju T.**  
Company Secretary



**Notes:**

1. The Statement pursuant to Section 102 of the Companies Act 2013, in respect of the Special business set out in the notice and the details as required under Secretarial Standard in respect of the Directors seeking appointment/re-appointment at this Annual General Meeting are annexed hereto.

2. **A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote at the meeting on his behalf and such proxy need not be a member of the Company.**

The instrument appointing the proxy should be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in aggregate not more than ten percent of the total share capital of the Company.

A member holding more than ten percent of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder. Proxy form submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution / authority, as applicable. Members may use the Proxy Form as attached in this Annual Report.

3. Corporate members intending to send their authorised representative to attend the Meeting are requested to ensure that the authorised representative carries a certified copy of the Board Resolution, Power of Attorney or such other valid authorizations to attend and vote on their behalf at the Meeting.

4. Notice of the AGM, the attendance slip, proxy form along with the Annual Report 2023-24 is being sent through permitted mode including through electronic mode to those members whose email addresses are registered with the Company. Members may please note that the Notice and Annual Report 2023-24 will also be available on the Company's website, [www.inkel.in](http://www.inkel.in). The AGM Notice is also disseminated on the website of CDSL (agency for providing the remote e-voting facility), [www.evotingindia.com](http://www.evotingindia.com).

5. For the convenience of the Members and for proper conduct of the Meeting, entry to the place of the Meeting will be regulated by the Attendance Slip, Members are requested to hand over the enclosed attendance slip, duly signed in accordance with their specimen signature(s) registered with the

Company for admission to the meeting hall where the Annual General Meeting is proposed to be held.

6. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant provisions of Companies (Management and Administration) Rules, 2014, companies can serve annual reports and other communications through electronic mode to those members who have registered their e-mail address either with the company or with the depository. Hence, members are requested to provide their email address to the Company / the Registrar and Transfer Agent or update the same with their depositories to enable the Company to send the documents in electronic form.

7. All documents referred to in the accompanying Notice and the Statement setting out material facts can be obtained for inspection at the Registered Office of the Company during normal business hours (9.30 AM to 5.30 PM) on all working days except Saturdays, by writing to the Company at its email ID [deptcs@inkel.in](mailto:deptcs@inkel.in) till the date of AGM.

8. Members desirous of getting any information on the Annual Accounts at the AGM, are requested to write to the Company at least ten days in advance, so as to enable the Company to keep the information ready.

9. Route map to the venue of Annual General Meeting is attached herewith.

10. The annual accounts of the subsidiary companies are made available on the website of the Company [www.inkel.in](http://www.inkel.in).

11. The dividend on equity shares as recommended by the Board of Directors of the company, if declared in the Annual General Meeting will be paid to the shareholders whose names appear on the Register of Members / who holds shares as per the details furnished by the Depositories as on **Friday, 2<sup>nd</sup> August 2024**, the Record Date as fixed for the purpose of payment of Dividend.

12. Members may note that dividends not encashed or claimed within seven years and 30 days from the date of declaration of the dividend, as per Section 124 read with Section 125 of the Companies Act 2013, will be transferred to the Investor Education and Protection Fund (IEPF) of Government of India.

The Company has transferred the unclaimed dividend for the FY 2015 - 16 to IEPF. Details of the unclaimed/unpaid dividend are also uploaded on the company's website [www.inkel.in](http://www.inkel.in).

Those members who have so far not encashed their dividend warrants for the following financial years may approach the Company for payment thereof, failing which the same will be transferred to the IEPF on the respective dates mentioned there against.

13. In terms of Section 124(6) of the Companies Act 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules 2016, as amended from time to time, members may please note that if the dividends have been unpaid or unclaimed for seven consecutive years or more, the underlying shares shall be transferred to the IEPF Account.

Upon transfer of such shares to IEPF Authority, all benefits accruing on such shares shall also be credited to the IEPF Account and the voting rights on such shares shall remain frozen till the rightful owner claims the shares.

Financial year ended	Date of declaration of dividend	Last date for claiming Unpaid dividend	Due date for transfer to IEPF
31.03.2017	25.08.2017	01.10.2024	02.10.2024
31.03.2018	20.08.2018	26.09.2025	27.09.2025
31.03.2019	28.12.2019	03.02.2027	04.02.2027
31.03.2023	19.08.2023	25.09.2030	26.09.2030

14. Contact details of the official responsible to address the grievances connected with remote e-voting:

Company Secretary, INKEL Limited,  
Door No. 14/812&813, 1<sup>st</sup> Floor, Ajiyal Complex,  
Kakkanad, Cochin, Ernakulam, Kerala 682030,  
Ph: 0484 2978101/03; email: [deptcs@inkel.in](mailto:deptcs@inkel.in)

#### VOTING THROUGH ELECTRONIC MEANS:

15. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote E-voting to its Members in respect of the business to be transacted at the AGM.

For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's

agency. The facility of casting votes by a member using remote e-voting will be provided by CDSL.

16. Pursuant to Section 112 and Section 113 of the Companies Act 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM and cast their votes through e-voting.
17. M/s. SEP & Associates, Company Secretaries, Ernakulam has been appointed as the Scrutinizer to oversee the voting process in a fair and transparent manner. The Scrutinizer shall, immediately after the conclusion of voting at the Annual General Meeting, unblock the votes cast through remote e-voting and e-voting on the date of the AGM in the presence of at least 2 (two) witnesses not in employment of the Company and make not later than 2 days of conclusion of the meeting, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Company.
18. The results of voting shall be declared forthwith by the company and the results declared along with the Scrutinizer's Consolidated Report shall be placed on the Company's website ([www.inkel.in](http://www.inkel.in)) and on the website of Central Depository Services Limited (CDSL).

#### THE INSTRUCTIONS OF SHAREHOLDERS FOR E-VOTING

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (1) The voting period begins **from 09.00 AM (IST) on 5<sup>th</sup> September 2024 and ends at 05.00 PM (IST) on 8<sup>th</sup> September 2024.**

During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) **2<sup>nd</sup> September 2024** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (2) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (3) Login method for e-Voting **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<p>Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi / Easiest are requested to visit CDSL website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</p> <p>After successful login the Easi / Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly</p> <p>If the user is not registered for Easi/Easiest, option to register is available at cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</p> <p>Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
Individual Shareholders holding securities in demat mode with <b>NSDL</b>	<p>If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</p> <p>If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsdl.com">https://eservices.nsdl.com</a>. Select "Register Online for IDeAS Portal or click at <a href="https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp</a></p> <p>Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsdl.com/">https://www.evoting.nsdl.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</p>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	<p>You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility.</p> <p>After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature.</p> <p>Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period</p>

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e., CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no.: 1800 1020 990 and 1800 22 44 30

**Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(1) Login method for e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form.**

- a) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- b) Click on "Shareholders" module.
- c) Now enter your User ID
  - i) For CDSL: 16 digits beneficiary ID

- ii) For NSDL: 8 Character DP ID followed by 8 Digits Client ID

- iii) Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

- d) Next enter the Image Verification as displayed and Click on Login.

- e) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.

- f) If you are a first-time user follow the steps given below:

<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>	
PAN	Enter your 10digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)  Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field.

(2) After entering these details appropriately, click on "SUBMIT" tab.

(3) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field.

Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(4) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(5) Click on the EVSN for the relevant INKEL Limited on which you choose to vote.

(6) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(7) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(8) After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will

be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

- (9) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (10) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (11) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (12) There is also an optional provision to upload BR/POA, if any uploaded, which will be made available to scrutinizer for verification.
- (13) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - a) Non-Individual shareholders (i.e., other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the "Corporates" module.
  - b) A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - c) After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - d) The list of accounts linked in the login will be mapped automatically & can be delink in case of any wrong mapping.
  - e) It is Mandatory that, a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
  - f) Alternatively Non Individual shareholders are required mandatory to send the relevant Board Resolution/ Authority letter etc. together with

attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [deptcs@inkel.in](mailto:deptcs@inkel.in) (designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/ DEPOSITORIES.**

- (1) For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar Card) by email to **Company/RTA email id.**
- (2) For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
- (3) For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 55 33.

by order of the Board  
For **INKEL LIMITED**

Place : **Cochin**  
Date : **01.08.2024**

**Baiju T.**  
Company Secretary

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013****Item No. 5: Reappointment of Adv. Geethakumary holding DIN: 08087165 as an Independent Director for Second Term**

Since the initial period of office was expiring on 29<sup>th</sup> March 2024, as recommended by the Nomination and Remuneration Committee, the Board at its meeting held on 27<sup>th</sup> March 2024 appointed Adv. Geethakumary P.S. as Additional Director in the category of Independent Director with effect from 29<sup>th</sup> March 2024 subject to the approval of shareholders in the ensuing Annual General Meeting.

The Board seek the approval of members for her reappointment as an Independent Director for further period of three years with effect from 29<sup>th</sup> March 2024. As per the provisions of the Companies Act, 2013 her reappointment for second term needs to be regularized by members by way of a Special Resolution.

Adv. Geethakumary P.S. is a qualified lawyer with over 28 years of experience. She was the Independent Director of RITES Limited, under Ministry of Railways. She is also an accredited mediator with High Court of Kerala. Adv. Geethakumary is also the panel advocate for KSFE during 2007-2012 and from 2023 till date and standing counsel for State Insurance at MACT, Ernakulam during 2011-13.

The Company had received her declaration confirming that she meets the criteria of independence as envisaged in Section 149 of the Companies Act, 2013 and that she is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact the ability to discharge her duties with an objective independent judgment and without any external influence and are independent of the management.

In the opinion of the Board she fulfils the conditions for appointment/ continue as independent director as specified in the Act and Rules made thereunder.

Upon recommendation of the Nomination and Remuneration Committee and based on her experience and contributions made during her tenure, your Board considered that her association with the company as an Independent Director would be immensely beneficial to the Company and it is desirable to reappoint her as Independent Director for the second term and she shall not be liable to retire by rotation. Board of Directors of the Company recommends the resolution as a special resolution for approval of the members.

Except Adv. Geethakumary P.S., none of the Directors, Key Managerial Persons or their relatives is interested in the resolution item No 5.

**Item No. 6: Extension of period of appointment of Mr. Jacob Kovoov Ninan, holding DIN: 01213357 as an Independent Director in Second Term**

The second term of appointment of Mr. Jacob Kovoov Ninan as an Independent Director for a period of two years with effect from 10<sup>th</sup> November 2022 was approved by the shareholders by way of Special Resolution at the Annual General Meeting of the Company held on 19<sup>th</sup> August 2023. Mr. Jacob Kovoov Ninan is a Chartered Accountant by profession. He is the founder Chairman of Kovoov Consultants Private Limited and the founder & Managing Partner of CA firm, Kovoov & Co. Your Board considered that Mr. Jacob Kovoov Ninan's association with the company as an Independent Director would immensely benefit the Company.

The Company had received his consent to act as Independent Director for the proposed extension of term and declaration confirming that he meets the criteria of independence as envisaged in Section 149 of the Companies Act, 2013 and that he is not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact the ability to discharge his duties with an objective independent judgment and without any external influence and are independent of the management. In the opinion of the Board, he fulfils the conditions for appointment / continue as Independent Director as specified in the Act and Rules made thereunder.

Upon recommendation of the Nomination and Remuneration Committee and based on his experience and contributions made during his tenure, your Board considered that his continued association with the company as an Independent Director would be immensely beneficial to the Company and it is desirable to extend his period of appointment as Independent Director. Hence the Board seek the approval of members to extend his period of appointment before the expiry of his current term.

As per the provisions of the Companies Act, 2013 the appointment of Independent Director for second term needs approval of members by way of Special Resolution. Hence, the Board of Directors of the Company recommends the resolution as a special resolution for approval of the members in supersession of the earlier resolution passed by the members at the AGM held on 19<sup>th</sup> August 2023 to extend the period before the expiry of his current term, to continue to hold the office of Independent Director till 9<sup>th</sup> November 2026, for a period of four years in second term. He shall not be liable to retire by rotation. Except Mr. Jacob Kovoov Ninan, none of the Directors, Key Managerial Persons or their relatives is interested in the resolution item No 6.

**Item No 7: To extend the period of appointment of Dr. Ellangovan K. holding DIN:05272476, as Managing Director by re-appointing him for further period of Five Years**

Dr. Ellangovan K. was nominated to the Board of Directors by Government of Kerala vide G.O. (Rt.) No. 89/ 2022 / ID dated 31<sup>st</sup> January 2022. Further, Dr. Ellangovan K, was appointed as Managing Director of INKEL by the Board on 24<sup>th</sup> February 2022 initially for a period of three years. His tenure will end on 23<sup>rd</sup> February 2025. Pursuant to Section 196(2) of the Companies Act 2013, Company can appoint or re-appoint Managing Director for a term not exceeding five years at a time. Provided no re-appointment shall be made earlier than one year before the expiry of his term.

In this circumstances, considering his knowledge of various aspects relating to the Company's affairs, long business and administrative experience, his dedicated and commendable services and significant contribution to the overall growth of the Company during the existing tenure, the Nomination and Remuneration Committee (NRC) and the Board felt that his efforts to be adequately rewarded and that his continued association with the company would be immensely beneficial to the Company and it is desirable to extend his period of appointment as the Managing Director of the Company.

Therefore, NRC and the Board unanimously decided to reappoint Dr. Ellangovan K. for further period of five years from 24<sup>th</sup> February 2025 pursuant to Section 196(2) of the Companies Act 2013. His salary and others terms and conditions were also marginally revised with effect from 1<sup>st</sup> April 2024.

The Board seek the approval of members to extend the period of appointment of Dr. K Ellangovan, as Managing Director for further period not exceeding five years by re-appointing him as the Managing Director of the Company, with effect from 23<sup>rd</sup> February 2025 pursuant to Section 196(2) of the Companies Act 2013. Further, the approval of the members is sought to revise the salary of Managing Director with effect from 1<sup>st</sup> April 2024 and to continue other terms and conditions, subject to changes detailed in the resolution. The remuneration and other benefits compared to the remuneration fixed in 2022 are as follows:

- (a) To continue to pay consolidated Monthly salary of ₹3,42,000/- with a 10% annual increment effective from 1<sup>st</sup> April 2024. The Monthly salary of ₹3,42,000/- per month what was fixed in 2022.
- (b) To continue other benefits such as Car/SUV/Mobile and Landline telephone/ Broadband for official and personal use.
- (c) To provide medical reimbursement, subject to the maximum amount of 15 days salary (gross salary) per financial year.
- (d) In addition to this, his performance bonus will be same as that of the present level, as follows:
  - (i) When the Annual turnover of the company is between ₹50 Cr and ₹75 Cr, an amount of ₹50,000 per month will be paid as incentive. When the Annual turnover of the company is between ₹75 Cr and ₹100 Cr, an incentive of ₹75,000 per month will be paid and when the Annual turnover exceeds ₹100 Cr, an incentive of ₹1,00,000 per month will be paid.
  - (ii) In addition to the above turnover-based incentive, the Managing Director will be eligible to get an incentive equal to 1% of the profit of the Company, calculated as per Section 198 of the Companies Act 2013, in excess of ₹10 Cr.
- (e) Other benefits applicable to the employees of the Company as per Company's rules

As per the provisions of the Companies Act, 2013 the reappointment of Managing Director needs the approval of members. Hence, the Board of Directors of the Company recommends the resolution for approval of the members. He shall not be liable to retire by rotation. Except Dr. Ellangovan K., Managing Director, none of the Directors, Key Managerial Persons or their relatives is interested in the resolution item No 7.

by order of the Board  
For **INKEL LIMITED**

Place : **Cochin**  
Date : **02.07.2024**

**Baiju T.**  
Company Secretary

**INFORMATION REQUIRED TO BE FURNISHED UNDER SECRETARIAL STANDARDS - 2 ON GENERAL MEETINGS**

As required under Secretarial Standards - 2, the particulars of Directors who are proposed to be appointed/ re-appointed at this Meeting are given below: -

Name of Director	<b>Mr. Rappai Vareed Chirayath</b> (DIN: 02011057)	<b>Adv. Geethakumary P S</b> (DIN: 08087165)
Age	72 years	58 years
Qualification	Degree	LLB
Experience in functional area	Director and General Manager of Videohome Electronics Centre, Qatar. Over 41 years of experience in Management.	Qualified lawyer with over 28 years of experience. She was the Independent Director of RITES Limited, under Ministry of railways. She is also an accredited mediator with High court of Kerala. Adv. Geethakumary was also the panel advocate for KSFE during 2007-2012 and from 2023 till date and standing counsel for State Insurance at MACT, Ernakulam during 2011-13. She has been appointed as the Independent Director of the Company w.e.f 30 <sup>th</sup> March 2022.
Directorship in other Companies as on 31.03.2024	1. Ceevees Infra Ventures Private Limited 2. INKEL Renewable Energy Private Limited 3. Norka-Roots (Sec 25 Company) 4. INKEL Infrastructure Development Projects Limited 5. Asset Homes Private Limited 6. INKEL-KSIDC Projects Limited 7. Sparkle Gold Retail Ventures LLP	Nil
Terms & Conditions of appointment	Retiring director, being eligible offer himself for reappointment.	As per resolution No. 5
Remuneration	Sitting fees of ₹25,000/- each for attending meeting of the Board and Sub Committees of the Board.	Sitting fees of ₹25,000/- each for attending meeting of the Board and Sub Committees of the Board.
Date of first appointment	22 <sup>nd</sup> November 2007	30 <sup>th</sup> March 2022
Shareholding	45,00,000 equity shares of ₹10/- each	Nil
Relationship with other directors	Nil	NA
No. of Board Meeting attended	Held: 4, Attended: 4	Held: 4, Attended: 4
Membership / Chairmanship of Committees	1. Audit Committee 2. Stakeholders' Relationship Committee (Chairman) 3. Boards Subcommittee on Legal Matters 4. Investment Subcommittee	1. Audit Committee 2. Nomination & Remuneration Committee 3. Corporate Social Responsibility Committee 4. Stakeholders' Relationship Committee 5. Boards Subcommittee on Legal Matters (Chairperson) 6. Special Subcommittee



Name of Director	<b>Mr. Jacob Koor Ninan</b> (DIN: 01213357)	<b>Dr. Kamalakannan Ellangovan</b> (DIN:05272476)
Age	75 years	62 years
Qualification	Fellow of the Institute of Chartered Accountants of India, Fellow of the Institute of Company Secretaries of India, Master of Business Administration and MSc in Agricultural Economics from University of London	MS (Ortho), MA (Population Studies), PhD (IIT, Madras)
Experience in functional area	Five decades of experience in Management and Finance	Over 25 years' experience in Administration
Directorship in other Companies as on 31.03.2024	1. INKEL Infrastructure Development Projects Limited 2. Koor Consultants Private Limited 3. Indo Japan Chamber of Commerce (Kerala)	1. INKEL-EKK Roads Private Limited 2. INKEL Infrastructure Development Projects Limited 3. MIV Logistics Private Limited 4. INKEL-KSIDC Projects Limited 5. INKES Trade Centre Limited 6. INKEL Renewable Energy Private Limited 7. Kerala Infrastructure Fund Management Limited
Terms & Conditions of appointment	As per resolution No. 6	As per resolution No. 7
Remuneration	Sitting fee for attending the meetings of Board and Sub-committees of the Board	As detailed in explanatory statement to Resolution No. 7
Date of first appointment	30 <sup>th</sup> June 2020	7 <sup>th</sup> February 2018 as Nominee Director
Shareholding	NIL	Nil
Relationship with other directors	NIL	NA
No. of Board Meeting attended	Held: 4 Attended: 4	Held: 4 Attended: 4
Membership / Chairmanship of Committees	1. Audit Committee (Chairman) 2. Nomination & Remuneration Committee (Chairman) 3. Corporate Social Responsibility Committee (Chairman) 4. Special Subcommittee	1. Corporate Social Responsibility Committee 2. Stakeholders' Relationship Committee 3. Boards Subcommittee on Legal Matters 4. Investment Subcommittee 5. Special Subcommittee

**Statement under clause (iv) of Part II of Schedule V of the Companies Act, 2013:**

<b>General Information:</b>		
1.	Nature of Industry	Infrastructure Development
2.	Date or Expected date of commencement of commercial production	The Company was incorporated on 9 <sup>th</sup> March 2007 and commenced operations on 7 <sup>th</sup> May 2007
3.	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable
4.	Financial performance based on given indicators.	The details of financial performance for the years 2022-23 and 2023-24 are furnished in the Annual Report for the FY 2023-24.
5.	Foreign Investments or collaborators	The Company has not entered into any material foreign collaboration agreements. But a number of NRIs is holding the equity shares of the Company
<b>Information about the appointee:</b>		
6.	Back ground details	Dr. Ellangovan K. is a medical doctor by training, who got into Indian Administrative Services from Kerala Cadre in the year 1992. He served as Chairman of Kerala State Electricity Board Limited, Managing Director of Kerafed, Kerala Tourism Development Corporation, Executive Director of Council for Leather Exports (Ministry of Commerce) Govt. of India and Deputy Chairman in Chennai Port Trust (Ministry of Shipping). Prior to his superannuation on 31 <sup>st</sup> January 2022, he was the Additional Chief Secretary, Industries Department, Government of Kerala.
7.	Past Remuneration	As detailed in explanatory statement to Resolution No. 7
8.	Recognition and awards:	NIL
9.	Job Profile and his suitability	Dr. Ellangovan K. is the Managing Director of the Company and he is responsible for execution of the decisions of the Board. He is empowered with the substantial powers of the management of the Company.  Being an expert in health industry both as a Medical Doctor and as an administrator he is suitable for the post of Managing Director.
10.	Remuneration proposed	As detailed in Resolution No. 7
11.	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person.	Taking into consideration the size of the Company, the profile, knowledge, skills and responsibilities shouldered by Dr. Ellangovan, the remuneration proposed to be paid is commensurate with the remuneration packages paid to their similar counterparts in other companies.
12.	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any.	Besides the remuneration proposed to be paid to Dr Ellangovan, he do not have any other pecuniary relationship with the Company or relationships with any other managerial personnel.
<b>Other information:</b>		
13.	Reasons of loss or inadequate profits (if applicable)	The Company is earning adequate profits.
14.	Steps taken or proposed to be taken for improvement	The Company is intending to venture into new areas of operation within the existing object clause.
15.	Expected increase in productivity and profits in measurable terms.	The aforesaid steps taken by the Company are expected to further improve the Company's performance and profitability within a couple of years.

**DIRECTORS' REPORT**

Your Directors' have pleasure in submitting the 17<sup>th</sup> Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31<sup>st</sup> March, 2024.

IN KEL is an innovative Public Private Partnership (PPP) company promoted by Government of Kerala and prominent global investors and industrialists with the primary objective of accelerating the pace of

Infrastructure Development in Kerala. IN KEL intends to bring in large scale private investment in infrastructure development. Our areas of expertise include providing Holistic Consultancy, Project Management Consultancy (PMC) and construction in EPC (Engineering Procurement and Construction) mode in the civil construction industry and Renewable Energy Sector (Solar and Wind Energy).

**Financial Highlights**

(₹ in Lakhs)

Particulars	Standalone		Consolidated	
	31.03.2024	31.03.2023	31.03.2024	31.03.2023
Revenue from Operations	6,605.81	6,732.64	9,764.45	8,258.47
Other Income	1,313.84	1,384.21	1,746.53	1,840.37
Total Income	7,919.65	8,116.85	11,510.98	10,098.84
Total Expenses	5,886.48	6,646.38	7,524.88	8,292.50
Profit/(Loss) Before Tax	2,033.17	1,470.47	3,986.10	1,806.34
Tax Expense	408.46	182.81	958.37	336.49
Profit/(Loss) After Tax	1,624.71	1,287.65	3,027.72	1,469.85
Share of Profit/(Loss) of Associate	-	-	46.77	(26.49)
Profit/(Loss) for the year	1,624.71	1,287.65	3,074.49	1,443.36

The financial highlights of the Subsidiaries / Joint Venture & Associates for the Year 2023-24, consolidated with the Financial Statements of the Company are as follows.

(₹ in Lakhs)

Particulars	IIDPL	IN KEL EKK	IN KES	IN KID	IN KEL RE	MIV
Revenue from Operations	-	1,931.62	-	1,466.41	-	1,800.25
Other Income	7.45	925.05	-	187.47	1.02	50.92
Total Income	7.45	2,856.67	-	1,653.88	1.02	1,851.17
Total Expenses	1.69	2,300.61	7.64	252.40	0.60	1,717.36
Profit/(Loss) Before Tax	5.76	556.06	(7.64)	1,401.48	0.42	133.81
Tax Expense/Deferred Tax	-	174.16	-	361.19	(0.04)	14.90
Profit/(Loss) After Tax	5.76	381.91	(7.64)	1,040.30	0.45	118.91

**Performance & State of Affairs**

Annual turnover of the Company has decreased slightly from ₹81.17 Cr to ₹79.20 Cr showing a reduction of 2.43%, the PAT has increased to ₹16.25 Cr as against ₹12.88 Cr last year, showing an increase of 26.16%. The dividend income from IN KEL EKK Roads Private Limited and IN KEL KSIDC Projects Limited has boosted the overall profitability of the Company.

The impact of Subsidiaries and Associate Companies performance has boosted the overall turnover to ₹115.11 Cr as against the previous year turnover of ₹100.99 Cr showing an increase of 13.98%. Likewise, the PAT of the group has increased to ₹30.74 Cr as against the previous year performance of ₹14.43 Cr showing an impressive gain of 113.03%.

There has been no change in the business of the company or in the nature of business carried by the Company during the financial year under review. With an objective of developing infrastructure in renewable energy, IN KEL has incorporated IN KEL Renewable Energy Private Limited as subsidiary company of its Wholly Owned Subsidiary, IN KEL Infrastructure Development Projects Limited, to harness projects in the renewable energy sector. This Company is in the process of implementing the hybrid renewable energy project at Palakkad.

**Subsidiaries, Joint Ventures & Associate Companies**

The Company have the following Joint Venture (JV) Companies/LLP, as Subsidiaries and Associates as on 31<sup>st</sup> March 2024.

Sl. No.	Name	Category
1	INKEL KSIDC Projects Limited (INKID)	Subsidiary & JV
2	INKEL EKK Roads Private Limited (INKEL EKK)	Subsidiary & JV
3	INKES Trade Centre Limited (INKES)	Subsidiary & JV
4	INKEL Infrastructure Development Projects Limited (IIDPL)	Wholly Owned Subsidiary
5	INKEL Renewable Energy Private Limited (INKEL RE)	Subsidiary
6	Seguro Foundations & Structures Private Limited (SFS)	Subsidiary & JV
7	MIV Logistics Private Limited (MIV)	Associate
8	Seguro-INKEL Consortium LLP (SEGURO LLP)	Associate

Pursuant to Section 129(3) of the Companies Act, 2013 ("Act"), the consolidated financial statements of the Company form part of this Annual Report. Since the financials of the Seguro Foundations and Structures Private Limited and Seguro-INKEL Consortium LLP are not available, it is not consolidated.

INKEL Infrastructure Development Projects Limited (IIDPL), the wholly owned subsidiary company of INKEL Limited had invested 49% in the paid-up capital of Calicut Expressway Private Limited (CEPL). The financials of CEPL are not consolidated with the financials of IIDPL.

INKEL Renewable Energy Private Limited (INKEL RE), the wholly owned subsidiary of IIDPL was incorporated on 13<sup>th</sup> March 2023.

The associate company, MIV Logistics Private Limited had invested 26% in the paid-up capital of Seabird Seaplane Private Limited, being under liquidation.

A statement containing the salient features of the financial statements of the Company's Subsidiaries / Associates Companies / Joint Ventures in Form AOC-1 is given as **Annexure 1**. Further, the standalone and consolidated financial statements are made available on the website of the Company.

### **Reserves**

The Board of Directors of your company, has decided not to transfer any amount to the Reserves for the year under review.

### **Dividend**

The Board recommend dividend at the rate of 4.75% (₹0.475 per equity share of ₹10/- each) as the final dividend for the financial year ended on 31<sup>st</sup> March, 2024.

Subject to the approval of shareholders, the dividend will be paid on or after 9<sup>th</sup> September 2024 to the shareholders, whose name appears on the Register of Members / Beneficial Owners as on 2<sup>nd</sup> August 2024, the Record Date as fixed for the purpose of payment of Dividend.

### **Material Changes and Commitments**

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which these financial statements relate on the date of this report.

### **Revision of Financial Statement or the Report**

Your company has not revised its Financial Statement or the Report in respect of any of the three preceding financial years.

### **Capital Structure**

The Authorized Capital of the Company is ₹200 Cr and the issued, subscribed and paid-up share capital of the Company is ₹177.81 Cr. There was no change in the Capital Structure of the Company during the financial year under review.

### **Credit Rating**

India Ratings and Research (Ind-Ra) has assigned a Long-Term Issuer Rating of 'IND BB'. The Outlook is rated as Stable.

### **Investor Education and Protection Fund**

Pursuant to Section 124 of the Companies Act, 2013 Investors Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, the amount of dividend that remain unclaimed/unpaid for a period of seven years shall be transferred to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Further, the Rules mandate that the shares on which dividend has not been claimed / encashed for seven consecutive years or more be transferred to the Investor Education and Protection Fund Authority (IEPFA).

The Company had transferred an amount of ₹1,12,400/- being the dividend for the year 2015-16, which remained unpaid or unclaimed dividend for a period of seven years to the IEPF. The information relating to outstanding dividend accounts and the dates when due for transfer to IEPF are as follows:

Financial year ended	Date of declaration of dividend	Last date for claiming Unpaid dividend	Due date for transfer to IEPF
31.03.2017	25.08.2017	01.10.2024	02.10.2024
31.03.2018	20.08.2018	26.09.2025	27.09.2025
31.03.2019	28.12.2019	03.02.2027	04.02.2027
31.03.2023	19.08.2023	25.09.2030	26.09.2030

Members are requested to claim the dividend(s), which have remained unclaimed/unpaid, by sending a written request to the Company or to the Company's Registrar and Transfer Agent, Integrated Registry Management Services Private Limited. Members can find the details of Nodal officer appointed by the company under the provisions of IEPF at website of the company, [www.inkel.in](http://www.inkel.in)

### **Directors & Key Managerial Personnel**

#### **Composition of Board**

The Directors are compliant with the applicable provisions of Companies (Appointment and Qualification of Directors) Rules, 2014. The Board of your Company consisted of following Nine Directors as on 31.03.2024.

Name of Director	DIN	Designation / Category
Mr. P. Rajeeve	09239099	Non-Executive Chairman
Dr. Ellangovan K.	05272476	Managing Director
Mr. Suman Billa	00368821	Nominee Director
Mr. Varghese Kurian	01114947	Non-Executive Director
Mr. C.V. Rappai	02011057	Non-Executive Director
Mr. Jayakrishnan Krishna Menon	02734324	Non-Executive Director
Mr. Mohamed Althaf	06409935	Non-Executive Director
Adv. Geethakumary P.S.	08087165	Independent Director
Mr. Jacob Kovoov Ninan	01213357	Independent Director

In exercise of the powers conferred under Article 70 of the Articles of Association of the Company, the Government of Kerala has issued Government Order G.O.(Rt)No.518/2024/ID dated, 27.06.2024, nominating Mr. S. Harikishore IAS, holding DIN 06622304, as the Nominee Director to the Board of the Company in lieu of Mr. Suman Billa IAS. Pursuant to the above Government Order, the Board of Directors of the Company, in its meeting held on 2<sup>nd</sup> July 2024 resolved to appoint Mr. S. Harikishore IAS as the Nominee Director in the Board with effect from 2<sup>nd</sup> July 2024.

#### **Change in Key Managerial Personnel**

As on 31<sup>st</sup> March 2024 the Company have following Key Managerial Personnel under Section 203 of the Companies Act, 2013:

- (1) Dr. Ellangovan K. – Managing Director
- (2) CS Baiju Thankayathil – Company Secretary

During the year under review, Mr. Prasannakumar V, has resigned from the post of Chief Financial Officer (CFO) and he was relieved with effect from 29.04.2023. Mr. Vipin P.G. who was joined as CFO with effect from 26.06.2023 was also relieved with effect from 15.11.2023. As recommended Nomination and Remuneration Committee, Mr. Riju Thomas, Sr. DGM Finance who has been discharging the duties of CFO from 23.11.2023 was appointed as CFO by the Board at its meeting held on 02.07.2024.

#### **Disqualifications of Directors**

The Company has received declarations from all the Directors to the effect that they are not disqualified from being directors under Section 164 of the Companies Act, 2013.

#### **Retirement by Rotation**

Mr. Rappai Vareed Chirayath, Director, holding DIN: 02011057 retires by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board recommends his reappointment.

#### **Independent Directors**

Mr. Jacob Kovoov Ninan, holding DIN: 01213357 and Adv. Geethakumary P.S., holding DIN: 08087165 are the Independent Directors of the Company. The Company had received declarations from Independent Directors confirming that they meet the criteria of independence as envisaged in Section 149 of the Companies Act, 2013. Independent Directors further declared that they are not aware of any circumstance or situation, which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence and that they are independent of the management.

Since the initial period of office was expiring on 29<sup>th</sup> March 2024, as recommended by the Nomination and Remuneration Committee, the Board at its meeting held on 27<sup>th</sup> March 2024 appointed Adv. Geethakumary P S as Additional Director in the category of Independent Director with effect from 29<sup>th</sup> March 2024. The Board seek the approval of members for her reappointment as an Independent Director for a period of three years with effect from 29<sup>th</sup> March 2024.

The second term of appointment of Mr. Jacob Kovoov Ninan as an Independent Director for a period of two years with effect from 10<sup>th</sup> November 2022 was approved by the shareholders by way of special resolution at the previous Annual General Meeting held on 19<sup>th</sup> August 2023. Upon recommendation of the Nomination and Remuneration Committee and based on his experience and contributions made during his tenure your Board felt that his continued association with the company as an Independent Director would be immensely beneficial to the Company and it is desirable to extend his period of appointment.

Hence the Board seek the approval of members in supersession of the earlier resolution, to extend his period of appointment to continue to hold the office of Independent Director till 9<sup>th</sup> November 2026, for a period of four years in second term.

The Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses, if any, incurred by them for the purpose of

attending the meetings of the Company. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity.

### **Board Meetings**

The Company had conducted four Board meetings during the financial year 2023 - 24, the details are given as follows:

Sl. No.	Date	No. of Directors entitled to attend the Meeting	No. of Directors Present
1	26.06.2023	9	9
2	19.08.2023	9	8
3	12.12.2023	9	9
4	27.03.2024	9	8

The maximum interval between the two meetings did not exceed 120 days. The Board has also passed resolutions by Circulation dated 05.05.2023, 04.08.2023, 20.09.2023, 09.10.2023 and 23.11.2023 taken on record on the date approved by the majority of directors, as per the provisions of Section 175 of the Companies Act, 2013 read with the Rules prescribed thereunder. These circular resolutions were noted at a subsequent meeting of the Board and made part of the minutes of the meeting. Attendances of Directors at the Board Meetings during the year are given below:

Sl. No.	Name of the Director	Category of Director	No. of Board Meetings	
			Held During the tenure	Attended
1	Mr. P. Rajeeve	Non-Executive Chairman	4	3
2	Dr. Ellangovan K.	Managing Director	4	4
3	Mr. Suman Billa	Nominee Director	4	4
4	Mr. Jacob Kovoov Ninan	Independent Director	4	4
5	Adv. Geethakumary P.S.	Independent Director	4	4
6	Mr. C.V. Rappai	Non-Executive Director	4	4
7	Mr. Varghese Kurian	Non-Executive Director	4	4
8	Mr. Jayakrishnan Krishna Menon	Non-Executive Director	4	4
9	Mr. Mohamed Althaf	Non-Executive Director	4	3

### **Committees of the Board**

The Company is having Seven Board Committees;

- 1) Audit Committee
- 2) Nomination and Remuneration Committee
- 3) Stakeholders' Relationship Committee
- 4) Corporate Social Responsibility Committee
- 5) Board's Subcommittee on Legal Matters
- 6) Investment Subcommittee
- 7) Special Subcommittee

All the committee meeting minutes were presented in the subsequent Board meetings and the recommendations were discussed in the Board. Details of the committees are as follows.

#### **1. Audit Committee**

The Audit Committee of the Board was constituted under the provisions of Section 177 of the Companies Act, 2013. Six meetings of the Audit Committee of Directors were held during the period under review on

19.06.2023, 24.06.2023, 09.11.2023, 12.12.2023, 11.03.2024 and 20.03.2024. The Board has accepted all recommendations of the Audit Committee during the year under review. The Chairman of the Audit Committee was present at the previous Annual General

Meeting to answer the shareholders' queries. The composition of the Committee and category of the Directors along with their attendance at Audit Committee Meetings for the financial year 2023-24 are given below:

Sl. No.	Name of the Director	Category of Director	Position	No. of Committee Meetings	
				Held during the tenure	Attended
1	Mr. Jacob Kovoov Ninan	Independent Director	Chairman	6	6
2	Mr. C.V. Rappai	Non-Executive Director	Member	6	6
3	Adv. Geethakumary P.S.	Independent Director	Member	6	6

## 2. Nomination & Remuneration Committee

Nomination and remuneration Committee was constituted under the provisions of Section 178 of the Companies Act, 2013 and three meetings of the Committee were held during the period under review on

15.05.2023, 21.10.2023 and 20.03.2024. The Chairman of the Nomination and remuneration Committee was present at the previous Annual General Meeting. The composition of the Committee and category of the Directors along with their attendance at the Committee Meetings for the financial year 2023-24 are given below:

Sl. No.	Name of the Director	Category of Director	Position	No. of Committee Meetings	
				Held during the tenure	Attended
1	Mr. Jacob Kovoov Ninan	Independent Director	Chairman	3	3
2	Mr. Varghese Kurian	Non-Executive Director	Member	3	1
3	Adv. Geethakumary P.S.	Independent Director	Member	3	3
4	Mr. Mohamed Althaf	Non-Executive Director	Member	3	1

## 3. Stakeholders' Relationship Committee

The Company had constituted a Stakeholders' Relationship Committee under Section 178 of the Companies Act, 2013, with Mr. C.V. Rappai as Chairman and Adv. Geethakumary P.S. and the Managing Director of INKEL Limited, as members. The Chairman of the Stakeholders' Relationship Committee was present at the previous Annual General Meeting.

and decide on the legal recourse required to be taken by the Company on various matters.

## 4. Corporate Social Responsibility Committee

The Company had constituted Corporate Social Responsibility (CSR) Committee under Section 135 of the Companies Act, 2013 with Mr. Jacob Kovoov Ninan as Chairman, Adv. Geethakumary P.S., and Dr. Ellangovan K., as members. The Meeting of the Committee was held on 07.05.2024.

## 6. Investment Subcommittee

Investment subcommittee of the Board was constituted on 08.03.2023 with Mr. Varghese Kurian, Mr. Mohamed Althaf, Mr. C.V. Rappai, Mr. Jayakrishnan Krishna Menon, Directors and Dr. Ellangovan K., Managing Director as members to evaluate and recommend various investment options to the Board. The Committee met on 20.06.2023 and evaluated various business proposals.

## 5. Board's Subcommittee on Legal Matters

The Company had constituted a Board's Subcommittee on Legal Matters on 30<sup>th</sup> March 2022 consisting of Adv. Geethakumary P.S., Chairperson, Dr. Ellangovan K., Managing Director, Mr. Mohamed Althaf, Mr. C.V. Rappai and Mr. Varghese Kurian Directors as members. The Committee met Thirteen times on 28.04.2023, 15.05.2023, 17.07.2023, 05.08.2023, 18.08.2023, 20.09.2023, 25.09.2023, 21.10.2023, 20.11.2023, 12.12.2023, 11.01.2024, 07.02.2024 and 04.03.2024 to monitor the progress of all litigations filed by and against INKEL before various legal forums as well as to discuss

## 7. Special Subcommittee

The Board constituted a Special Subcommittee consisting of Adv. Geethakumary P.S., as Chairperson, Dr. Ellangovan K., Managing Director, Mr. Jacob Kovoov Ninan, Mr. Mohamed Althaf and Mr. Jayakrishnan Krishna Menon, Directors as members. The Meeting of the Committee was held on 20.09.2023.

## 8. Separate Meeting of the Independent Directors

In compliance with Clause VII of Schedule IV to the Companies Act, 2013, a separate Meeting of the Independent Directors of the Company without the attendance of non-independent directors and members of management, was held on 26.03.2024 to review and evaluate the performance of Non-Independent Directors and Board as a whole. Both the Independent Directors

of the Company, Adv. Geethakumary P.S. and Mr. Jacob Kovoor Ninan were present and held discussions on the topics covered under point VII of Schedule IV of the Companies Act, 2013. The deliberations of the Committee were communicated to the Chairman of the Company. The recommendations are being examined and implemented.

#### **Women Director**

The Company is required to appoint a Woman Director as per Section 149(1) of the Companies Act, 2013. The Company had appointed Adv. Geethakumary P.S., as the Independent Woman Director to the Board of the Company.

#### **Policy on Directors' appointment and remuneration**

The Company is having a Policy relating to appointment of Directors, payment of managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013. None of the relatives of directors hold any office or place of profit in the Company.

#### **Board Evaluation**

The Board has annually evaluated the performance of the Board, its Committees and of individual Directors. Through Board discussions the Board assessed the performance with respect to its composition, diversity its effectiveness in working together to achieve objectives etc. All the Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

#### **Directors' Responsibility Statement**

Pursuant to requirement of Section 134(3)(c) and Section 134 (5) of the Companies Act, 2013 and based on the representations received from the Management, your Directors state that:

- a) in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2024 the applicable accounting standards have been followed and there are no material departures from the same;
- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2024 and of the profit of the company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,

2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

- d) the Directors have prepared the annual accounts on a going concern basis; and
- e) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **Internal Financial Controls**

The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation were observed.

#### **Reporting of Fraud by Auditors. If any**

There is no fraud in the Company during the financial year ended 31<sup>st</sup> March, 2024. This is also being supported by the report of the auditors of the Company as no fraud has been reported in their audit report for the financial year ended 31<sup>st</sup> March, 2024.

#### **Public Deposits**

The Company has accepted public deposits in compliance with the provisions of Companies Act, 2013. The disclosure required under Rule 8 of The Companies (Accounts) Rules, 2014, the details relating to deposits, covered under Chapter V of the Act are given below:

Accepted during the year	Nil
Remained unpaid or unclaimed as at the end of the year;	₹25,000
Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved, at the beginning of the year, maximum during the year and at the end of the year;	Nil
Details of deposits which are not in compliance with the requirements of Chapter V of the Act;	Nil

#### **Loans, Guarantees or Investments**

The Company has given Inter Corporate Loans, Advances and Guarantees to its subsidiary companies during the year under review. The Company has not made any investments during the year. Particulars of loans, guarantees or investments are given in the notes to the Financial Statement. The provisions of Section 186 with respect to loans made, guarantee given or



security provided are not applicable to the Company as it is engaged in the business of providing infrastructural facilities.

#### **Contracts or Arrangements with Related Parties**

There are no material related party transactions which are not on arm's length basis and hence there is no information to be provided as required under Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014. Disclosures of related party transactions are as given in notes to the Financial Statement. The details in form AOC 2 is attached as **Annexure 2**.

#### **Corporate Social Responsibility**

The provisions of Corporate Social Responsibility (CSR) under Section 135 of the Companies Act, 2013 is applicable to the Company during the financial year 2023-24. Accordingly, your company has formulated CSR Policy and the same can be accessed at [www.inkel.in](http://www.inkel.in). The CSR initiatives and activities are aligned to the requirements of Section 135 of the Act. The brief outline of the CSR policy of the Company and CSR activities undertaken during the year are attached herewith as **Annexure 3**.

#### **Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo**

Your Company follows the best practices on aspects including conservation of energy and technology absorption in its operations. No technology has been imported by the Company during the period. There was no foreign exchange inflow or Outflow, except the dividend payment of ₹78.89 Lakhs during the year under review.

#### **Risk Management**

The Company has adequate system for evaluating and resolving the risks associated with its business and the elements of risk threatening the Company's existence are very minimal.

#### **Vigil Mechanism**

A Vigil Mechanism for directors and employees to report genuine concerns has been established as required under the provisions of Section 177 of the Companies Act, 2013. The Vigil Mechanism Policy has been uploaded on the website of the Company.

#### **Material Orders of Judicial Bodies / Regulators**

No significant and material orders were passed by Courts, Tribunals and other Regulatory Authorities affecting the going concern status of the Company's operations.

#### **Statutory Auditors**

The Board appointed M/s Elias George & Co, Chartered Accountants, Ernakulam (Firm Registration No. 000801S) as Statutory Auditor in the casual vacancy that arose in the context of acceptance of the resignation of the previous Auditor, M/s. Sridhar & Co. The said appointment in casual vacancy for the Financial Year 2023-24 was approved by the shareholders on 27<sup>th</sup> October 2023, through postal ballot. Pursuant to Section 139 of the Act, they will hold the office till the conclusion of 17<sup>th</sup> Annual General Meeting to be held this year. Hence the Board recommends the appointment of M/s. Krishnamoorthy & Krishnamoorthy, Chartered Accountants, Ernakulam, Firm Registration No. 001488S, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting. They have confirmed their eligibility to the effect that their appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for appointment. Subject to approval of shareholders M/s. Krishnamoorthy & Krishnamoorthy, will be appointed as the Statutory Auditors of the Company for a period of five years.

#### **Auditor's Reports**

The Auditors' Report on the financial statement of the Company forms part of this Annual Report. The notes on standalone and consolidated financial statements referred to in the Auditors' Report are self-explanatory and do not call for further comments and the Auditor's observations are suitably explained in notes to the financial statements. Further, the explanations or comments by the Board on qualification, reservation, adverse remark or disclaimer made by the auditors in their report are as provided in **Annexure 4**.

#### **Secretarial Audit Report**

As required under Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, RVS & Associates, Company Secretaries LLP, was appointed as the Secretarial Auditors for the Financial Year 2023-24. The Secretarial Audit Report in Form MR-3 is attached as **Annexure 5** to this report and it does not contain any qualifications, reservations or adverse remarks.

#### **Secretarial Standards**

The Company had complied with applicable Secretarial standards issued by Institute of Company Secretaries of India.

#### **Internal Audit**

M/s Krishnamoorthy & Krishnamoorthy, (Firm Registration No. 001488S), Chartered Accountants,

Cochin, was appointed as the Internal Auditors for the Financial Year 2023-24. The Audit Committee has reviewed the quarterly Internal Audit reports and the Board has accepted all recommendations of the Audit Committee based on this Internal Audit reports during the year under review.

#### **Details of Legal Cases**

There are a number of litigations pending by or against the Company in various legal forums. Majority of these cases are at pleading stage. The chances of these cases causing financial implication on the Company in near future is highly unlikely. The Board of Directors of your Company is taking every possible step to protect the interest of shareholders of the Company.

#### **Corporate Insolvency Resolution Process**

No application filed for corporate insolvency resolution process, by financial or operational creditor or by the Company under The Insolvency and Bankruptcy Code (IBC), 2016 before the National Company Law Tribunal (NCLT) during the year. Further no corporate insolvency resolution process initiated under the IBC.

The shareholders may note that Mr. Shaji Mathew claiming to be an employee of Seguro Foundations and Structures Private Limited (SFS) had filed a case under Insolvency and Bankruptcy Code, 2016 alleging that the company SFS has not paid his salary. The case was filed before NCLT Kochi Bench. During hearing of the case, the NCLT Bench has exparte impleaded INKEL as additional corporate debtor. The Bench did not follow the statutory requirement of hearing INKEL in this case. Therefore, considering the impact of this case on INKEL, an application was moved to NCLAT and stay was obtained on impleading INKEL in this case.

#### **Corporate Action**

Company has implemented all corporate actions within the specified time limit during the year under review.

#### **Annual Return**

In compliance with Section 92 and Section 134 of the Companies Act, 2013 the Annual Return in the prescribed format is available at [www.inkel.in](http://www.inkel.in).

#### **Disclosure on Prevention of Sexual Harassment of Women at Workplace**

The Company has zero tolerance for sexual harassment at work place and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provision of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed thereunder. Internal Complaints Committee has

been set up to redress complaints received regarding sexual harassment.

All employees (permanent, contractual, temporary, trainees) are covered under this policy. Your Directors further state that during the year under review, there were no cases filed under this Act.

#### **Cost Records**

The Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

#### **Particulars of Employees**

During the financial year 2023-24, no employee of the Company was in receipt of remuneration exceeding the limits prescribed under the provisions of Section 197 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

#### **General**

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review.

- a) Issue of equity shares with differential right as to dividend, voting or otherwise.
- b) Issue of shares (including sweat equity shares) to employees of the company under any scheme.
- c) Details of difference between amount of the valuation done at the time of one-time settlement and the valuation done while taking loan from the Banks or Financial Institutions along with the reasons thereof.
- d) Receipt of any commission by MD / WTD from the Company or for receipt of commission / remuneration from its Holding or subsidiary.

#### **Acknowledgements**

The Directors place on record their appreciation for the support and services rendered by the shareholders, Government of Kerala and its agencies and officials, bankers, business associates and the employees of the company. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

**For and on behalf of the Board of Directors**

	<b>Dr. Ellangovan K. Jacob Kovoov</b>	<b>Jacob Kovoov</b>
	Managing	<b>Ninan</b>
Place: <b>Cochin</b>	Director	Director
Date: <b>02.07.2024</b>	DIN: 05272476	DIN: 01213357

## FORM NO. AOC - 1

Statement containing salient features of the financial statement of Subsidiaries / Associate Companies / Joint Ventures (Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

**Part "A": Subsidiaries**

Information in respect of each subsidiary

(₹ in Lakhs)

Sl No	Name of the subsidiary	Reporting period Ended	% of share holding	Share capital	Reserves & surplus
1	INKEL KSIDC Projects Limited (INKID)	31.03.2024	74.00	2,476.14	2,105.17
2	INKEL EKK Roads Private Limited (INKEL -EKK)	31.03.2024	72.00	2,800.00	1,593.89
3	INKES Trade Centre Limited (INKES)	31.03.2024	74.00	500.00	(106.94)
4	INKEL Infrastructure Development Projects Limited (IIDPL)	31.03.2024	100.00	1,401.00	(1418.83)
5	INKEL Renewable Energy Private Limited (INKEL RE)	31.03.2024	100.00*	1.00	0.45

Sl No	Name	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend
1	NKID	4,850.32	4,850.32	-	1,895.27	1,398.33	375.79	1,022.54	20%**
2	INKEL -EKK	16,691.84	16,691.84	-	2,856.67	556.06	174.16	381.91	20%**
3	INKES	700.28	700.28	-	-	(7.64)	-	(7.64)	-
4	IDPL	3,201.49	3,201.49	34.08	7.45	5.76	-	5.76	-
5	INKEL RE	73.93	73.93	-	1.02	0.42	(0.04)	0.45	-

\*100% Subsidiary of IIDPL

\*\*Interim dividend paid

Note: Financials of Seguro Foundations and Structures Private Limited is not available

**Part "B": Associates and Joint Ventures**

(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associates and Joint Ventures)

(₹ in Lakhs)

Name of Associate / Joint Venture (JV)	MIV Logistics Private Limited
Latest audited Balance Sheet Date	31.03.2024
Share of Associate / JV held by the Company on the year end:	
No:	11829714
Amount of Investment:	1182.97
Extend of holding:	39.43%
Description of how there is significant influence	Controls more than 20% of the total share capital
Reason why Associate / Joint Venture is not consolidated	NA
Net worth attributable to shareholding as per latest audited Balance Sheet	2422.48
Profit / Loss for the year	
a. Considered in consolidation before tax	118.91
b. Not considered in consolidation	-

**Note:**

1. Financials of SEGURO INKEL Consortium LLP is not available.
2. Information in respect of following Joint Ventures, (1) INKEL KSIDC Projects Limited (2) INKEL EKK Roads Private Limited and (3) INKES Trade Centre Limited were reported as subsidiaries
3. Names of subsidiaries / associates which are yet to commence operations: NIL
4. Names of subsidiaries/ associate which have been liquidated or sold during the year: NIL

For and on behalf of the Board of Directors

Place: **Cochin**  
Date: **02.07.2024**

**Dr. Ellangovan K.**  
Managing Director  
DIN: 05272476

**Jacob Kovoov Ninan**  
Director  
DIN: 01213357

## FORM NO. AOC - 2

(Pursuant to Clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Disclosure of particulars of contracts / arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 Including certain arm's length transactions under third proviso thereto.

**Details of contracts or arrangements or transactions not at arm's length basis:**

There were no contracts, arrangements or transactions entered into during the year ended 31<sup>st</sup> March 2024, which were not at arm's length basis.

**Details of material contracts or arrangement or transactions at arm's length basis:**

There were no material contracts or arrangements or transactions entered into during the year ended 31<sup>st</sup> March 2024, as required to be reported under Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014. Other related party transactions under Section 188 are as follows.

(₹ in lakhs)

Sl No	Name(s) of the related party & Nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of contracts / arrangements/ transactions	Salient terms of the contracts or arrangements / transactions including the Value, if any	Date(s) of approval by the Board if any:	Amount paid as advances, if any
1	INKEL EKK Roads Private Limited (Subsidiary Company)	Guarantee Commission	Ongoing/ FY 2023-24	119.47	29.06.2022 08.03.2023	-
		Sharing of Expenses	Ongoing/ FY 2023-24	14.93	08.03.2023	-
		Project Consultancy	Ongoing/ FY 2023-24	173.73	02.07.2024	-
		Operations and Maintenance	Ongoing/ FY 2023-24	300.00	02.07.2024	-
		Interest on loan	Ongoing/ FY 2023-24	537.44	29.06.2022	-
2	MIV Logistics Private Limited (Associate Company)	Project Consultancy	Ongoing/ FY 2023-24	0.57	02.07.2024	-
		Guarantee Commission	Ongoing/ FY 2023-24	11.00	29.06.2022	-
		Sharing of Expenses	Ongoing/ FY 2023-24	10.77	08.03.2023	-
3	INKEL KSIDC Projects Ltd (Subsidiary Company)	Sharing of Expenses	Ongoing/ FY 2023-24	16.47	08.03.2023	-
		Project Consultancy	Ongoing/ FY 2023-24	7.04	02.07.2024	-
4	INKEL Renewable Energy Private Limited (Subsidiary of IIDPL)	Sharing of Expenses	Ongoing/ FY 2023-24	0.90	02.07.2024	-

For and on behalf of the Board of Directors

Place: **Cochin**  
Date: **02.07.2024**

**Dr. Ellangovan K.**  
Managing Director  
DIN: 05272476

**Jacob Koor Ninan**  
Director  
DIN: 01213357

**ANNUAL REPORT CORPORATE SOCIAL RESPONSIBILITY**

Pursuant to Section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

The Company undertook Corporate Social Responsibility (CSR) activities in accordance with the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 (CSR Rules). The annual report on CSR Activities are as follows:

1. Brief outline of the company's CSR Policy: The CSR Policy of the Company has been formulated and adopted in terms of Section 135 of the Companies Act, 2013 and the Rules made thereunder. The Company undertook CSR activities as specified in Schedule VII to the Companies Act, 2013. The Company decided to give prominence to CSR efforts such as Education, Healthcare, Promotion of Sports, Rural Development etc. or such activities specified in Schedule VII of the Companies Act, 2013.
2. The Composition of the CSR Committee: Since the CSR obligation does not exceed ₹50 Lakhs, the

requirement for constitution of the CSR Committee was not be applicable for the company for the financial year 2023-24. The Board had voluntarily constituted a CSR Committee with Mr. Jacob Kovoov Ninan (Independent Director) as Chairman, Adv. Geethakumary P.S., (Independent Director) and Dr. Ellangovan K. (Managing Director) as members. Meeting of the Committee was held on 07.05.2024.

3. Web-link(s) where the Composition of CSR Committee, CSR Policy and CSR Projects approved by the Board are disclosed on the website of the company, [www.inkel.in](http://www.inkel.in)
4. Executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of Rule 8, if applicable. Since the company has no CSR obligation in the 3 immediately preceding financial years, the impact assessment is not applicable.

## 5. CSR obligation:

(₹ in lakhs)

(a) Average net profit of the company u/s 135(5)	142.91
(b) Two percent of average net profit of the company u/s 135(5)	2.86
(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years	Nil
(d) Amount required to be set-off for the financial year, if any	Nil
(e) Total CSR obligation for the financial year [(b)+(c)-(d)]	2.86

## 6. Amount spent on CSR

(₹ in lakhs)

(a) Amount spent on CSR Projects	(Ongoing Project & other than Ongoing Project)	2.86
(b) Amount spent in administrative overheads		-
(c) Amount spent on Impact Assessment, if applicable		NA
(d) Total amount spent for the Financial Year [(a)+(b)+(c)]		2.86
(e) CSR amount spent or unspent for the Financial Year		
Total amount spent for the FY	Amount unspent	
	Total amount transferred to Unspent CSR Account u/s 135(6)	Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5)
	Amount	Date of transfer
2.86	Nil	NA
	NA	NIL
	NA	NA
(f) Excess amount for set-off, if any		
(i) Two percent of average net profit u/s 135(5)		2.86
(ii) Total amount spent for the Financial Year		2.86
(iii) Excess amount spent for the Financial Year [(ii)-(i)]		-
(iv) Surplus arising out of the CSR projects or programmes or activities of the previous FYs, if any		-
(v) Amount available for set off in succeeding Financial Years [(iii)-(iv)]		-

7. Details of Unspent CSR amount for the preceding three Financial Years: NIL

spend two per cent of the average net profit as per sub-section (5) of Section 135.: NA

8. Whether any capital assets have been created or acquired through CSR amount spent in the Financial Year: No

**For and on behalf of the Board of Directors**

**Dr. Ellangovan K. Jacob Kovoov**  
Managing Director

**Ninan**  
Director

9. Specify the reason(s), if the company has failed to

Place: **Cochin**  
Date: **02.07.2024**

DIN: 05272476

DIN: 01213357

**THE EXPLANATIONS / COMMENTS BY THE BOARD ON QUALIFICATION, RESERVATION / ADVERSE REMARK / DISCLAIMER MADE BY THE AUDITOR IN THEIR REPORT.**

The explanations or comments by the Board on qualification, reservation, adverse remark or disclaimer made by the auditors in their report are as follows:

The Auditor's observations are suitably explained in notes to the Accounts and are self-explanatory.

- 1) The response with respect to the diminution in value of Investments in the equity share capital of INKEL Infrastructure Development Projects Limited (IIDPL) are as follows:

IIDPL was constituted as an investing arm of INKEL. The first and the only project invested by IIDPL on behalf of INKEL is the Calicut Expressway Project Limited. As part of the settlement with KMC, most of the money spent on the project will be recovered by IIDPL except ₹13.05 Cr. The diminution in value of investments as reported by the Auditors arose because of charging of interest by INKEL on the intercorporate loan extended in the context of INKEL deciding to invest in CEPL. INKEL charged interest on IIDPL ₹1.61 Cr and ₹1.31 Cr for the year 2021-22 and 2022-23 respectively.

In order to reinvigorate the company, a SPV named INKEL Renewable Energy Private Limited (INKEL RE) was incorporated as a 100% subsidiary of IIDPL. INKEL has infused equity capital of ₹14 Cr in IIDPL in the year 2023-24, with intention to restart the projects in IIDPL. INKEL RE has won a tender for KSEBL for implementing a 14 MW wind energy project. Besides, another 18 MW Solar energy potential was also found, and a project to harness this energy as well is on serious discussions. This project is expected to be completed in 18 months' time. As and when INKEL RE becomes commercially active, the returns from it could make things better in IIDPL.

Considering these factors, the Audit committee and the Board felt that the negative net worth of IIDPL is

a temporary nature and the diminution of investment into IIDPL is only a transitory phenomenon since it is mainly due to the interest charged by INKEL.

Hence as recommended by the Audit Committee the Board accepted the request of IIDPL to waive the interest on loan till a commercially viable situation arises till the company acquires positive net worth. Further business activities were also planned in IIDPL to generate income from operation to this Company. Therefore, the Board of Directors of the Company of the view that diminution of investment into IIDPL is only a transitory phenomenon, hence no provision was made against this investment.

- 2) The Management Response to the Audit Qualification on the Consolidated Financial Statements in this regard is in line with their observation on Standalone Financial Statements.
- 3) The statement of facts, explanations or comments by the Board on other qualification and adverse remark made by the auditor in their report on Consolidated financial statement are as provided in the Note No 2.40.1 and 2.14.5, to the consolidated financial statement of the company as mentioned by the Auditors in their report.
- 4) Considering the possibility of permanent diminution in the value of investments SFS a full provision of ₹1381.50 lakh was made on FY 2019-20. Since, Seabird Seaplane Private Limited, the Associate Company is under liquidation, necessary provisions required if any, will be provided based on the outcome of the liquidation process.

**For and on behalf of the Board of Directors**

**Dr. Ellangovan K. Jacob Kooror**  
Managing  
Director

**Ninan**  
Director

Place: **Cochin**  
Date: **02.07.2024**

DIN: 05272476

DIN: 01213357

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2024**

**FORM MR - 3**

*[Pursuant to Section 204(1) of the Companies Act, 2013 and  
Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

To,  
The Members,  
INKEL Limited,  
Door No.14/812 & 813, 1<sup>st</sup> Floor,  
Ajjiyal Complex, Kakkanad,  
Ernakulam, Kerala, India, 682 030

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by INKEL Limited having CIN U45209KL2007PLC020471 (hereinafter called the Company) for the financial year ended on 31<sup>st</sup> March, 2024. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2024 complied with the statutory provisions listed hereunder and proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by INKEL LIMITED for the financial year ended on 31<sup>st</sup> March, 2024 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder – not applicable as the Company is an unlisted public company;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder – the Company has dematerialized its share certificates and has appointed Integrated Registry Management Services Private Limited, No.30, Ramana Residency, 4<sup>th</sup> Cross, Sampige Road, Malleswaram, Bengaluru – 560 003 as Registrar

and Transfer Agents to comply with the provisions of the Act;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings – as per the information provided by the Company there was no Foreign Direct Investment in the Company during the year and the Company has not made any Overseas Direct Investment and also had not availed External Commercial Borrowings during the year under review;
- (v) The Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') viz.; and
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021;

- (h) The Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 2018; and
- (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Compliance of the provisions of the above-mentioned Statutes are not applicable for the Company during the year under review, as the Company is an unlisted public company.

- (vi) I have also examined compliance with the applicable clauses of:-

- (a) Secretarial Standards issued by the Institute of Company Secretaries of India and report that the Company has complied with the said Standards;
- (b) The Listing Agreements entered into by the Company with Stock Exchanges – not applicable as the Company is an unlisted public company.

- (vii) I have relied on the representation made by the Company and its Officers in respect of systems and mechanism formed / followed by the Company for the compliance of the following laws applicable specifically to the Company:

1. Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996
2. The Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Central Rules, 1998.
3. The Building and Other Construction Workers' Welfare Cess Act, 1996.
4. Building and Other Construction Workers Welfare Cess Rules, 1998.
5. The Building and Other Construction Workers (RE & CS) Kerala Rules, 1998.
6. The Kerala Building & Other Construction Workers' Welfare Cess Rules.

- (viii) The Company has also identified and informed me that the following Environmental Laws are specifically applicable to the Company viz: -

1. Environment Protection Act, 1986 and rules made thereunder;
2. Water (Prevention and Control of Pollution) Act, 1974 and rules made thereunder;
3. Air (Prevention and Control of Pollution) Act, 1981 and rules made thereunder;
4. Noise Pollution (Regulation and Control) Rules, 2000; and

5. The Hazardous Wastes (Management Handling and Trans boundary Movement) Rules, 2008.

For the purpose of examining the adequacy of compliances with respect to the above-mentioned Legislations, reliance has been placed on information/records produced by the Company during the course of audit and the Management Representation Letter issued by the management of the Company and the reporting is limited to that extent and based on that I am of the opinion that the Company has generally complied with the above-mentioned Laws.

Based on the aforesaid information provided by the Company, I report that during the financial year under report, the Company has complied with the provisions of the above-mentioned Acts, Rules, Regulations, Guidelines, Standards, etc., mentioned above and we have not found material observation or instance of non-compliance in respect of the same.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

*Adequate notice was given to all Directors about scheduled Board Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance, except in certain cases and a reasonable system exists for Board Members for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.*

Based on the representation made by the Company and its Officers explaining to us in respect of internal systems and mechanisms established by the Company which ensures compliances of other, Laws and Regulations applicable to the Company, we report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that the compliance by the Company of the financial laws like direct and indirect tax laws and various labour laws has not been reviewed in this audit, since they do not come under the scope of this audit. However, based on the information received and records maintained by the Company and on their examination, I report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with general laws like environmental laws, rules, regulations and guidelines.



I further report that during the audit period, as per the information provided by the Company, the Company has repaid all the deposits accepted by it apart from the deposit pertaining to one deposit holder as he was not traceable.

I further report that based on the review of the compliance mechanism established by the Company and on the basis of Compliance certificate(s) issued by various departments and taken on record by the Board of Directors at their meetings, I am of the opinion that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This report is to be read with my letter of even date which is annexed as **Annexure-1** and forms an integral part of this report.

**For RVS & Associates, Company Secretaries LLP**

**Rakhesh R.**  
Designated Partner  
M No. FCS – 18717  
C.P. No.: 10574  
UDIN: **A018717F000643209**  
Peer Review Certificate No.:  
**4358/2023**

Place: **Trivandrum**  
Date: **01.07.2024**

## ANNEXURE I

To  
The Members,  
INKEL Limited,  
Door No.14/812 & 813, 1<sup>st</sup> Floor,  
Ajjyal Complex, Kakkanad,  
Ernakulam, Kerala, India, 682 030

## AUDITOR'S RESPONSIBILITY

Based on audit, my responsibility is to express an opinion on the compliance with the applicable laws and maintenance of records by the Company. I have conducted the audit in accordance with the auditing standards CSAS 1 to CSAS 4 ("CSAS") prescribed by the Institute of Company Secretaries of India ("ICSI"). These standards require that the auditor complies with statutory and regulatory requirements and plans and performs the audit to obtain reasonable assurance about compliance with applicable laws and maintenance of records.

Due to the inherent limitations of an audit including internal, financial and operating controls, there is an unavoidable risk that some misstatements or material non-compliances may not be detected, even though the audit is properly planned and performed in accordance with the CSAS. My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and

practices, I have followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company and for which we relied on the report of statutory auditor.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Rakhesh R.**  
Designated Partner  
M No. FCS – 18717  
C.P. No.: 10574  
UDIN: **A018717F000643209**  
Peer Review Certificate No.:  
**4358/2023**

Place: **Trivandrum**  
Date: **01.07.2024**

## INDEPENDENT AUDITOR'S REPORT

**To the members of INKEL LIMITED,**

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

#### **Qualified Opinion**

We have audited the standalone financial statements of INKEL LIMITED ("the company") which comprises the balance sheet as at 31<sup>st</sup> March 2024, and the statement of Profit and Loss, and 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 explanations given to us, except for the effect of the matters described in the Basis for Qualified Opinion section given herein below in our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2024 and of its profits and its cash flows for the year ended on that date.

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

INKEL Ltd has equity capital investment of ₹1,401 lakhs in its wholly owned subsidiary M/s INKEL Infrastructure Development Projects Limited (IIDPL). The net worth of IIDPL has been completely eroded and it is negative as on 31.03.2024. In the context of complete erosion in net worth of IIDPL, the equity capital investment of INKEL Ltd in IIDPL has to be revalued. As per the provisions of Accounting Standard – 13 on Investments specified u/s 133 of the Companies Act, 2013, the diminution in value of long-term investments shall be provided for, if the diminution is other than temporary. Since the company IIDPL does not have any significant business operations and the prospects of earning revenue to recover the drained out net worth is remote, in our opinion, the diminution in value of investment of INKEL Ltd in the equity shares of IIDPL cannot be treated as temporary. INKEL Ltd has not provided for the diminution in the value of investments in the equity shares of IIDPL. Therefore, the value of investments in the subsidiary company IIDPL and the profit for the year is overstated by ₹1,401 lakhs.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities section of our report. We are independent of the Company in accordance with the

Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Companies Act, 2013 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.

#### **Emphasis of Matter**

We draw attention to

1. Note 2.7.2 of the standalone financial statements as per which, the company has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006 and the same is in progress. Based on available information, there are no balances outstanding as payable to such suppliers as at the year end. According to the management, there are no amounts paid/ payable towards interest under the said statute.
2. Note 2.12.5 of the standalone financial statements where it is stated that the profit/ loss of Seguro – INKEL consortium LLP, a limited liability partnership constituted by INKEL Ltd and M/s Seguro Foundations and Structures Private Limited (SFS) as designated partners, is not considered in the preparation of the standalone financial statements since the financial statements of the said LLP has not been drawn and audited due to the reason, the authorised Signatory representing the other designated partner in the LLP is not available.
3. Note 2.32.1 of the standalone financial statements where it is stated that the acquisition of 65% equity shares of M/s Seguro Foundations and Structures Private Limited (SFS) for ₹1,381.50 lakhs by INKEL Ltd on 01-12-2017 took place at exorbitant price as a result of mis representation and suppression of information by the former management of the SFS and that on the basis of an enquiry report of a committee constituted by the Board of INKEL Ltd and a forensic audit report by an independent firm of chartered accountants, the Board declared the investment in SFS as the outcome of fraud committed by the former management of SFS.
4. Note 2.32.3 of the standalone financial statements where it is stated that,
  - a) An investment of ₹370 lakhs by INKEL Ltd in equity shares of its subsidiary company M/s INKES Trade centre (P) Ltd, though undergone partial diminution

in its value due to the erosion in net worth of subsidiary, it has not been provided for, since the diminution is not permanent in nature as the net worth of the investee can be recovered from their prospective business.

- b) Another investment of ₹1,182.97 lakhs in equity shares of an associate company M/s MIV Logistics Private Limited has also undergone diminution in value due to erosion in net worth of the investee, but the diminution has not been provided for, since it is not considered as permanent due to the reason that the associate company is carrying on operations and its net worth is improving gradually by making profits from operations.
5. Note 2.16.1 of the standalone financial statements where it is stated that the balances given under Trade Receivable other than amounts receivable from subsidiary companies and associates are subject to confirmation of balances by the respective parties.
6. Note 2.18.1 of the standalone financial statements where it is stated that the balances given under Short-term loans and advances other than advances to subsidiary companies and associates are subject to confirmation of balances by the respective parties.
7. Note 2.35 of the standalone financial statements (para 5) as per which, there are certain Legal cases involving an amount of ₹82.36 lakhs faced by the Company as a party in cases related to its subsidiary Seguro Foundations and Structures Private Limited and Seguro Inkel Consortium LLP wherein the company is a majority partner, for which the outcome and potential financial impact cannot be reasonably estimated. Though the company is not the primary accused, it is one of the defendants in certain legal cases with claims for the recovery of money pending before various fora. Management holds the view that those claims are not tenable against the Company; however, due to the inherent uncertainties involved, the contingent liability cannot be quantified now.

Our opinion is not modified in respect of these matters.

#### **Information Other than the Financial Statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises the Director's Report including Annexures to Director's Report, but does not include the financial statements and our auditor's report thereon. The Director's report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read the director's report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance and take necessary actions as per applicable laws and regulations.

#### **Responsibilities of Management and those Charged with Governance for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position and financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; 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, the Board of Directors 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 the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

#### **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 scepticism 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. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 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 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

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure A a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The balance sheet and the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account
  - d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified 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 31st March, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

- g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid to its directors during the year is in accordance with the provisions of section 197 of the Companies Act, 2013
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.35 to the stand alone financial statements.
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses
  - iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- a) The Management has represented that, to the best of its knowledge and belief, 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 or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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, no funds have been received by the Company from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c) Based on the audit procedures performed that have been 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) above contain any material misstatement
- iv. The dividend for the year 2022-23 was declared by the Company during the year and it was declared and paid in accordance with the provisions of section 123 of the Companies Act, 2013.
- v. The Company started using an accounting software with edit log as required as per the proviso to rule 3(1) of Companies (Accounts) Rules, 2014 from 18-06-2023 only. We have not noticed any tampering with the audit trail feature and the audit trail is understood to be preserved as per the statutory requirements for record retention.

**For Elias George & Co.,**  
Chartered Accountants  
FRN: 000801S

**Ranjit Mathews P.**  
Partner

Kochi: 682020  
Date: 02-07-2024

Membership No: 205377  
UDIN: **24205377BKABSY4303**

**"ANNEXURE A" REFERRED TO IN PARAGRAPH 2 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF INKEL LIMITED FOR THE YEAR ENDED 31ST MARCH 2024**

i. In respect of the Company's Property, Plant and Equipment and Intangible Assets:

a) (A) According to the information and explanation given to us and the records produced to us for our verification, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment, capital work-in-progress.

(B) According to the information and explanation given to us, the Company has maintained proper records showing full particulars of intangible assets.

b) We are informed that Property, Plant and Equipment have been physically verified by the management at reasonable intervals and that no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable and the process of physical verification is to be improved.

c) *According to the information and explanation given to us and the records of the Company examined by us, the title deeds of the immovable property of the company are held in the name of the Company. It is explained to us that the title deed of 213.31 Ares of land at Piravom with a book value of Rs 4.56 Cr is in the custody of Federal Bank Limited. No confirmation is received from Federal Bank as to the holding of the title deeds.*

d) The Company has not revalued any of its Property,

Plant and Equipment and Intangible assets during the year.

e) No proceedings have been initiated during the year or are pending against the Company as at March 31, 2024 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

ii. In respect of the Company's Inventories:

a) According to the information and explanations given to us and the records of the Company examined by us, the inventory has been physically verified by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. No discrepancies of 10% or more in aggregate for each class of inventory were noticed on such physical verification.

b) According to the information and explanations given to us, the Company has no sanctioned working capital limits in excess of ₹5 crores, in aggregate, during the year, from banks on the basis of security of current assets.

iii. In respect of Investments made, guarantees provided, security given, loans and advances in the nature of loans:

a) According to the information and explanation given to us, during the year the Company has provided loans and stood guarantee to the Companies, Limited Liability Partnerships or any other parties as follows:

(₹ in lakhs)				
Particulars	Guarantees	Security	Loans	Advances in the nature of loans
Aggregate amount granted/provided during the year				
-Subsidiary Companies			89.81	
-Subsidiary Entities				
-Associates				
-Others				
Balance Outstanding as at the balance sheet date with respect of the above cases				
-Subsidiary Companies	18200.00		89.81	2489.73
-Subsidiary Entities				271.84
-Associates	1100.00			
-Others	1882.65			

- b) *In our opinion and according to the information and explanations given to us, investments made, guarantees provided and securities given are, prima facie, not prejudicial to the interest of the Company except for that interest is not charged on intercorporate loans given by the company to its subsidiaries namely IIDPL and INKES*
- c) As per the information and explanations given to us and the records of the Company examined by us, the terms do not stipulate any repayment schedule and the principal and interest are repayable on demand and hence we do not offer any comments regarding regularity of repayments.
- d) As per the information and explanations given to us and the records of the Company examined by

us and read with our comments in (c) above, there are no overdue amounts in respect of such loans.

- e) As per the information and explanations given to us and the records of the Company examined by us, no loans or advances in the nature of loan granted which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdue of existing given to the same parties.
- f) As per the information and explanations given to us and the records of the Company examined by us, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment, except,

(₹ in lakhs)

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage of the total Loans and Advances in the nature of loans
i) Related Parties		
-INKEL Infrastructure Development Projects Limited	2489.73	87.32%
-Seguro Inkel Consortium LLP	271.84	9.05%
-INKES Trade Centre Limited	18.85	0.63%
-INKEL Renewable Energy Pvt Ltd.	70.96	2.36%

- iv. According to the information and explanations given to us and the records of the Company examined by us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans granted, investments made, guarantees given and security provided by the Company, to the extent applicable to the Company.
- v. According to the information and explanations given to us, the records of the Company examined by us and the confirmation received from the Registrar for the deposit scheme engaged by the company, the Company has complied with the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder in accepting deposits from the public during the year.
- vi. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of section 148 of the Act for any of the activities of the Company.
- vii. a) *As per the information and explanations given to us and according to our examination of the records of the Company, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Value Added Tax, Cess and other statutory dues as applicable to the Company to the appropriate authorities during the*

*year, except for Labour Welfare Fund- Karnataka (LWF). There are no arrears of undisputed statutory dues outstanding at the last day of the financial year for a period of more than six months from the date on which they became payable except for Labour Welfare Fund- Karnataka (LWF) amounting to ₹8.44 lakh.*

- b) According to the information and explanations given to us and the records of the Company examined by us, the Company has no dues of Income Tax, Service Tax, Goods and Service Tax, or Value Added Tax that have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us and the records of the Company examined by us, there are no transactions that are not recorded in the books of account to be surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.
- ix. In respect of loans and borrowings of the Company:
- a) *According to the information and explanations given to us and the records of the Company examined by us and there is default in repayment of the loan instalment due on 31st March 2021 to Kerala Industrial Infrastructure Development Corporation (KINFRA), of Rs. 300.00 lakh. Other than that, the Company has not defaulted in repayment of loans or borrowings to a financial*

*institution, bank, Government or dues to debenture holders.*

- b) According to the information and explanations given to us, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or government authority.
- c) According to the information and explanations given to us, the company has not obtained any term loans. Accordingly, requirement to report on clause 3(ix)(c) of the Order is not applicable.
- d) According to the information and explanations given to us, and the procedures performed by us and on an overall examination of the Standalone Financial Statements of the Company, we report that, prima facie, no funds raised on short term basis have been used by the Company for long-term purposes.
- e) According to the information and explanations given to us and on an overall examination of the Standalone Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.
- f) As per the information and explanations given to us and the records of the Company examined by us, the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates or jointly controlled entities.
- x. a) According to the information and explanations given to us and the records of the Company examined by us, no money has been raised by way of initial public offer or further public offer (including debt instruments) by the Company.
- b) According to the information and explanations given to us and based on the examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year.
- xi. a) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the company or on the Company noticed or reported during the year, nor have been informed of any such case by the Management.
- b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report.
- c) As represented to us by the Management, there are no whistle blower complaints received by the Company during the year.
- xii. The Company is not a Nidhi company. Accordingly, the reporting requirements under clause (xii) of paragraph 3 of the Order are not applicable.
- xiii. According to the information and explanations given to us and the records of the Company examined by us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act where applicable and the details of such transactions have been disclosed in Note 2.31 to the standalone financial statements as required by the applicable accounting standards.
- xiv. a) The Company has an internal audit system commensurate with the size and nature of its business.
- b) The internal audit reports of the Company for the year under audit have been received and considered by us.
- xv. According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions with directors or persons connected with the directors. Accordingly, the reporting requirement under clause (xv) of paragraph 3 of the Order is not applicable.
- xvi. According to the information and explanations given to us and the records of the Company examined by us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting requirement under clause (xvi) of paragraph 3 of the Order is not applicable.
- xvii. The Company has not incurred cash losses in the current year and in the immediately preceding financial year respectively.
- xviii. The auditors of the Company resigned during the year due to personal reasons. The outgoing auditors have not raised any issues or objections or concerns though we have communicated with him.
- xix. On the basis of the financial ratios disclosed in Note 2.33 to the standalone financial statements, ageing and expected dates of realization of financial assets



and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not 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. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. There was no unspent amount in relation to any project other than ongoing project to be transferred to Fund specified under schedule VII as per second proviso to section 135(5) or unspent amount to be transferred to specified account as per section 135(6) since the company has spent the entire amount of Rs. 2.86 lakh that was to be spent under section 135 of The Companies Act, 2013 during the year.

**For Elias George & Co.,**  
Chartered Accountants  
FRN: 000801S

**Ranjit Mathews P.**  
Partner  
Membership No:205377  
UDIN: 24205377BKABSY4303

Kochi: 682020  
Date: 02-07-2024

## ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT

### THE ANNEXURE REFERRED TO IN OUR INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF INKEL LIMITED ON THE AUDIT OF STANDALONE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

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

##### Opinion

We have audited the internal financial controls over financial reporting of INKEL Ltd. ("the Company") as of 31st March, 2024 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2024, 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.

#### Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial

control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the

prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and

operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

### **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.

**For Elias George & Co.,**  
Chartered Accountants  
FRN: 000801S

**Ranjit Mathews P.**  
Partner

Kochi: 682020  
Date: 02-07-2024

Membership No:205377  
UDIN: **24205377BKABSY4303**

**INKEL LIMITED**

CIN: U45209KL2007PLC020471

Door No. 14/812 &amp; 813 - 1st Floor, Ajiyal Complex, Kakkanad, Kochi – 682030

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2024**

(₹ In Lakh)

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2.1	17,781.43	17,781.43
(b) Reserves and Surplus	2.2	3,500.80	2,720.71
<b>(2) Non - Current Liabilities</b>			
(a) Long - Term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)	2.3	14.64	24.84
(c) Other Long-Term Liabilities	2.4	12.50	20.79
(d) Long - Term Provisions	2.5	173.90	150.32
<b>(3) Current Liabilities</b>			
(a) Short Term Borrowings	2.6	4,802.00	4,802.00
(b) Trade Payables: -	2.7		
i. Total outstanding dues of micro enterprises and small enterprises;		-	-
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises		3,469.54	3,650.59
(c) Other Current Liabilities	2.8	4,590.66	3,698.33
(d) Short - Term Provisions	2.9	801.37	452.33
<b>TOTAL</b>		<b>35,146.84</b>	<b>33,301.34</b>
<b>II. ASSETS</b>			
<b>(1) Non - Current Assets</b>			
(a) Property, Plant and Equipment and intangible Assets			
i. Property, Plant and Equipment	2.10	4,387.87	4,999.51
ii. Intangible Assets	2.10	15.75	25.53
iii. Capital Work in Progress	2.11	4.34	54.46
(b) Non - Current Investments	2.12	8,266.71	6,865.71
(c) Long - Term Loans and Advances	2.13	2,817.16	4,448.77
(d) Other Non - Current Assets	2.14	5,637.32	5,922.71
<b>(2) Current Assets</b>			
(a) Inventories	2.15	1.21	77.18
(b) Trade Receivables	2.16	8,593.28	8,409.44
(c) Cash and Cash Equivalentents	2.17	2,918.02	1,295.29
(d) Short - Term Loans and Advances	2.18	615.47	550.63
(e) Other Current Assets	2.19	1,889.71	652.11
<b>TOTAL</b>		<b>35,146.84</b>	<b>33,301.34</b>

Significant Accounting Policies and Notes to Accounts

1 &amp; 2

The Accompanying Notes are an integral part of the financial statements.

For and on behalf of the Board of Directors

As per our separate report of even date attached

**Dr. K Ellangovan**  
Managing Director  
DIN: 05272476

**Jacob Kovoov Ninan**  
Director  
DIN: 01213357

**For Elias George & Co**  
Chartered Accountants  
FRN: 000801S

**Baiju T**  
Company Secretary

**Riju Thomas**  
Chief Financial Officer

**CA. Ranjit Mathews P**  
Partner  
Membership No.: 205377  
UDIN: 24205377BKABSY4303

Place: Kochi  
Date: 02/07/2024

**INKEL LIMITED**

CIN: U45209KL2007PLC020471

Door No. 14/812 &amp; 813 - 1st Floor, Ajijal Complex, Kakkanad, Kochi – 682030

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

(₹ In Lakh)

Particulars	Note No.	For the year ended	
		31.03.2024	31.03.2023
<b>Income</b>			
I. Revenue from Operations	2.20	6,605.81	6,732.64
II. Other Income	2.21	1,313.84	1,384.21
<b>III. Total Income (I+II)</b>		<b>7,919.65</b>	<b>8,116.85</b>
<b>IV. Expenses</b>			
(i) Cost of land acquired/building/amenities constructed and disposed (on Long Term Finance Lease Agreements)	2.22	548.96	116.94
(ii) Purchases of Stock-in-Trade	2.23	1,829.07	2,815.57
(iii) Changes in inventories of Stock-in-Trade	2.24	75.32	(75.36)
(iv) Employee Benefits Expense	2.25	843.95	812.69
(v) Finance Costs	2.26	537.44	176.46
(vi) Depreciation and Amortisation Expense	2.10	126.10	132.05
(vii) Other Expenses	2.27	1,925.64	2,397.51
(viii) Provisions	2.28	-	270.52
<b>Total Expenses</b>		<b>5,886.48</b>	<b>6,646.38</b>
<b>V. Profit Before Tax (III - IV)</b>		<b>2,033.17</b>	<b>1,470.47</b>
<b>VI. Tax Expense</b>			
(1) Current Tax		418.66	242.00
(2) Deferred Tax		(10.20)	(61.25)
(3) Taxes relating to prior years		-	2.06
<b>VII. Profit for the year (V - VI)</b>		<b>1,624.71</b>	<b>1,287.65</b>
<b>VIII. Earnings per Equity Share</b>	2.29		
Face value of share ₹ 10/- (₹ 10/-)			
Basic		0.91	0.72
Diluted		0.91	0.72

Significant Accounting Policies and Notes to Accounts

1 &amp; 2

The Accompanying Notes are an integral part of the financial statements.

For and on behalf of the Board of Directors

As per our separate report of even date attached

**Dr. K Ellangovan**  
Managing Director  
DIN: 05272476

**Jacob Kovoov Ninan**  
Director  
DIN: 01213357

For **Elias George & Co**  
Chartered Accountants  
FRN: 000801S

**Baiju T**  
Company Secretary

**Riju Thomas**  
Chief Financial Officer

**CA. Ranjit Mathews P**  
Partner  
Membership No.: 205377  
UDIN: 24205377BKABSY4303

Place: Kochi  
Date: 02/07/2024

**INKEL LIMITED**

CIN: U45209KL2007PLC020471

Door No. 14/812 &amp; 813 - 1st Floor, Ajjyal Complex, Kakkanad, Kochi – 682030

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit Before Tax</b>	2,033.17	1,470.47
<b>Adjustments for:</b>		
Depreciation and Amortisation expense	126.10	132.05
(Profit) on sale of Assets	(7.20)	(0.65)
Loss on sale of Asset	3.93	-
Interest Income	(287.51)	(197.00)
Dividend received INKEL EKK Ltd & INKEL KSIDC	(769.67)	(769.67)
Finance costs	537.44	176.46
<b>Operating profit before Working Capital Changes</b>	<b>1,636.26</b>	<b>811.66</b>
<b>Changes in Working Capital</b>		
<b>Adjustments for Increase/Decrease in Operating Assets</b>		
Trade Receivables	(183.84)	(2,774.93)
Short term loans and advances	(64.84)	368.31
Other Non-Current Assets	285.39	(984.14)
Inventories	75.97	(76.01)
Long term Loans and Advances	1,631.61	277.72
Other Current Assets	(1,237.60)	(34.66)
	<b>506.69</b>	<b>(3,223.71)</b>
<b>Adjustments for Increase/ Decrease in Operating Liabilities</b>		
Trade Payables	(181.05)	67.32
Other Current Liabilities	33.18	1.98
Short term Provisions	349.04	349.40
Long term Provisions	23.58	(2.72)
Other Long-Term Liabilities	(8.29)	(13.29)
	216.46	402.68
<b>Cash generated from Operations</b>	<b>2,359.41</b>	<b>(2,009.36)</b>
Taxes Paid	(418.66)	(244.06)
<b>Net Cash Generated from Operating activities - (A)</b>	<b>1,940.75</b>	<b>(2,253.43)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets including Capital WIP/Capital Advances	(73.89)	(46.66)
Capital WIP	50.12	(52.69)
Loans and Advances (given)/repaid	-	-
Interest received on loans/deposits	287.51	197.00
Proceeds from sale of Fixed assets	572.47	137.79
Dividend received INKEL EKK Ltd & INKEL KSIDC	769.67	769.67
Increase in investment	(1,401.00)	-
<b>Net Cash Used in Investing activities - (B)</b>	<b>204.88</b>	<b>1,005.10</b>

<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from / (Repayment of) Short term borrowings	-	1,950.01
Proceeds/(Repayment) from long term borrowings	-	0.01
Finance costs paid	(537.44)	(176.46)
Dividend paid	14.54	(0.80)
<b>Net Cash Generated from/ (Used in) Financing Activities - (C)</b>	<b>(522.90)</b>	<b>1,772.76</b>
<b>Net increase in Cash and Cash equivalents (A+B+C)</b>	<b>1,622.73</b>	<b>524.44</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>1,295.29</b>	<b>770.85</b>
<b>Cash and Cash Equivalents at the end of the year</b>	<b>2,918.02</b>	<b>1,295.29</b>

For and on behalf of the Board of Directors

**Dr. K Ellangovan**  
Managing Director  
DIN: 05272476

**Jacob Kovoor Ninan**  
Director  
DIN: 01213357

As per our separate report of even date attached

**For Elias George & Co**  
Chartered Accountants  
FRN: 000801S

**Baiju T**  
Company Secretary

**Riju Thomas**  
Chief Financial Officer

**CA. Ranjit Mathews P**  
Partner  
Membership No.: 205377  
UDIN: 24205377BKABSY4303

Place: Kochi  
Date: 02/07/2024

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2024

### 1. Significant Accounting Policies

#### a. Basis of Accounting

The financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these financial statements to comply in all material respects with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006, specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

#### b. Use of Estimates

The presentation of financial statements in conformity with the generally accepted accounting principles require estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of

revenues and expenses during the reporting period. Difference between the actual result and estimates are recognized in the period in which the results are known /materialized.

#### c. Tangible Assets (Property, Plant and Equipment)

Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment in value if any. Cost includes purchase price (inclusive of non – refundable purchase taxes, after deducting trade discounts and rebates), other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (Major components).

Land acquired on long term lease arrangements that are in the nature of financial leases are classified under Fixed Assets and amortised over the lease period. Buildings constructed on such land are capitalised and depreciated at the rates and in the manner provided under Schedule II of the Companies Act,2013. Such

land and building are reclassified and treated as Current Assets (at Net Book Value) when the decision to dispose under long-term finance leases is conclusively taken by the management. The cost of assets not ready for use at the balance sheet date are disclosed under Capital Work in Progress.

**d. Intangible Assets**

Intangible assets are recorded at the cost of acquisition of such assets and are carried at cost less accumulated amortisation and impairment, if any.

**e. Depreciation/ Amortisation**

Depreciation on property, plant and equipment is provided on Written Down Value Method on the basis of the useful lives in the manner prescribed as per Schedule II of The Companies Act, 2013 based on a review by the management at the year end. Leasehold land is amortised over the duration of the lease. Cost of software treated as Intangible Assets are amortised over a period of six years.

**f. Government Grant/Subsidies**

Grants and Subsidies in the nature of Promoters contribution or identifiable with non-depreciable assets are credited to capital reserve. Grants and Subsidies, specifically identifiable depreciable assets, are credited to the carrying cost of the respective asset. Grants/Subsidies in the nature of revenue are recognized as income over the period necessary to match them with the related costs which they are intended to compensate.

**g. Investments**

Non-Current Investments are stated at cost. Decline in value, if any, which is not considered temporary in nature, is provided for.

**h. Revenue Recognition**

Revenue arising on disposal of current assets under long-term lease arrangements that are in nature of financial leases is recognised in the year in which the lease agreements are entered into. 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.

Income from project management service is recognized based on the stage of completion of each work having regard to the various identified

components of the work which are to be performed by the company and the extent of work completed by it at the end of the year. Solar projects are normally completed in a span of one year. In solar projects, materials are billed by the company on delivery and the income on execution of the works is recognised by raising the bills thereof immediately after the completion of the project. Other incomes are recognized on accrual basis except when there are significant uncertainties in the realisation of income.

**i. Inventories**

Inventories of Land and Building/amenities includes the cost of purchase, development costs, construction costs, overheads and is valued at lower of cost identified on specific identification method and net realisable value. Inventories of Stock in trade is valued at Lower of Cost, identified on specific identification method or net realisable value.

**j. Employee Benefits**

**i. Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognized in the period in which the employee renders the related service.

**ii. Defined Contribution Plans**

The company has defined contribution plans for employees comprising of Provident Fund, Employee's State Insurance and National Pension Scheme. The contributions paid/payable to these plans during the year are charged to the Statement of Profit and Loss for the year.

**iii. Defined Benefit Plans**

Gratuity (Funded) & Long-term employee benefits: Compensated absences (Funded).

- a) **Gratuity** - The company makes contributions to the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India. The net present value of the obligation for gratuity benefits as determined on actuarial valuation conducted annually using the projected unit credit method, as adjusted for unrecognised past services cost, if any, and as reduced by

the fair value of plan assets, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

- b) **Compensated absences** - The company has a scheme for compensated absences for employees, the liability of which is determined on the basis of an actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.
- iv. **Termination Benefits** - Termination benefits are recognized in the Statement of Profit and Loss for the period in which the same accrue.
- k. **Income Tax**

Income tax is accounted in accordance with Accounting Standard on Accounting for Taxes on Income (AS-22), which includes current taxes and deferred taxes. Deferred Tax assets/liabilities representing timing differences between accounting income and taxable income are recognised in the financial statements. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available, except that deferred tax assets arising due to unabsorbed depreciation and losses are recognised if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available to realise the same. Minimum Alternate Tax is not applicable to the Company since the Company has opted out of the provisions of section 115JB and elected to pay tax at the rate applicable under Sec 115BAA of the IT Act, 1961.

l. **Foreign Currency Transactions**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities other than forward contracts, outstanding at the Balance Sheet date are translated at the applicable exchange rates prevailing at the said date. The exchange gain/loss arising during the year are adjusted to the Statement of Profit and Loss.

m. **Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use are capitalised. Other borrowing costs are recognized as expenditure for the period in which they are incurred.

n. **Earnings per share**

Basic/Diluted earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares/dilutive potential equity shares outstanding as at the end of the year as the case may be.

o. **Impairment of Assets**

The company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. An asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. Based on such assessment, impairment loss if any is recognized in the Statement of Profit and Loss of the period in which the asset is identified as impaired. The impairment loss recognised in the prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

p. **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the company has a present obligation 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. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the correct management estimates.

Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation.

Contingent assets are neither recognized nor disclosed in the accounts.



NOTES FORMING PART OF STATEMENT OF BALANCE SHEET FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

## NOTE - 2.1 SHARE CAPITAL

(₹ In Lakh)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number of Shares	Amount	Number of Shares	Amount
<b>Authorised Equity Share Capital</b>				
Equity Shares of ₹ 10/- (₹ 10/-) each	20,00,00,000	20,000.00	20,00,00,000	20,000.00
	20,00,00,000	20,000.00	20,00,00,000	20,000.00
<b>Issued, Subscribed and Paid up</b>				
Equity Shares of ₹ 10/- (₹ 10/-) each	17,78,14,334	17,781.43	17,78,14,334	17,781.43
	17,78,14,334	17,781.43	17,78,14,334	17,781.43

## 2.1.1 Terms/ Rights attached to Equity Shares

The company has only one class of shares referred to as equity shares with a face value of ₹ 10/- (₹ 10/-) each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed/declared by the Board of Directors is subject to approval/regularisation of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

## Reconciliation of shares at the beginning and at the end of the financial year

(₹ In Lakh)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number of Shares	Amount	Number of Shares	Amount
<b>Equity Shares</b>				
As at the beginning of the financial year	17,78,14,334	17,781.43	17,78,14,334	17,781.43
Shares issued during the financial year	-	-	-	-
As at the end of the financial year	17,78,14,334	17,781.43	17,78,14,334	17,781.43

## Particulars of Shareholders holding more than 5% share in the Company

(₹ In Lakh)

Govt. of Kerala - 22.78 % (Previous year 22.78%)	4,05,00,000	4,050	4,05,00,000	4,050
Bismi Holdings Limited- 6.19 % (Previous year 6.19%)	1,10,00,000	1,100	1,10,00,000	1,100
Shri. Yusuffali M A - 17.02 % (Previous year 17.02%)	3,02,60,018	3,026	3,02,60,018	3,026
Shri. Varghese Kurian - 7.59 % (Previous year 7.59%)	1,34,94,697	1,349	1,34,94,697	1,349
Dr. Mohamed Ali - 5.91 % (Previous year 5.91%)	1,05,00,000	1,050	1,05,00,000	1,050

Shares held by promoters for the year ended 31<sup>st</sup> March 2024

Promoter Name	No of Shares	% Of Total Shares	% Of Change during the year
Govt. of Kerala	4,05,00,000	22.78%	-
Bismi Holdings Limited	1,10,00,000	6.19%	-
Shri. Yusuffali M A	3,02,60,018	17.02%	-
Shri. Varghese Kurian	1,34,94,697	7.59%	-
Dr. Mohamed Ali	1,05,00,000	5.91%	-

## NOTE - 2.2 RESERVES AND SURPLUS

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>(a) Securities premium</b>		
Opening Balance	739.37	739.37
Add: Additions during the year	-	-
Closing Balance	739.37	739.37
<b>(b) Surplus in Statement of Profit and Loss</b>		
Opening Balance	1,981.34	1,493.85
Add: Profit/Loss for the year	1,624.71	1,287.65
Amount available for appropriation	3,606.05	2,781.51
Less: Proposed Dividend (See Note -2.2.1)	(844.62)	(800.16)
Closing Balance	2,761.43	1,981.34
<b>Total</b>	<b>3,500.80</b>	<b>2,720.71</b>

**2.2.1** The Board of Directors of the company has proposed a final dividend of Rs 0.475 (4.75%) per equity share which is subject to approval by the shareholders at the ensuing Annual general meeting. The total proposed final dividend for the year ended 31-03-2024 amounts to Rs 844.62 lakh.

**NOTE - 2.3 DEFERRED TAX LIABILITIES (NET)**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>A. Deferred Tax Liability</b>		
On Property, Plant & Equipment and Intangible asset Difference between WDV as per Companies Act,2013 and WDV as per Income Tax Act,1961	65.23	275.94
<b>B. Deferred Tax Assets</b>		
On Provisions/other disallowances	50.60	251.10
<b>Net Deferred Tax Assets</b>	<b>14.64</b>	<b>24.84</b>

**NOTE - 2.4 OTHER LONG-TERM LIABILITIES**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Security Deposits	12.50	20.79
	<b>12.50</b>	<b>20.79</b>

**NOTE - 2.5 LONG TERM PROVISIONS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Provision for employee benefits (See Note-2.30)		
- Provision for Gratuity	98.79	76.59
- Provision for Leave Encashment	75.11	73.73
	<b>173.90</b>	<b>150.32</b>

**NOTE - 2.6 SHORT TERM BORROWINGS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
ICL- INKEL EKK Roads Pvt Ltd (See Note 2.6.1)	4,502.00	4,502.00
Current Maturities		
ASIDE Loan- KINFRA (See Note 2.6.2)	300.00	300.00
Unsecured – Deposit from Public	-	-
	<b>4,802.00</b>	<b>4,802.00</b>

**2.6.1** Interest on Inter-corporate loan repayable on demand from Inkel EKK Roads Pvt Ltd @ 9.5% p.a.

**2.6.2** The interest free loan was sanctioned under the Assistance to States for developing Export Infrastructure and other Allied Activities (ASIDE) Scheme implemented by Kerala Industrial Infrastructure Development Corporation (KINFRA) as the Nodal Agency for Government of Kerala. The loan was repayable in three annual instalments of ₹100 lakh each starting from the fourth year of disbursement, to be paid before 31<sup>st</sup> March 2019, 31<sup>st</sup> March 2020 & 31<sup>st</sup> March 2021 respectively. Overdue details as on 31<sup>st</sup> March 2024 - ₹ 3 Crore for a period of 3 years.

**NOTE - 2.7 TRADE PAYABLES**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Trade Payables due for payment (See Note 2.7.1)		
i. Outstanding dues of micro enterprises and small enterprises (See Note 2.7.2)	-	-
ii. Outstanding dues of trade payables other than micro enterprises and small enterprises	3,469.54	3,650.59
	<b>3,469.54</b>	<b>3,650.59</b>

**Note -2.7.1 Trade Payables Ageing Schedule**

(₹ In Lakh)

Particulars	As at 31.03.2024				Total
	Outstanding for following periods after due date of payment				
	Less than 1 year	1 to 2 years	2 to 3 Years	Above 3 years	
MSME*	-	-	-	-	-
Others	2,027.84	1,038.42	234.79	168.49	3,469.54
Disputed Dues MSME	-	-	-	-	-
Disputed dues Others	-	-	-	-	-

(₹ In Lakh)

As at 31.03.2023					
Particulars	Outstanding for following periods after due date of payment				Total
	Less than 1 year	1 to 2 years	2 to 3 Years	Above 3 years	
MSME*	-	-	-	-	-
Others	2,407.64	1,039.37	53.24	150.34	3,650.59
Disputed Dues MSME	-	-	-	-	-
Disputed dues Others	-	-	-	-	-

\* MSME as per Micro, Small and Medium Enterprises Act 2006.

**2.7.2** The company has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006 and the same is in progress. Based on available information, there are no balance outstanding as payable to such suppliers as at the year end. In the opinion of the management there are no amounts paid/payable towards interest under the said statute.

**NOTE - 2.8 OTHER CURRENT LIABILITIES**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Unpaid dividend (See Note 2.8.1)	11.00	3.54
<b>Current Liabilities</b>		
Deposit matured and payable (See Note 2.8.2)	0.25	0.25
Advances from Customers		
- for Deposit Work	174.86	166.66
- Others	1,690.79	1,217.15
Arrears to employees	0.02	-
Reimbursement payable to Employees	-	0.27
Retention Money payable	1,187.99	991.75
Statutory Dues	258.44	305.85
Security Deposit / Earnest Money Deposit	26.35	15.20
Provision for unearned income	85.81	-
Solar O&M Income Received in Advance	304.17	197.50
Salary Payable	6.35	-
Proposed Dividend Payable	844.62	800.16
	<b>4,590.66</b>	<b>3,698.33</b>

**2.8.1** Unclaimed dividend, shall be transferred to Investor Education and Protection Fund as and when it becomes due. As at 31st March 2024, there is no amount due and outstanding to be transferred to the Investor Education and Protection Fund by the company.

**2.8.2** Deposits accepted from various parties and interest thereon are repayable over the agreed terms. The details are as follows:

Terms of repayment	Non-Cumulative basis	
	Rate	Amount (₹ in Lakh)
Within 1year – Scheme 2	10%	-
Total		-

Interest is payable on a quarterly / maturity basis in accordance with the terms agreed with the depositors. The deposit of ₹ 0.25 Lakh is outstanding and matured on 08/07/2021.

**NOTE - 2.9 SHORT-TERM PROVISIONS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Provision for employee benefits		
-Provision for Leave Encashment (See Note 2.30)	2.82	19.78
-Provision for Gratuity (See Note 2.30)	-	10.06
-Provision for Incentive to employees (See Note 2.9.1)	3.32	34.00
Provision for Income tax	418.66	-
Other provisions		
-Solar Expense Payable	376.57	388.49
	<b>801.37</b>	<b>452.33</b>

**2.9.1** In compliance with the Payment of Bonus Act, 1965 the company has made a provision for employee bonuses amounting to ₹ 3.32 Lakh. This provision is calculated at the statutory rate of 8.33% of the salary or wages earned by employees whose monthly salary is less than ₹ 0.21 Lakh.

**NOTE - 2.10 PROPERTY, PLANT, EQUIPMENT & INTANGIBLE ASSETS**  
**A. PROPERTY, PLANT, EQUIPMENT**

(₹ In Lakh)

SL. NO.	Particulars	GROSS BLOCK			DEPRECIATION/ AMORTISATION				NET BLOCK AS ON 31.03.2024	NET BLOCK AS ON 31.03.2023
		Opening Balance	Additions/ Adjustments during the year	Deletions/ Adjustments during the year	Closing Balance	Opening Balance	Depreciation/ Amortisation for the year	Deleted during the year		
1	Freehold Land	3,419.98 3,439.76	- -	- 19.78	3,419.98 3,419.98	- -	- -	- -	3,419.98 3,419.98	3,419.98 3,439.76
2	Leasehold Land	579.05 726.05	- 0.47	112.82 147.47	466.23 579.05	16.55 22.64	22.71 30.06	105.72 111.88	360.51 467.17	467.17 606.75
3	Building	1596.64 1,589.44	- 7.19	772.42 -	824.21 1,596.64	54.40 63.10	313.64 0.28	368.44 627.68	455.77 968.96	968.96 1,024.58
4	Office Building	- -	57.38 -	- -	57.38 -	10.74 -	- -	10.74 -	46.64 -	- -
5	Plant & Machinery	361.09 360.96	- 0.13	159.53 -	201.56 361.09	10.83 15.35	150.66 -	154.16 293.99	47.40 67.10	67.10 82.32
6	Furniture and Fittings	235.62 228.19	4.21 7.43	106.73 -	133.11 235.62	10.64 15.76	99.55 -	103.36 192.27	29.75 43.35	43.35 51.68
7	Office Equipments	48.53 48.59	0.49 3.88	12.01 3.95	37.00 48.53	2.03 2.75	11.41 3.75	33.38 42.76	3.62 5.77	5.77 4.83
8	Computer	117.20 114.14	4.47 3.63	32.25 0.57	89.42 117.20	6.19 2.90	30.64 0.54	81.47 105.91	7.95 11.29	11.29 10.58
9	Motor Car	32.57 32.57	- -	- -	32.57 32.57	0.90 1.32	- -	30.61 29.71	1.96 2.87	2.87 4.19
10	Electrical Fittings	81.83 81.83	7.35 -	18.03 -	71.15 81.83	4.05 4.53	15.97 -	56.87 68.79	14.28 13.04	13.04 17.56
	<b>Total (A)</b>	<b>6,473.00 6,621.54</b>	<b>73.89 22.73</b>	<b>1,213.78 171.77</b>	<b>5,333.00 6,472.50</b>	<b>116.33 128.34</b>	<b>644.58 34.63</b>	<b>945.00 1,473.00</b>	<b>4,387.87 4,999.51</b>	<b>4,999.51 5,242.26</b>

**B. INTANGIBLE ASSETS**

1	Computer Software	51.78 27.85	- 23.93	- -	51.78 51.78	9.77 3.71	- -	36.02 26.25	15.75 25.53	25.53 5.31
	<b>Total (B)</b>	<b>52.00 27.85</b>	<b>- 23.93</b>	<b>- -</b>	<b>52.00 51.78</b>	<b>9.77 3.71</b>	<b>- -</b>	<b>36.00 26.26</b>	<b>15.75 25.53</b>	<b>25.53 5.31</b>
	<b>Grand Total (A) + (B)</b>	<b>6,525.00 6,649.39</b>	<b>73.89 46.66</b>	<b>1,213.78 171.77</b>	<b>5,385.00 6,524.28</b>	<b>126.10 132.05</b>	<b>644.58 34.63</b>	<b>980.52 1,499.26</b>	<b>4,404.48 5,025.03</b>	<b>5,025.04 5,247.57</b>

**2.10.1** Deletions/ Adjustments includes cost of land/ building re-classified as current asset based on management decision to dispose the same as per long term lease agreement.

**NOTE - 2.11 CAPITAL WORK IN PROGRESS (Refer Note 2.44)**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Computer Software Installation in Progress	4.34	4.34
Interior Works- Tvm Office	-	50.12
	<b>4.34</b>	<b>54.46</b>

**NOTE - 2.12 NON-CURRENT INVESTMENTS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>a) Investments in Equity Instruments (Un-quoted, Trade, at cost)</b>		
<b>i) In Subsidiary Companies</b>		
- <b>INKEL- KSIDC Projects Limited</b> - 1,83,23,412 (1,83,23,412) Equity shares of ₹10/- each, fully paid up, out of total shares of 2,47,61,367 (74%)	1,832.34	1,832.34
- <b>INKES Trade Centre Limited</b> - 37,00,000 (37,00,000) Equity shares of ₹10/- each, fully paid up, out of total shares of 50,00,000 (74%)	370.00	370.00
- <b>INKEL-EKK Roads Private Limited</b> - 2,01,60,000 (2,01,60,000) Equity shares of ₹10/- each, fully paid up, out of total shares of 2,80,00,000 (72%)	2,016.00	2,016.00
- <b>Seguro Foundations and Structures Private Limited</b> (Refer note 2.12.1) - 62,02,248 (62,02,248) Equity shares of ₹10/- each, fully paid up, out of total shares of 95,41,920 (65%), <b>Less: Amount written off, *After considering provision for diminution, valued @ Re 1/-</b>	-	-
- <b>INKEL Infrastructure Development Projects Limited</b> (Refer note 2.12.2) - 1,40,10,000 (10,000) Equity shares of ₹10/- each, fully paid up, out of total shares of 1,40,10,000 (100%)	1,401.00	0.00
- <b>Thalikulam Pura Private Limited</b> (Refer note 2.12.3) - 8,51,500 (8,51,500) Equity shares of ₹10/- each, fully paid up, out of total shares of 8,61,300 (98.86%), <b>Less: Provision for diminution in Value</b>	-	-
- <b>Tirurangadi Pura Private Limited</b> (Refer note 2.12.4) - 8,35,700 (8,35,700) Equity shares of ₹10/- each, fully paid up, out of total shares of 8,45,500 (98.84%), <b>Less: Provision for diminution in Value</b>	-	-
<b>ii) In Associate Companies</b>		
<b>MIV Logistics Private Limited</b> - 1,18,29,714 (1,18,29,714) Equity shares of ₹10/- each, fully paid up, out of total shares of 3,00,00,000 (39.43%)	1,182.97	1,182.97
<b>iii) In Others</b>		
<b>KV Apartments Private Limited</b> - 5,000 (5,000) Equity shares of ₹100/- each, fully paid up, out of 32,23,000 (0.15%)	5.00	5.00
<b>b) Investments in Limited Liability Partnership (LLP) (Un-quoted, Trade, at cost)</b>		
<b>i) In Subsidiary Entity</b>		
- <b>Seguro - INKEL Consortium LLP</b> (Refer note 2.12.5) Investment towards 45% of the capital	4.50	4.50
Add: Opening balance of Share of Profit from LLP	(145.10)	(145.10)
Less: Received during the year	-	-
Add: Share of Profit from LLP	-	-
	(140.60)	(140.60)
<b>c) Investments in Preference Instruments (Un-quoted, Trade, at cost)</b>		
<b>i) In Associate Companies</b>		
- <b>MIV Logistics Private Limited</b> - 1,60,00,000 (1,60,00,000) optionally convertible preference shares of ₹ 10/- each, fully paid up	1,600.00	1,600.00
<b>Total Investments (a) + (b) + (c)</b>	<b>8,266.71</b>	<b>6,865.71</b>
Aggregate amount of unquoted investments	<b>8,266.71</b>	<b>6,865.71</b>

**2.12.1** Seguro Foundations and Structures Private Limited is a subsidiary of Inkel Limited. INKEL Limited had acquired 65% of shares in the company Seguro Foundations and Structures Private Limited (SFS) on 1<sup>st</sup> December 2017 for ₹1381.50 Lakhs. Subsequently, it was discovered that SFS's shares were overvalued by the management of SFS by falsely inflating its revenue and resorting to other malpractices. Further, the managing director of SFS has siphoned out the funds of the company by manipulative practices and after enquiry on the matter by a committee constituted by the Board of Inkel and after obtaining report of forensic audit by an independent Chartered Accountants firm, the Board

of INKEL declared the transaction of Investment in SFS as fraud on Inkel by SFS. Hence, the investment amounting to ₹ 1381.50 lakhs was written off in the year 2019-20. (Refer note - 2.32.1)

**2.12.2** INKEL Infrastructure Development Projects Limited (IIDPL), a 100% subsidiary of Inkel Limited had loss accumulated over years. INKEL Limited wrote off its entire investment of ₹ 1 lakh in the equity capital of IIDPL in the year 2021-22 since the net worth of IIDPL got eroded completely. The Board of Directors of INKEL Limited vide its meeting dated 29-06-2022 decided to increase its share capital in IIDPL in order to revive the latter company by conversion of an amount of ₹ 14 crores into fully paid equity capital out of advance given to IIDPL earlier. IIDPL made a rights issue of ₹ 14 crores to INKEL Limited on 16-06-2023 and thus the equity stake of Inkel Limited in IIDPL was increased. Simultaneously, the original share capital of Inkel Limited in IIDPL which was written off in the year 2021-22 was reinstated thereby making the share capital of IIDPL ₹ 14.01 crores.

**2.12.3** Thalikulam Pura Private Limited is a wholly owned subsidiary company of INKEL Limited promoted to implement the scheme of provision of urban amenities in rural areas introduced by Government of India. Due to the non-feasibility of the proposed business of the company, the company did not venture into operations. The investment of Inkel in equity capital of Thalikulam Pura Private Limited amounting to ₹ 85.15 lakhs was written off completely in the year 2014-15 following the decision of the Board.

**2.12.4** Tirurangadi Pura Private Limited is a wholly owned subsidiary company of INKEL Limited promoted to implement the scheme of provision of urban amenities in rural areas introduced by Government of India. Due to the non-feasibility of the proposed business of the company, the company did not venture into operations. The investment of INKEL in equity capital of Tirurangadi Pura Private Limited amounting to ₹ 83.57 lakhs was written off completely in the year 2014-15 following the decision of the Board.

**2.12.5 Details of Investment in Seguro- INKEL Consortium LLP**

(₹ In Lakh)

Particulars	Capital in LLP	Share of Profit	Share of Capital in LLP
INKEL Limited	4.50	1.00	0.00
Seguro Foundations and Structures Private Limited	5.50	1.00	1.00
<b>Total</b>	<b>10.00</b>	<b>2.00</b>	<b>1.00</b>

Total capital of the LLP is ₹10.00 lakh (₹ 10.00 lakh)

Since the authorised Signatory representing Seguro Foundations and Structures Private Limited is not available, the financial statements of Seguro- INKEL Consortium LLP has not been drawn and audited. The profit/loss of the LLP is not considered in the preparation of the financial statements.

**NOTE - 2.13 LONG-TERM LOANS AND ADVANCES**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>(Unsecured, Considered good)</b>		
Income Tax (Net)	327.42	149.76
<b>Intercompany Loans</b>		
INKEL Infrastructure Development Projects Limited- Subsidiary Company	2,489.73	4,299.00
	<b>2,817.16</b>	<b>4,448.77</b>

**NOTE - 2.14 OTHER NON-CURRENT ASSETS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Unbilled Revenue		
-Lease Premium Instalment	702.11	106.55
Security Deposits	31.13	77.81
Balance with Banks		
-In Fixed Deposit Accounts (See note 2.14.1)	4,904.07	5,738.35
	<b>5,637.32</b>	<b>5,922.71</b>

**2.14.1a** Bank balances are subject to confirmation by the banks.

**2.14.1b** Balance with banks in Deposit Accounts include ₹ NIL (₹ 3,523.95 lakh) held under lien including being cash margin towards Bank Guarantee of ₹ NIL (₹ 5,130.00 lakh) provided in favour of National Highway Authority of India on behalf of Calicut Expressway Private Limited. The Bank guarantee has been returned and lien has been removed and also the bank has released its NOC on same during the current financial year.

**2.14.1c** Balance with banks in Deposit Accounts include ₹ 4,903.82 lakh (₹ 5,622.85 lakh) held with a maturity period of more than 12 months and ₹ 0.25 lakh (₹ 115.50 lakh) held against unclaimed public deposits in pursuance of the requirements of applicable Rules.

**2.14.1d** Balance with banks in Deposit Account includes ₹ 1,882.42 lakh (₹ 2,340.47 lakh) earmarked for specific projects.

**NOTE - 2.15 INVENTORIES**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Land and Building held on long term finance lease		
Opening Balance		
Add: Additions during the year	548.96	116.94
Less: Disposed during the year	548.96	116.94
Closing Balance	-	-
Stock-in-trade:		
Solar Panel/Inverter/Spares	1.21	76.53
	1.21	76.53
Project-In- Progress	-	0.66
	<b>1.21</b>	<b>77.18</b>

**NOTE - 2.16 TRADE RECEIVABLES**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Considered good</b>		
i. Secured	-	-
ii. Unsecured	8,593.28	8,409.44
	<b>8,593.28</b>	<b>8,409.44</b>
<b>Considered Doubtful</b>		
i. Secured	-	-
ii. Unsecured	151.54	154.76
Less: Provision for doubtful debts	(151.54)	(154.76)
	-	-
	<b>8,593.28</b>	<b>8,409.44</b>

**2.16.1** All balances, except those of subsidiaries and associates, are subject to confirmation by the respective parties.

**2.16.2 Trade Receivables Ageing Schedule**

(₹ In Lakh)

As at 31.03.2024			
Particulars	Outstanding for following periods after due date of payment		
	Less than 6 months	6 Months- 1 year	1-2 years
i. Undisputed Trade Receivables-Considered good	3,920.17	167.75	3,163.49
ii. Undisputed Trade Receivables-Considered doubtful	-	-	-
iii. Disputed Trade Receivables considered good	-	-	-
iv. Disputed Trade Receivables considered doubtful	-	-	-

(₹ In Lakh)

As at 31.03.2024			
Particulars	2 to 3 Years	Above 3 years	Total
	i. Undisputed Trade Receivables-Considered good	908.22	433.66
ii. Undisputed Trade Receivables-Considered doubtful	-	151.54	<b>151.54</b>
iii. Disputed Trade Receivables considered good	-	-	-
iv. Disputed Trade Receivables considered doubtful	-	-	-

(₹ In Lakh)

As at 31.03.2023			
Particulars	Outstanding for following periods after due date of payment		
	Less than 6 months	6 Months- 1 year	1-2 years
i. Undisputed Trade Receivables-Considered good	5,000.53	1,891.35	160.72
ii. Undisputed Trade Receivables-Considered doubtful	-	-	-
iii. Disputed Trade Receivables considered good	-	-	-
iv. Disputed Trade Receivables considered doubtful	-	-	-

(₹ In Lakh)

As at 31.03.2023			
Particulars	Outstanding for following periods after due date of payment		
	2 to 3 Years	Above 3 years	Total
i. Undisputed Trade Receivables-Considered good	1,010.88	345.97	8,409.44
ii. Undisputed Trade Receivables-Considered doubtful	0.28	154.49	154.76
iii. Disputed Trade Receivables considered good	-	-	-
iv. Disputed Trade Receivables considered doubtful	-	-	-

**NOTE - 2.17 CASH AND CASH EQUIVALENTS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Cash on Hand	0.11	0.01
Balance with Banks		
-In Current Accounts	1,362.67	727.28
-In Fixed Deposit Accounts (less than 3 months maturity)	994.00	568.00
Other Bank Balances		
-In Fixed Deposit Accounts (greater than 3 months but less than 12 months maturity)	561.24	-
	<b>2,918.02</b>	<b>1,295.29</b>

2.17.1 Bank balances are subject to confirmation by the banks.

**2.17.2 Earmarked Balances:**

Balance with banks in current accounts include earmarked balances for unpaid dividend ₹ 11.02 lakh (₹ 3.57 lakh).

**NOTE - 2.18 SHORT-TERM LOANS AND ADVANCES**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>(Unsecured, Considered good)</b>		
<b>-Loans/Advances to related parties:</b>		
Seguro - INKEL Consortium LLP- Subsidiary Entity	271.84	271.84
INKES Trade Centre Limited-Subsidiary Company	-	14.51
ICL -INKES Trade Centre Ltd	18.85	-
ICL-INKEL Renewable Energy Pvt Ltd	70.96	-
<b>-Others:</b>		
Advances recoverable in cash or in kind or for value to be received	13.60	6.83
Security Deposits/Earnest Money Deposits	82.34	56.31
Balances with Government Authorities	140.83	184.38
Advance to Suppliers/Contractors	17.05	16.77
	615.47	550.63
<b>(Unsecured, Considered doubtful)</b>		
Advances recoverable in cash or in kind or for value to be received	628.02	628.02
Less: Provision for doubtful loans/advances	(628.02)	(628.02)
	<b>615.47</b>	<b>550.63</b>

2.18.1 All balances, except those of subsidiaries and associates, are subject to confirmation by the respective parties.

2.18.2 Balances for Seguro LLP Consortium and Seguro Foundations and Structures Private Limited are taken as per the last available records.

**NOTE - 2.19 OTHER CURRENT ASSETS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Interest accrued on Fixed Deposits	94.28	78.74
Unbilled Revenue		
-Project Management Consultancy Income	1,680.49	572.89
-Other Income receivable	25.42	-
Interest accrued on Lease Premium Instalment	89.51	0.48
	<b>1,889.71</b>	<b>652.11</b>



NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

## NOTE - 2.20 REVENUE FROM OPERATIONS

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
<b>Sale of Services</b>		
Income from disposal of land and building (On long term finance lease)	1,257.35	846.10
Income from operating lease	48.11	79.34
Income from Common Area Maintenance services	114.53	31.98
Income from Project Management Consultancy services (See Note 2.20.1)	1,293.04	698.70
Share of course fee received	9.24	15.67
Lighting system commissioning services	956.00	1,333.29
Construction Income	395.39	314.19
Operation & Maintenance Income	300.00	300.00
<b>Sale of Products</b>		
Sale of lighting/security system	2,231.96	3,111.02
Income from agriculture	0.18	2.34
	<b>6,605.81</b>	<b>6,732.64</b>

## 2.20.1 Disclosure as per AS 7 - Details of Project Management Consultancy services (PMC):

- Revenue recognised from PMC contracts: ₹ 1,293.04 lakh (₹ 698.70 lakh)
- Details of cost incurred for PMC contracts: ₹ 438.02 lakh (₹ 491.39 Lakh)
- Amount of advances received: ₹ 610.67 lakh (₹ 214.69 lakh)
- Amount of retentions: ₹ NIL (₹ NIL)

## NOTE - 2.21 OTHER INCOME

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Interest income	287.51	197.00
Guarantee fee income	130.47	147.72
Profit on sale of asset	7.20	0.65
Dividend	769.67	769.67
Miscellaneous income	119.00	269.17
	<b>1,313.84</b>	<b>1,384.21</b>

Other Note: - Undisclosed income - No Undisclosed income.

NOTE - 2.22 COST OF LAND ACQUIRED/BUILDING/AMENITIES CONSTRUCTED AND DISPOSED  
(On long term finance lease agreements)

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Cost of Land	90.10	116.94
Cost of Building	458.86	-
	<b>548.96</b>	<b>116.94</b>

## NOTE - 2.23 PURCHASES OF STOCK-IN-TRADE

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Solar systems	1,829.07	2,815.57
	<b>1,829.07</b>	<b>2,815.57</b>

## NOTE - 2.24 CHANGES IN INVENTORIES OF STOCK-IN-TRADE

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Opening Stock-in-Trade	76.53	1.17
Closing Stock-in-Trade	1.21	76.53
	<b>75.32</b>	<b>(75.36)</b>

**NOTE - 2.25 EMPLOYEE BENEFIT EXPENSE**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Salaries & Wages	774.24	752.93
Contribution to Provident and Other funds	34.81	34.13
Staff Welfare Expenses	34.89	25.63
	<b>843.95</b>	<b>812.69</b>

**NOTE - 2.26 FINANCE COSTS**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Interest on Intercompany Loan	537.44	155.72
Interest on public deposits	-	18.55
Expenses for procurement and administration of Public Deposits	-	2.18
	<b>537.44</b>	<b>176.46</b>

**NOTE - 2.27 OTHER EXPENSES**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Expenditure on corporate social responsibility activity	2.86	-
Share of Loss from LLP (Refer note 2.12.4)	-	-
Construction expense	351.19	228.43
Consultancy expense	16.24	2.47
Common Amenities	96.45	30.05
Hostel running and course expense	6.11	-
Lighting system commissioning expenses	783.89	1,282.04
Operation & Maintenance Expense	147.92	179.01
Agricultural expense	3.29	4.39
Power & Fuel	15.33	20.63
Rent	50.54	58.88
Common Amenity Charges - Tvm	2.37	0.47
Repairs & maintenance		
-Building & Plant	-	-
-Others	15.81	29.62
Insurance	2.29	2.19
Payments to the Auditor		
- as auditor	7.00	7.00
- for taxation matters	-	1.00
Bank charges	1.62	154.27
Meeting expense	14.67	4.79
Sitting fee to directors	23.75	19.80
Consideration for manpower services	30.99	25.37
Licensing/ Renewal Charges	0.64	-
Advertisement & publicity	27.65	27.15
Printing and stationery	7.87	6.85
Professional charges	136.28	168.49
Legal Fee	32.14	57.41
Rates & Taxes	7.17	13.17
Water line charges	18.70	14.69
Software Running Expenses	11.14	11.29
Travelling & Conveyance	39.18	25.67
Postages, telephone and internet charges	8.69	6.30
Contribution to P M Relief Fund	-	0.10
General Expense	9.45	6.63
Miscellaneous expenses	10.31	9.26
Intangible asset written off	-	(0.28)
Liquidated Damages - Exp	1.60	0.37
Short Provision for Prior years	42.50	-
	<b>1,925.64</b>	<b>2,397.50</b>

**NOTE - 2.28 PROVISIONS**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Provision for Doubtful advances - (Short Term loans and advances to Seguro INKEL Consortium LLP considered doubtful and provision made)	-	270.52
	-	<b>270.52</b>

**NOTE - 2.29 EARNINGS PER EQUITY SHARE**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
<b>Basic:</b>		
Profit after tax for the year as per Statement of Profit and Loss	1,624.71	1,287.65
Weighted average number of equity shares of ₹10/- (₹10/-) each (fully paid up)	1,778.14	1,778.14
Basic Earnings per Share	<b>0.91</b>	<b>0.72</b>
<b>Diluted:</b>		
Profit after tax for the year as per Statement of Profit and Loss	1,624.71	1,287.65
Weighted average number of equity shares of ₹10/- (₹10/-) each (fully paid up)	1,778.14	1,778.14
Diluted Earnings per Share	<b>0.91</b>	<b>0.72</b>

**Note No. 2.30 EMPLOYEE BENEFITS**

(Disclosure under Accounting Standard 15 – 'Employee Benefits', Revised 2005)

**2.30.1 Defined Contribution Plans**

During the year the company has recognised ₹ 27.66 lakh (₹ 25.55 lakh) as Contribution to Provident Fund, ₹ 3.30 lakh (₹ 4.35 lakh) as Contribution to National Pension Scheme and ₹ 1.58 lakh (₹ 2.10 lakh) as Contribution to Employee State Insurance in the Statement of Profit and Loss on account of defined contribution plans.

**2.30.2 Defined Benefit Plans****Gratuity (Funded)**

(i) Actuarial Assumptions	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Discount Rate	6.98% p.a.	7.25% p.a.
Rate of return on plan assets	7.50% p.a.	7.50% p.a.
Compensation escalation rate *	5.00% p.a.	5.00% p.a.
Mortality rate**	IALM 2012-14	IALM 2012-14

\*The assumption of future salary increases takes into account the inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

\*\*IAL: India Assured Lives Mortality modified Ult.

(₹in Lakh)

(ii) Reconciliation of present value of obligation:	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Present value of obligation at the beginning of the year	86.76	86.88
Current Service Cost	19.08	21.27
Interest Cost	5.87	5.89
Actuarial gain/(loss)	0.45	(13.56)
Benefits Paid	(11.55)	(13.72)
Curtailements	-	-
Settlements	-	-
Present value of obligation at the end of the year	100.60	86.76

(₹ in Lakh)

(iii)	Reconciliation of fair value of plan assets:	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	Fair value of plan assets at the beginning of the year	0.10	(2.84)
	Acquisition Adjustments	-	-
	Expected return on plan assets	0.10	(0.15)
	Actuarial gain/(loss)	(0.84)	1.17
	Contributions	14.00	12.00
	Benefits paid	(11.55)	(13.72)
	Assets distributed on settlement	-	-
	Fair value of plan assets at the end of the year	1.81	(0.10)

(₹ in Lakh)

(iv)	Net (Asset)/Liability recognised in the Balance Sheet as at year end:	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	Present value of obligation	100.60	86.76
	Fair value of plan assets	(1.81)	(0.10)
	Net present value of unfunded obligation recognised as (asset)/liability in the Balance Sheet	98.79	86.65

(₹ in Lakh)

(v)	Expenses recognised in the Statement of Profit and Loss:	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	Current Service Cost	19.08	21.27
	Interest Cost	5.87	5.89
	Expected return on plan assets	(0.10)	0.15
	Acquisition Adjustment of assets	-	-
	Actuarial (gain) /loss recognised in the period	1.28	13.56
	Past Service Cost	-	-
	Curtailment cost	-	-
	Settlement cost	-	-
	Total expenses recognised in the Statement of Profit and Loss	26.14	40.87

**Leave Plan (Unfunded)**

(i)	Actuarial Assumptions	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	Discount Rate	6.975% p.a.	7.25% p.a.
	Rate of return on plan assets	Not Applicable	Not Applicable
	Compensation escalation rate *	5.00% p.a.	5.00% p.a.
	Mortality rate	IALM 2012-2014	IALM 2012-2014

\*The assumption of future salary increases takes into account the inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

(₹ in Lakh)

(ii)	Reconciliation of present value of obligation:	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	Present value of obligation at the beginning of the year	93.51	71.51
	Current Service Cost	19.85	20.20
	Interest Cost	5.93	4.55
	Actuarial (gain)/loss	(17.98)	16.79
	Benefits Paid	(23.38)	(19.54)
	Curtailments	-	-
	Settlements	-	-
	Present value of obligation at the end of the year	77.93	93.51

(₹ in Lakh)

(iii) Reconciliation of fair value of plan assets:	31st March 2024	31st March 2023
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Actuarial gain/(loss)	-	-
Contributions	-	-
Benefits paid	-	-
Assets distributed on settlement	-	-
Fair value of plan assets at the end of the year	-	-

(₹ in Lakh)

(iv) Net (Asset)/Liability recognised in the Balance Sheet as at year end:	31st March 2024	31st March 2023
Present value of obligation	77.93	93.51
Fair value of plan assets	-	-
Net present value of unfunded obligation recognised as (asset)/liability in the Balance Sheet	77.93	93.51

(₹ in Lakh)

(v) Expenses recognised in the Statement of Profit and Loss:	31st March 2024	31st March 2023
Current Service Cost	19.85	20.20
Interest Cost	5.93	4.55
Expected return on plan assets	-	-
Actuarial (gain) /loss recognised in the period	(17.98)	16.79
Past Service Cost	-	-
Curtailement cost	-	-
Settlement cost	-	-
Total expenses recognised in the Statement of Profit and Loss	7.80	41.54

**NOTE -2.31 Disclosure of transactions with Related Parties**

As required by Accounting Standard – 18 on Related Party Disclosures

**A. Related parties and nature of relationship**

- |                                                               |                                                                                                      |
|---------------------------------------------------------------|------------------------------------------------------------------------------------------------------|
| i. INKEL KSIDC Projects Limited                               | Subsidiary Company                                                                                   |
| ii. INKES Trade Centre Limited                                | Subsidiary Company                                                                                   |
| iii. INKEL- EKK Roads Private Limited                         | Subsidiary Company                                                                                   |
| iv. Thalikulam PURA Private Limited                           | Subsidiary Company                                                                                   |
| v. Tirurangadi PURA Private Limited                           | Subsidiary Company                                                                                   |
| vi. Seguro Foundations and Structures Private Limited         | Subsidiary Company (w.e.f. 01.12.2017)<br>Associate Company (w.e.f. 08.11.2017, up to 30.11.2017)    |
| vii. MIV Logistics Private Limited                            | Associate Company                                                                                    |
| viii. Seguro - INKEL Consortium LLP                           | Subsidiary Entity (w.e.f. 01.12.2017)<br>Jointly Controlled Entity (up to 30.11.2017)                |
| ix. INKEL Infrastructure Development Projects Limited (IIDPL) | Subsidiary Company (w.e.f. 27.10.2018)                                                               |
| x. Key Managerial Personnel:                                  |                                                                                                      |
| Mr. Ellangovan K                                              | Managing Director (w.e.f. 24.02.2022)                                                                |
| Mr. Vipin P G                                                 | Chief Financial Officer (w.e.f. 26.06.2023, up to 15.11.2023)                                        |
| Mr. Prasanna Kumar V                                          | Chief Financial Officer (w.e.f. 27.12.2019, up to 29.04.2023)                                        |
| Mr. Baiju T                                                   | Company Secretary (w.e.f. 19.12.2022)                                                                |
| xi. Calicut Expressway Private Limited                        | Enterprise in which the company has significant influence indirectly through an intermediary (IIDPL) |
| xii. INKEL Renewable Energy Private Limited                   | 100% subsidiary of IIDPL                                                                             |

## B. Description of Transactions

(₹ In Lakh)

Subsidiary/ Associate/ Jointly Controlled Entity/Key Managerial Personnel				
Nature of Transaction	Opening Balance	Transactions		Closing Balance
		Dr	Cr	
<b><u>Income</u></b>				
<b>1. Project Consultancy Income</b>				
INKEL EKK Roads Private Limited	-	-	173.73	173.73
MIV Logistics Private Limited	-	-	0.57	0.57
INKEL KSIDC Projects Limited	-	-	7.04	7.04
<b>2. Guarantee Commission Received</b>				
INKEL EKK Roads Private Limited	-	-	119.47	119.47
	-	-	119.47	119.47
MIV Logistics Private Limited	-	-	11.00	11.00
	-	-	28.25	28.25
<b>3. Interest income from Loans/Debentures</b>				
INKEL Infrastructure Development Projects Limited	-	-	-	-
	-	-	131.17	131.17
<b>4. Expenses Recovered</b>				
MIV Logistics Private Limited	-	-	10.77	10.77
	-	-	13.56	13.56
INKEL KSIDC Projects Limited	-	-	16.47	16.47
	-	-	274.52	274.52
INKEL EKK Roads Private Limited	-	-	14.93	14.93
	-	-	13.90	13.90
INKEL Renewable Energy Receivable	-	-	0.90	0.90
<b>5. Operation &amp; Maintenance Income</b>				
INKEL EKK Roads Private Limited	-	-	300.00	300.00
<b><u>Expenses</u></b>				
<b>1. Remuneration to Managing Director</b>				
Mr. Ellangovan K	-	73.60	-	73.60
	-	66.44	-	66.44
<b>2. Remuneration to Chief Financial Officer</b>				
Mr. Vipin P G	-	11.00	-	11.00
Mr. Prasanna Kumar V	-	1.68	-	1.68
	-	21.77	-	21.77
<b>3. Remuneration to Company Secretary</b>				
Mr. Baiju T	-	16.61	-	16.61
	-	4.80	-	4.80
Smt. Meera C	-	8.38	-	8.38
<b>4. Interest on Intercompany loan</b>				
INKEL EKK Roads Private Limited	-	537.44	-	537.44
	-	286.89	-	286.89
<b><u>Loans and Advances</u></b>				
<b>1. Seguro-INKEL Consortium LLP</b>				
	899.86	-	-	899.86
	629.34	270.52	-	899.86
<b>2. INKES Trade Centre Limited</b>				
	14.51	18.85	14.51	18.85
	5.83	8.68	-	14.51
<b>3. INKEL Infrastructure Development Projects Limited</b>				
	4,299.00	837.67	2,646.94	2,489.73
	4,667.84	131.17	500.00	4,299.00
<b>4. INKEL Renewable Energy Pvt Ltd</b>				
	-	70.96	-	70.96
<b><u>Borrowings</u></b>				
<b>1. INKEL EKK Roads Private Limited</b>				
	4,502.00	-	-	4,502.00
	2,148.60	-	2,353.40	4,502.00
<b><u>Share of Profit / loss</u></b>				
<b>1. Seguro-INKEL Consortium LLP</b>				
	-	-	-	-

(₹ In Lakh)

<b><u>Investments in Equity Shares</u></b>				
1. INKEL KSIDC Projects Limited	1,832.34	-	-	1,832.34
	1,832.34	-	-	1,832.34
2. INKES Trade Centre Limited	370.00	-	-	370.00
	370.00	-	-	370.00
3. INKEL-EKK Roads Private Limited	2,016.00	-	-	2,016.00
	2,016.00	-	-	2,016.00
4. MIV Logistics Private Limited (Including Preference Share Capital of ₹ 16 Crore)	2,782.97	-	-	2,782.97
	2,782.97	-	-	2,782.97
5. Seguro Foundations and Structures Private Limited	0.00	-	-	0.00
	0.00	-	-	0.00
6. INKEL Infrastructure Development Projects Limited	0.00	1,401.00	-	1,401.00
	0.00	-	-	0.00
<b><u>Investments in partner's capital net of profit/ loss from operations</u></b>				
7. Seguro-INKEL Consortium LLP (Refer note 2.12) (Including share of profit)	(140.60)	-	-	(140.60)
	(140.60)	-	-	(140.60)
<b><u>Guarantee given</u></b>				
1. MIV Logistics Private Limited	1,100.00	-	-	1,100.00
	1,100.00	-	-	1,100.00
2. INKEL-EKK Roads Private Limited	18,200.00	-	-	18,200.00
	18,200.00	-	-	18,200.00
<b><u>Shares pledged during the year</u></b>				
NIL				
<b><u>Shares pledged</u></b>				
1. INKEL-EKK Roads Private Limited	1,032.00	-	-	1,032.00
	1,032.00	-	-	1,032.00
<b><u>Dividend Received</u></b>				
1. INKEL-EKK Roads Private Limited	-	-	403.20	403.20
	-	-	403.20	403.20
2. INKEL KSIDC Projects Limited	-	-	366.47	366.47
	-	-	366.47	366.47
<b><u>Receivables</u></b>				
1. MIV Logistics Private Limited	47.16	26.36	6.82	66.70
	19.12	57.74	29.70	47.16
2. INKEL KSIDC Projects Limited	196.97	27.74	215.16	9.55
	-	323.94	126.97	196.97
3. INKES Trade Centre Limited	15.83	-	4.24	11.60
	11.60	4.24	-	15.83
4. INKEL-EKK Roads Private Limited	236.04	1,080.47	392.52	923.98
	94.50	525.58	384.04	236.04
5. INKEL Infrastructure Development Projects Limited	837.67	-	837.67	-
	837.67	-	-	837.67
6. INKEL Renewable Energy Private Limited	39.00	6.91	45.90	-
	-	39.00	-	39.00
<b><u>Payables</u></b>				
1. INKEL-EKK Roads Private Limited	277.09	-	483.70	760.78
	18.89	362.88	621.08	277.09
2. INKEL Infrastructure Development Projects Limited	15.22	-	-	15.22
	16.72	1.50	-	15.22

2.31.1 Transactions in the nature of current account transactions have not been included in the above disclosure.

**NOTE - 2.32****2.32.1 Fraud on INKEL:**

INKEL Limited (INKEL) had acquired 65% of shares in the company Seguro Foundations and Structures Private Limited (SFS) on 1st December 2017 and made an investment of ₹ 1,381.50 lakh. SFS has been functioning as a subsidiary of INKEL from such date. During the financial year 2018-19 certain instances of non-adherence with proper corporate governance systems, as also incompleteness/deficiencies in the financial information furnished by the former management of SFS were noticed, which were prima facie considered material. The committee constituted by the Board of INKEL has found out serious lapses, irregularities, diversion of funds and misappropriations including "overvaluation of Seguro's shares for investment by INKEL, practice of showing inflated unbilled revenue (work in progress), non-utilisation of Investment by INKEL on any projects, irregularities in financial transactions and diversion of funds, absence of transparency in related party transactions, statutory non-compliances and malpractices to hide the same, availing higher working capital facility from bank by submitting inflated receivable" etc. and recommended the Board to consider legal remedies against the erstwhile management of SFS. The forensic audit simultaneously conducted by the management of INKEL by engaging a firm of chartered accountants had also reported that the Managing Director of SFS has perpetrated frauds by "siphoning funds through bogus creditors, fictitious expense, misappropriation/ diversion of funds, overstatement of unbilled revenue, conflicting interest, non-reported related party transactions" etc. Based on the aforesaid reports, INKEL has initiated legal actions against SFS and its erstwhile management. Having regard to the report that SFS's shares were overvalued through misrepresenting its financial positions and the investment made by INKEL was siphoned away by the managing director of SFS, the Board of INKEL has declared the transaction of investment in SFS as a fraud on INKEL by SFS.

**2.32.2 Impairment of value of investment:**

Based on unaudited financial statements as on 31/03/2019 provided by SFS and the provisional financial statements of SFS compiled for the year ended 31/03/2020, the net worth of SFS has fully eroded. Further no financial statements of SFS were compiled for the years 31/03/2021, 31/03/2022, 31/03/2023 and 31/03/2024. In view of the matters of fraud and erosion of share value reported above, there is permanent diminution in the value of investments in the subsidiary company, SFS as per AS-13 (Accounting for Investments) and recoverability of the investment seems to be remote. Hence the value of investment ₹ 1,381.50 lakh has been written off completely in the year 2019-20.

**2.32.3 Investment in other subsidiaries and associates:**

As per audited financial statements of M/s INKES Trade Centre Ltd, a subsidiary company of INKEL Ltd, as at 31-03-2024, the net worth has undergone partial erosion and as per the audited financial statements of M/s MIV Logistics Private Limited, an associate company of INKEL Ltd, as at that date, the net worth though undergone erosion has improved over the previous year due to making business profit. The net worth of both companies attributable to the equity investment of INKEL Ltd is lower than the cost of investments as shown hereunder:

(₹ in Lakh)

Name of Company / Relationship	Carrying Cost of Investment as per books of INKEL		Share of Net Asset Value as per books of the respective Company	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
1) INKES Trade Centre Limited (INKES) - Subsidiary	370.00	370.00	290.87	296.52
2) MIV Logistics Private Limited (MIV) - Associates	1,182.97	1,182.97	276.25	229.48

- a) The net worth of INKES has eroded slightly in the year 31/03/2024. The diminution in the value of investment of Inkel Limited in the equity shares of INKES is not considered to be permanent by the management of Inkel Limited considering the drop in value is not significant and can be recovered with the prospective business of the investee company.
- b) Further, as per the financial statements of MIV Logistics Private Limited ((2) referred to above) as at 31st March 2024, the said company is holding investments in equity shares amounting to ₹ 269.13 lakh in its associate company viz. Seabird Seaplane Private Limited (Seabird) and has outstanding loans and advances given by MIV to the said company amounting to ₹ 301.84 lakh (excluding interest not charged in accounts). Seabird Sea Plane Private Limited has not commenced any commercial operations since its inception in 2012 and it had filed an insolvency petition before the National Company Law Tribunal. It is understood that the NCLT has passed the



order whereby the company commenced liquidation. The chance of recovering the advances made by MIV Logistics Private Limited to the said company is remote. The investment made by MIV Logistics Private Limited in equity shares of the company also is not recoverable. If the effect of depletion in value of its investment in Seabird Seaplane Private Limited and advances thereto is provided by MIV Logistics Private Limited, its net worth would be impacted adversely by an amount of ₹ 570.98 Cr. However, MIV Logistics Private Limited is making profits from business and its net worth position is improving gradually. Therefore, the diminution in the value of investment of INKEL in the equity shares of MIV Logistics Private Limited is considered by the Management to be temporary. Hence, INKEL has valued the investment in the said company at cost following the provisions of AS 13 on Investments.

#### Note 2.33 FINANCIAL RATIOS

Sl. No.	Particulars	Numerator	Denominator	As at 31.03.2024	As at 31.03.2023	% Of Variance
1	Current ratio	Current Assets	Current Liabilities	1.03	0.87	18%
2	Debt Equity Ratio	Total Debt	Shareholder's Equity	0.23	0.23	-4%
3	Debt Service Coverage Ratio	Earnings available for debt service	Repayment of Instalment and interest	5.03	6.20	-19%
4	Return on Equity	Net Profit after Tax	Shareholder's Equity	0.08	0.06	22%
5	Inventory Turn Over Ratio	Cost of Goods Sold	Average Inventory	49.00	70.54	-31%
6	Trade Receivable Turnover Ratio	Credit Sales	Average Trade Receivables	0.78	0.96	-19%
7	Trade Payable Turnover Ratio	Credit Purchases	Average Trade Payables	0.77	0.93	-17%
8	Net Capital Turnover Ratio	Revenue from Operations	Average Working Capital	(10.45)	11.33	-192%
9	Net Profit Ratio	Net Profit after Tax	Revenue from Operations	0.25	0.19	29%
10	Return on Capital Employed	Earnings before Interest & Tax	Capital employed	0.12	0.08	50%
11	Return on Investment	Interest Income + Dividend	Non-Current Investment + Fixed deposit + Loan given	0.06	0.06	11%

#### Reason for Variance in excess of 25%

##### 1) Current Ratio

Increase is due to increase in cash and cash equivalents as well as receivables.

##### 2) Return on Equity

Improvement is mainly on account of increase in PAT during the current year.

##### 3) Inventory Turnover Ratio

Reduction due to the decrease in trading turnover.

##### 4) Net Capital turnover Ratio

Increase is due to increase in working capital.

##### 5) Net Profit Ratio

Improvement is mainly on account of increase in profit during the current year.

##### 6) Return on Capital Employed

Improvement is mainly on account of increase in profit during the current year.

##### 7) Return on Investment

Increase is due to increase in interest income.

**NOTE - 2.34**

The company operates in three business segments: PMC/EPC, Renewable Energy and Leasing. In accordance with Accounting Standard (AS) 17, segment reporting is provided in the table below, detailing the financial performance of each segment. This includes segment-wise revenue, results, assets and liabilities.

(₹ in Lakh)

Particulars	PMC/ EPC	RE/ Solar	Estate/ Leasing	PMC/ EPC	RE/ Solar	Estate/ Leasing
	FY 23-24			FY 22-23		
Revenue from External Customers	1,988.44	3,187.96	1,429.23	1,312.89	4,444.31	973.09
Revenue from other business segments	-	-	-	-	-	-
Total revenue from each segment	1,988.44	3,187.96	1,429.23	1,312.89	4,444.31	973.09
Segment Profit or loss (before interest)	617.44	226.01	473.51	137.41	94.03	311.70
Depreciation / Amortisation expenses	-	-	64.05	-	-	76.13
Carrying amount of segment assets	3,945.39	9,623.15	2,778.25	2,004.83	10,073.06	2,267.87
Segment liabilities	5,393.05	5,957.53	1,453.51	3,838.32	6,951.70	1,004.85

**Reconciliation between segment information and financial statements:**

(₹ in Lakh)

Particulars	Revenue	Profit	Assets	Liabilities
	FY 23-24			
From Business Segments	6,605.63	1,316.96	16,346.78	12,804.08
From Dividend and Other Income	1,314.02	1,253.65	18,800.06	1,060.53
Less: Interest Expense	-	537.44	-	-
As per the financial statement	7,919.65	2,033.17	35,146.84	13,864.61

(₹ in Lakh)

Particulars	Revenue	Profit	Assets	Liabilities
	FY 22-23			
From Business Segments	6,730.29	543.14	14,345.76	11,794.86
From Dividend and Other Income	1,386.55	1,103.79	18,955.58	1,004.33
Less: Interest Expense	-	176.46	-	-
As per the financial statement	8,116.84	1,470.47	33,301.34	12,799.19

**NOTE - 2.35 Contingent Liabilities not provided for:**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
a) Corporate guarantee issued in favour of -		
- MIV Logistics Private Limited	1,100.00	1,100.00
- INKEL-EKK Roads Private Limited	18,200.00	18,200.00
b) Performance Guarantee issued in favour of National Highway Authority of India (NHAI) on behalf of Calicut Expressway Private Limited – secured by cash margin of ₹ 2,175 Lakh and also by equitable Mortgage of 124.12 acres of land at Palakkad and unsold space/receivables of INKEL Tower II at Angamaly. Bank guarantee relating to same has been returned & lien also removed. All documents were returned by bank during the current Financial Year.	-	5,130.00
c) Other Counter Guarantees issued in favour of Banks for the guarantees issued by the Banks	1,882.42	1,181.60
-KSEB	744.31	890.51
-LSGD-Kerala	-	10.26
-PWD	2.00	2.00
-CSML	-	-
-KINFRA	0.74	230.74
-RDPR KARNATAKA	70.46	26.59
-KMML	22.71	21.50
-AUTOKAST	33.12	-
-LIEN MARKED	942.75	-
-ANERT	54.78	-
-KSITL	11.55	-
d) Claims towards Building Tax	117.36	117.36
e) Income Tax demand relating to Assessment Year 2018-19	49.68	-

- 1) Federal bank has filed an application before the Debt Recovery Tribunal (OA 149/2021) under S.19 of the Recovery of Debts and Bankruptcy Act, 1993 against M/s Seguro Foundations and Structures Pvt Ltd in which INKEL is arrayed as the 5th defendant. The application is filed for recovery of ₹ 4,978.39 lakh along with pendente lite and future interest @ 10.58% + 2% penal interest per annum. The bank has also prayed for a direction from the DRT in the same petition for payment of ₹52.01 lakh along with pendente lite and future interest @10.48% + 2% penal interest. The case is being defended by INKEL as there is no corporate guarantee extended by INKEL.
- 2) M/s Seguro - Inkel Consortium LLP had taken a loan from Federal Bank Ltd against which Inkel had given a freehold land at Piravom having an extent of 213.31 Ares with book value ₹ 4.56 Cr as collateral security. The loan was repaid fully by the borrower but the bank has not released the property given as collateral security. Inkel has filed writ petition no. WPC 18685/2023 before the Hon. High Court of Kerala for the release of title deed from the bank.
- 3) A person by name Shaji Mathew has filed a case before the NCLT, Kochi bench against M/s Seguro Foundations and Structures Pvt Ltd claiming an amount of ₹ 11.02 Lakh. INKEL has been impleaded ex parte as Additional Corporate Debtor in this case by virtue of NCLT order dated 26.11.2020. INKEL has obtained an indefinite stay from NCLAT against this order.
- 4) M/s CEMEX has raised a Demand under rule 5 of Insolvency and Bankruptcy Code jointly against Seguro Foundations and Structures Pvt Ltd and INKEL for the dues claimed to be payable by Seguro Foundations and Structures Pvt Ltd. The amounts claimed are ₹ 41.52 lakh as per RA bill and profitability statement, ₹ 114.46 lakh as per rent bill and other heads, ₹ 23 lakhs as interest at the rate of 12%, totalling to an amount of ₹ 178.98 lakh. INKEL has replied to the party disputing the claim raised. No litigation is initiated as on date.24.06.2022.
- 5) There are Certain Legal cases involving an amount of ₹ 82.36 lakhs faced by the Company as a party in cases related to its subsidiary Seguro Foundations and Structures Private Limited and Inkel Consortium LLP wherein the company is a majority partner, for which the outcome and potential financial impact cannot be reasonably estimated. Though the company is not the primary accused, it is one of the defendants in certain legal cases with claims for the recovery of money pending before various forums. Management holds the view that those claims are not tenable against the Company; however, due to the inherent uncertainties involved, the contingent liability cannot be quantified at this time.

**NOTE - 2.36 Capital Commitments**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Estimated amount of contracts remaining to be executed on capital account and not provided for Interior work at TVM office	-	5.90

**NOTE - 2.37 Remittances in foreign currency****2.37.1 Dividend**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Year to which dividend relates	Financial Year 2022-23	Financial Year 2021-22
Amount remitted during the year	78.89	-
Number of non-resident shareholders	4	-
Number of shares on which dividend was due	2,31,33,953	-

**2.37.2 Other Remittances**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Software Purchase	-	0.83

**NOTE - 2.38 Impact of tax rate change:**

The Company elected to exercise the option permitted under Section 115BAA of the Income-tax Act, 1961 as introduced by the Taxation Laws (Amendment) Ordinance, 2019. Accordingly, the Company has re-measured its Deferred Tax Assets on the basis of the rate prescribed in the said section. The full impact of this change has been recognised in the statement of Profit & Loss for the year.

**NOTE - 2.39 Operating Lease: Company as Lessee**

The Company has taken buildings for use as office space on lease under operating lease agreements renewable on periodic basis at the option of both the lessor and lessee. Rental expenses debited to Profit and Loss account Rs 50.54 Lakhs (*Rs. 58.88 lakhs*) incurred in respect of the buildings taken on operating lease.

**NOTE - 2.40**

Previous year figures unless otherwise stated are given in italics and have been regrouped and recast wherever necessary.

**NOTE - 2.41**

Title deeds of Immovable Property not held in name of the Company-NIL

**NOTE - 2.42**

The Company has not revalued its Property, Plant and Equipment during the year by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.

**NOTE - 2.43**

The Company has no Loans or Advances in the nature of loans granted to promoters, directors, KMPs and the related parties (except subsidiary companies) (as defined under Companies Act, 2013,) either severally or jointly with any other person.

**NOTE - 2.44 Capital-Work-in Progress (CWIP)****CWIP Ageing schedule**

(₹ In Lakh)

Amount in CWIP for the period of	CWIP	Project In Progress	Projects Temporarily Suspended
	Less than 1 year	-	-
1 to 2 years	4.34	-	-
2 to 3 years	-	-	-
3 years and above	-	-	-
Total	4.34	-	-

**NOTE - 2.45**

The Company has no Intangible Assets under Development as on 31.03.2024, whose completion is overdue or has exceeded its cost compared to its original plan.

**NOTE - 2.46**

The Company does not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

**NOTE - 2.47**

The Company has not been declared wilful defaulter by any bank or financial institution or other lender or government or government authority.

**NOTE - 2.48**

The Company does not have any transactions with companies struck off.

**NOTE - 2.49**

The Company does not have any charges or satisfaction which is yet to be registered with ROC (Registrar of Companies) beyond the statutory period.

**NOTE - 2.50**

The Company has complied with number of layers of companies are as per clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

**NOTE - 2.51**

The company has spent CSR expenditure as required by section 135 of Companies Act.

For and on behalf of the Board of Directors

As per our separate report of even date attached

**Dr. K Ellangovan**  
Managing Director  
DIN: 05272476

**Jacob Kovoov Ninan**  
Director  
DIN: 01213357

**For Elias George & Co.**  
Chartered Accountants  
FRN: 000801S

**Baiju T**  
Company Secretary

**Riju Thomas**  
Chief Financial Officer

**CA. Ranjit Mathews P**  
Partner  
Membership No. 205377  
UDIN: 24205377BKABSY4303

Place: Kochi  
Date: 02/07/2024



## INDEPENDENT AUDITOR'S REPORT

**To the Members of INKEL LIMITED,**

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

#### **Disclaimer of Opinion**

We were engaged to audit the accompanying Consolidated Financial Statements of INKEL Limited (hereinafter referred to as the "Holding Company"), its subsidiaries (Holding company and subsidiaries together referred as "the Group"), and its associates and jointly controlled entities, which comprise the Consolidated Balance Sheet as at March 31, 2024, the Consolidated Statement of Profit & Loss, and Consolidated Cash Flow Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information. (Hereinafter referred to as the "Consolidated Financial Statements").

We do not express an opinion on the aforesaid Consolidated Financial Statements of the group and its associates. Because of the significance of the matter described in the Basis for Disclaimer of Opinion section of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

#### **Basis for Disclaimer of Opinion**

INKEL Ltd has equity capital investment of ₹1,401 lakhs in its wholly owned subsidiary M/s INKEL Infrastructure Development Projects Limited (IIDPL). The net worth of IIDPL has been completely eroded and it is negative as on 31.03.2024. In the context of complete erosion in net worth of IIDPL, the equity capital investment of INKEL Ltd in IIDPL has to be revalued. As per the provisions of Accounting Standard – 13 on Investments specified u/s 133 of the Companies Act, 2013, the diminution in value of long-term investments shall be provided for, if the diminution is other than temporary. Since the company IIDPL does not have any significant business operations and the prospects of earning revenue to recover the drained out net worth is remote, in their opinion, the diminution in value of investment of INKEL Ltd in the equity shares of IIDPL cannot be treated as temporary. INKEL Ltd has not provided for the diminution in the value of investments in the equity shares of IIDPL. Therefore, the value of investments in the subsidiary company IIDPL and the profit for the year is overstated by ₹1,401 lakhs.

As stated in Note No 2.40.1 to the consolidated financial statements of INKEL Limited (INKEL), certain instances of non-adherence with proper corporate governance systems, as also incompleteness/deficiencies in the financial information furnished by the subsidiary company of INKEL Ltd by name Seguro Foundations and Structures Private Limited (SFS) have been identified during financial year 2018-19, which are prima facie considered material and are being independently examined as stated therein. The committee appointed by the Board of Directors of INKEL Ltd and the forensic audit simultaneously conducted by a firm of independent chartered accountants had reported that SFS's shares were overvalued through misrepresenting its financial positions and the investment made by INKEL was siphoned away by the Managing Director of SFS, and so the Board of INKEL has declared the transaction of investment in SFS as a fraud on INKEL by SFS.

The legal actions initiated by INKEL have not reached finality. Pending resolution of the matter, the financial statement for the year ended 31.03.2020 have not been drawn up or approved by the Board of Directors of the said company. Further, no financial statements of SFS were compiled for the years 31.03.2021, 31.03.2022, 31.03.2023 and 31.03.2024. Due to the reason, the financial statements of SFS was not consolidated for the year ended 31.03.2024.

As stated in Note 2.14.5 to the consolidated financial statements of INKEL Limited (INKEL), since the authorized Signatory representing Seguro Foundations and Structures Private Limited is not available, the financial statements of Seguro-INKEL consortium LLP has not been drawn and audited. The profit/ loss of the LLP is not considered in the preparation of the financial statements.

The auditors of M/s. MIV Logistics Private Limited, in its consolidated audit report where in the accounts are consolidated with unaudited financial statements of its associate M/s. Seabird Seaplane Private Limited have made the following qualifications:

- Investment by the Company in the equity shares of M/s. Seabird Seaplane Private Limited, its associate amounting to ₹2.70 Crores, is valued at cost without any impairment loss. The associate company has not commenced commercial operations since 2<sup>nd</sup> November 2012, its date of incorporation. It is also understood that its creditors have approached the National Company Law Tribunal (NCLT) for liquidation of the associate company. On the basis of these facts, it is construed that the associate company is no longer

a 'Going Concern' and hence the assets of the associate company are to be valued at the net realizable value (NRV). In the absence of any audited financial statements or the liquidation report, impairment in the value of this investment of the Company cannot be ascertained. The Company had also advanced a loan of ₹3.02 crores to M/s. Sea Bird Sea Plane Private Limited against which there was no repayment of the principal amount. The Company has not made any provision for realizability of the loan advanced. Further the Company has not accounted for the interest due on the said loan. Therefore, since the impairment of the equity investment has not been worked out or provided for, the auditors are not in a position to comment on the impact of such impairment or realizability on the Consolidated Financial Statements in this regard.

Due to the afore stated issues of non-consolidation of financial statements of SFS for the financial years 2020-21, 2021-22, 2022-23 and 2023-24 and the reason that financial statements of SFS for the financial years 2018-19 and 2019-20 are unaudited, the impact of further adjustments, if any, that may be necessary in the financial statements of SFS in relation to the financial year ended 31<sup>st</sup> March 2024, as well as in relation to the preceding year ended 31<sup>st</sup> March 2019, 31<sup>st</sup> March 2020, 31<sup>st</sup> March 2021, 31<sup>st</sup> March 2022 and 31<sup>st</sup> March ,2023 which have to be subjected to independent review as stated above, cannot be ascertained at this stage and hence has not been considered in these Consolidated Financial Statements. Further, the impact of not incorporating the share of losses/profits from the limited liability partnership M/s Seguro INKEL consortium LLP for the financial year 2023-24 and the earlier years when they were not incorporated in the Consolidated Financial Statements also could not be ascertained. Moreover, the impact of qualification of the statutory auditors of M/s. MIV Logistics Private Limited regarding the absence of provision for the non-realizability of investment made in and loan given to the associate company also could not be ascertained.

We are unable to obtain sufficient appropriate audit evidence on which to base our opinion regarding the group's and its associate's share of total assets, net assets, total revenues, net loss and net cash inflows in respect of the Subsidiary company and partnership, Seguro Foundations and Structures Private Limited and Seguro -INKEL Consortium LLP respectively and the impact of qualification in the audit report of the associate company M/s. MIV Logistics Private Limited; as well as regarding the impact of further changes, if any, that may be necessary based on the outcome of the independent reviews as stated above, the possible

effects of which on the consolidated financial statements could be both material and pervasive and forms the basis for the Disclaimer of Opinion.

#### **Information Other than the Consolidated Financial Statements and Auditor's Report thereon**

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in Board's Report including Annexures thereon but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

#### **Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Companies Act, 2013 (the Act) that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that re reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material

misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

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

Our responsibility is to conduct an audit of the Group's consolidated financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matter described in the Basis for Disclaimer of Opinion paragraph of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these consolidated financial statements.

We are independent of the Group in accordance with the Code of Ethics and provisions of the Companies Act, 2013 that are relevant to our audit of the consolidated financial statements in India under the Companies Act, 2013, and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics and the requirements under the Companies Act, 2013.

#### **Emphasis of Matter**

We draw attention to

1. Note 2.9.2 of the consolidated financial statements as per which, the group has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006 and the same is in progress. Based on available information, there are no balances outstanding as payable to such suppliers as at the year end. According to the management, there are no amounts paid/ payable towards interest under the said statute.
2. Note 2.14.5 of the consolidated financial statements where it is stated that the profit/ loss of

Seguro INKEL Consortium LLP, a limited liability partnership constituted by INKEL Ltd and M/s Seguro Foundations and Structures Private Limited (SFS) as designated partners, is not considered in the preparation of the consolidated financial statements since the financial statements of the said LLP has not been drawn and audited due to the reason, the authorised Signatory representing the other designated partner in the LLP is not available.

3. Note 2.40.1 of the consolidated financial statements where it is stated that the acquisition of 65% equity shares of M/s Seguro Foundations and Structures Private Limited (SFS) for ₹1,381.50 lakhs by INKEL Ltd on 01-12-2017 took place at exorbitant price as a result of misrepresentation and suppression of information by the former management of the SFS and that on the basis of an enquiry report of a committee constituted by the Board of INKEL Ltd and a forensic audit report by an independent firm of chartered accountants, the Board declared the investment in SFS as the outcome of fraud committed by the former management of SFS.
4. Note 2.40.3 of the consolidated financial statements where it is stated that,
  - a) An investment of ₹370 lakhs by INKEL Ltd in equity shares of its subsidiary company M/s Inkes Trade centre (P)Ltd, though undergone partial diminution in its value due to the erosion in net worth of subsidiary, it has not been provided for, since the diminution is not permanent in nature as the net worth of the investee can be recovered from their prospective business.
  - b) Another investment of ₹1,182.97 lakhs in equity shares of an associate company M/s MIV Logistics Private Limited has also undergone diminution in value due to erosion in net worth of the investee, but the diminution has not been provided for, since it is not considered as permanent due to the reason that the associate company is carrying on operations and its net worth is improving gradually by making profits from operations.
5. Note 2.19.1 of the consolidated financial statements where it is stated that the balances given under Trade Receivable other than amounts receivable from subsidiary companies and associates are subject to confirmation of balances by the respective parties.
6. Note 2.21.1 of the consolidated financial statements where it is stated that the balances



given under Short-term loans and advances other than advances to subsidiary companies and associates are subject to confirmation of balances by the respective parties.

7. Note 2.38 of the consolidated financial statements (para 5) as per which, there are certain Legal cases involving an amount of ₹82.36 lakhs faced by the Company as a party in cases related to its subsidiary Seguro Foundations and Structures Private Limited and Seguro INKEL Consortium LLP wherein the company is a majority partner, for which the outcome and potential financial impact cannot be reasonably estimated. Though the company is not the primary accused, it is one of the defendants in certain legal cases with claims for the recovery of money pending before various fora. Management holds the view that those claims are not tenable against the Company; however, due to the inherent uncertainties involved, the contingent liability cannot be quantified now.

The auditors of INKEL EKK Ltd have drawn attention to the following notes without qualifying their opinion,

- Note 2.48 of the consolidated financial statements according to which 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 holding company or associate from the FY 2019-20 onwards

- a) INKEL Limited (Holding company) – ₹4,502.00 lakh
- b) EKK – Infrastructure Limited – ₹ 1,751.00 lakh

- Note 2.4.1 of the Consolidated financial statements according to which equity shares for ₹1,032.00 lakh held by INKEL Limited and ₹396.00 lakh held by EKK – Infrastructure Limited respectively have been pledged with the State Bank of India as per the terms and conditions of the Facility Agreement dated 16.05.2019.
- As per the Notification No. 15/2022 dated 30<sup>th</sup> December 2022, annuity fee became a taxable service with effect from 01.01.2023. Road Infrastructure Company Kerala Limited (RICK) has not paid GST amounting to ₹3.366 Cr charged on it by INKEL EKK Limited. The Company has not remitted the GST to government as it is not recovered from RICK.

The auditors of INKEL Infrastructure Development Projects Ltd. (IIDPL) have drawn attention to the following, without qualifying their opinion,

- Note 2.44 of the consolidated financial statements according to which the Company has accumulated

loss amounting to ₹1418.82 lakhs (Previous year ₹1,424.59 lakhs), exceeding share capital and reserves with a negative net worth of ₹17.82 lakhs (Previous Year ₹1423.59 lakh). These conditions indicate the existence of uncertainty which may cast considerable doubt as to the Company's ability to continue as a going concern. The management has represented that the company is a fully owned subsidiary of INKEL Limited and that the impact of accumulated loss and the resultant negative net worth would not have any bearing on the ability to continue as a going concern.

- Note 2.16.1 of the consolidated financial statements according to which the balances of Long-term Loans & Advances provided to M/s. Calicut Expressway Private Limited (CEPL) as on 31.03.2024 amount to ₹3053.06 lakh. As per the binding memorandum of agreement dt 10-03-2022 entered into between INKEL Infrastructure Development Projects Limited (IIDPL), Calicut Expressway Private Limited, INKEL Limited and KMC Constructions Limited (KMC), KMC / CEPL acknowledges and agrees to make payment being the expenses incurred by IIDPL and / or INKEL on behalf of CEPL. However, no confirmation is available on record from these entities with regard to the debt. Moreover, the individual account ledgers available from these entities as on date does not acknowledge their debt due in their books of accounts.

For the reasons stated in the Basis for Disclaimer of Opinion section of our report, we have not expressed an opinion on the aforesaid consolidated financial statements.

#### Other Matters

- a) We did not audit the financial statements/ financial information of the four subsidiaries viz, INKID, INKES, INKEL-EKK, IIDPL whose financial statements/ financial information reflect total assets of ₹25,516.86 lakh and net assets of ₹9,350.88 lakh as at 31<sup>st</sup> March 2024, total revenues of ₹4,760.41 lakh and Total net cash inflow amounting to ₹28.44 lakh for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the share of net profit of ₹1,403.02 lakh for the year ended 31st March, 2024 in respect of the above companies.

- b) Further the financial statements/ information of subsidiary company Seguro Foundation and Structures Private Limited and Subsidiary entity Seguro INKEL consortium LLP is not drawn up and audited and hence not included in the consolidation of financial statements. The financial statements of the associate company MIV Logistics Private Limited also is not audited by us. These financial

statements/ financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associate, and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries and associate, is based solely on the reports of the other auditors. The auditors of the associate enterprise MIV Logistics Private Limited have stated in their report that the financial statements of Seabird Seaplane Private Limited which is its associate company have not been audited.

### Report on Other Legal and Regulatory Requirements

With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order"/ "CARO") issued by the central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Company, and CARO reports issued by other auditors in case of subsidiaries and associate included in the consolidated financial statements of the Company, we give in "Annexure A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

1. As required by Section 143(3) of the Act, we report that:
  - a) As described in the Basis for Disclaimer of Opinion paragraph, we were unable to obtain all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) On account of the matters stated in the Basis for Disclaimer of Opinion paragraph above, we are unable to state whether proper books of account as required by law have been kept by the Group and its associate so far as appears from our examination of those books;
  - c) For the reasons stated in the Basis for Disclaimer of Opinion paragraph above, we are unable to state whether the Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- d) Due to the possible effects of the matter described in the Basis for Disclaimer of Opinion paragraph above, in our opinion, we are unable to state whether the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e) The matter described in Basis for Disclaimer of Opinion paragraph above, may, in our opinion, have an adverse effect on the functioning of the Group;
- f) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2024 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of four subsidiary companies and the associate company, none of the directors of the Group companies and its associate, is disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164(2) of the Act. In the absence of relevant information regarding the subsidiary companies Seguro Foundations and Structures Private Limited, Thalikulam Pura Private Limited and Thirurangadi Pura Private Limited we are unable to comment on whether the directors of the said company are disqualified as on 31<sup>st</sup> March, 2024 from being appointed as a director in terms of Section 164(2) of the Act;
- g) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion paragraph above.
- h) With respect to the adequacy of the internal financial control over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";
- i) 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, for the reasons stated in the Basis for Disclaimer of Opinion paragraph above, we are unable to state whether the remuneration paid by the Group to its directors during the year is in accordance with the provision of Section 197 of the Act;
- j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position in the consolidated financial statements – Refer Note No. 2.38. However, in view of the matters reported in the Basis for Disclaimer of Opinion paragraph above, we are unable to comment on whether the impact of the same has been fully disclosed in the consolidated financial statements;
- ii. Based on our audit of the holding company and the reports issued by statutory auditors of four subsidiaries and the associate company, the Group and its associate did not have any material foreseeable losses on long-term contracts including derivative contracts. In view of the matters reported in the 'Basis for Disclaimer of Opinion' paragraph above, we are unable to comment on the existence of any material foreseeable losses on long-term contracts including derivative contracts.
- iii. Based on our audit of the holding company and the reports issued by statutory auditors of four subsidiaries and the associate company, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group and its associate in respect of these companies. In view of the matters reported in the Basis for Disclaimer of Opinion paragraph above, we are unable to comment on whether there were any amounts which were required to be transferred to the Investor Education and Protection Fund in respect of the subsidiary company SFS.
- k) (a) The respective managements of the Holding Company and its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of its knowledge and belief, 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 Group, associates and joint ventures to or in any other person or entity, 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 Group, associates and joint ventures ("Ultimate beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
- (b) The respective managements of the Holding Company and its subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries, associates and joint ventures respectively that, to the best of its knowledge and belief, no funds have been received by the Group, associates and joint ventures from any person or entity, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group, associates and joint ventures 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 provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (c) Based on the audit procedures that have been considered reasonable and appropriate in the circumstances performed by us and that performed by the auditors of the subsidiaries and associates which are companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our or other auditor's notice that has caused us or the other auditors to believe that the representations under sub-clause (a) and (b) contain any material misstatement.
- l) The proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 is applicable for the Holding Company, its subsidiaries and associate company w.e.f. 1<sup>st</sup> April 2023. Edit log feature was enabled in the accounting software from 18-06-2023. No tampering with the audit trail was noticed in any of the companies in the group. The edit log is preserved as per the statutory requirements for retention of records.

**For Elias George & Co.,**  
Chartered Accountants  
FRN: 000801S

**Ranjit Mathews P.**  
Partner  
Membership No: 205377  
UDIN: 24205377BKABSZ6925

Kochi, 682020  
Date: 02-07-2024

**“ANNEXURE A” REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS” OF OUR AUDITOR’S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF INKEL LTD, IT’S SUBSIDIARY COMPANIES AND ASSOCIATE COMPANY INCORPORATED IN INDIA FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2024.**

In our opinion and according to information and explanations given to us, the following companies incorporated in India and included in the consolidated financial statements, have unfavorable remarks, qualifications or adverse remarks given by the respective auditors in their reports under the Companies (Auditor’s Report) order, 2020 (CARO).

Sl. No	Name of the Company	Clause no of the CARO Report which is unfavorable, qualified or adverse
1	INKEL LTD	Paragraph 3(i)(c), 3(iii)(b), 3(vii)(a), 3 (ix) (a)

2	INKES	i(b)
3	MIV Logistics (P) LTD	3(xiv)(a), 3 (vii) (a) and (b), 3(i)(a) and (b)
4	IIDPL	3(xiv) (a), 3 (xvii), 3 (xix)

**For Elias George & Co.,**  
Chartered Accountants  
FRN: 000801S

**Ranjit Mathews P.**  
Partner

Kochi: 682020  
Date: 02-07-2024

Membership No:205377  
UDIN: **24205377BKABSZ6925**

### ANNEXURE ‘B’ TO THE INDEPENDENT AUDITOR’S REPORT

**THE ANNEXURE REFERRED TO IN OUR INDEPENDENT AUDITORS’ REPORT OF EVEN DATE ON THE AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS OF INKEL LIMITED, IT’S SUBSIDIARY COMPANIES AND ASSOCIATE COMPANY INCORPORATED IN INDIA FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

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

We were engaged to audit the internal financial control system with reference to financial statements reporting of INKEL Ltd( hereinafter referred to as “the Holding Company”) and its subsidiaries ( the Holding Company and its subsidiaries together referred to as “the Group”) and it’s associate, which are companies incorporated in India, as on 31<sup>st</sup> March, 2024 in conjunction with our audit of the consolidated financial statements of the Group and it’s associate for the year ended on that date.

**Disclaimer of Opinion**

As stated in Note 2.40.1 of the consolidated financial statements, the financial statements of a material component of the group – Seguro Foundations and Structures Private Limited (SFS) for the financial year ended 31-03-2019 have not been approved by the Board of Directors of the said company and are subject to audit by that Company’s auditors. Further no financial statements of SFS were compiled for the year 31/03/2021, 31/03/2022, 31/03/2023 and 31/03/2024. Moreover, no financial statements of Seguro INKEL Consortium LLP for the financial year ended 31/03/2024 has been drawn and audited.

Therefore, we are not able to determine if the Group and it’s associate has established adequate internal

financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March, 2024.

We have considered the disclaimer reported above in determining the nature, timing and extent of audit tests applied in our audit of the consolidated financial statements of the Group and it’s associate and the disclaimer has affected our opinion on the consolidated financial statements of the Group and it’s associate and we have issued a disclaimer of opinion on the consolidated financial statements.

**Meaning of Internal Financial Controls Over Financial Reporting**

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

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

### **Management's Responsibility for Internal Financial Controls**

The Board of Directors of the Holding Company, its subsidiary companies and the associate company are 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 Group's and its associate's internal financial controls system over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing issued by ICAI and deemed to be prescribed under Section 143 (10) of the Act to the

extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

Because of the matter described in Disclaimer of Opinion paragraph above, we were not able to obtain the audit evidence sufficient and appropriate to provide a basis for audit opinion on the internal financial controls system of the Group and its associate over financial reporting.

**For Elias George & Co.,**  
Chartered Accountants  
FRN: 000801S

**Ranjit Mathews P.**  
Partner

Kochi, 682020  
Date: 02-07-2024

Membership No: 205377  
UDIN: **24205377BKABSZ6925**

**INKEL LIMITED**

CIN: U45209KL2007PLC020471

Door No. 14/812 &amp; 813 - 1st Floor, Ajjyal Complex, Kakkanad, Kochi – 682030

**CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2024**

(₹ In Lakh)

Particulars	Note No.	As at 31.03.2024	As at 31.03.2023
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders' Funds</b>			
(a) Share Capital	2.1	17,781.43	17,781.43
(b) Reserves and Surplus	2.2	3,808.15	2,718.71
<b>(2) Minority Interest</b>	2.3	2,523.62	2,438.38
<b>(3) Share Application Money Pending Allotment</b>		-	-
<b>(4) Non - Current Liabilities</b>			
(a) Long - Term Borrowings	2.4	10,809.13	12,269.18
(b) Deferred Tax Liabilities	2.5	65.23	275.94
(c) Other Long-Term Liabilities	2.6	83.41	91.69
(d) Long - Term Provisions	2.7	174.62	150.56
<b>(5) Current Liabilities</b>			
(a) Short Term Borrowings	2.8	1,060.00	1,013.74
(b) Trade Payables: -	2.9		
i. Total outstanding dues of micro enterprises and small enterprises		-	-
ii. Total outstanding dues of creditors other than micro enterprises and small enterprises		2,962.83	3,380.59
(c) Other Current Liabilities	2.10	5,168.70	4,500.05
(d) Short-Term Provisions	2.11	954.63	503.91
<b>TOTAL</b>		<b>45,391.75</b>	<b>45,124.18</b>
<b>II. ASSETS</b>			
<b>(1) Non - Current Assets</b>			
(a) Property, Plant and Equipment and intangible Assets			
(i) Property, Plant and Equipment	2.12	6,493.80	7,316.21
(ii) Intangible Assets	2.12	15.76	25.53
(iii) Capital Work in Progress	2.13	212.77	179.53
(b) Goodwill on Consolidation	2.39	6.09	6.09
(c) Non - Current Investments	2.14	1,773.79	1,726.96
(d) Deferred Tax Assets	2.15	186.12	386.59
(e) Long - Term Loans and Advances	2.16	5,168.06	6,259.55
(f) Other Non - Current Assets	2.17	10,837.64	11,061.41
<b>(2) Current Assets</b>			
(a) Inventories	2.18	1.21	77.19
(b) Trade Receivables	2.19	9,521.34	10,018.25
(c) Cash and Cash Equivalents	2.20	7,763.68	6,112.51
(d) Short - Term Loans and Advances	2.21	844.41	850.35
(e) Other Current Assets	2.22	2,567.08	1,104.02
<b>TOTAL</b>		<b>45,391.75</b>	<b>45,124.18</b>

Significant Accounting Policies and Consolidated Notes to Accounts 1 &amp; 2

The Accompanying Notes are an integral part of the financial statements.

For and on behalf of the Board of Directors

As per our separate report of even date attached

**Dr. K Ellangovan**  
Managing Director  
DIN: 05272476

**Jacob Kovoov Ninan**  
Director  
DIN: 01213357

**For Elias George & Co**  
Chartered Accountants  
FRN: 000801S

**Baiju T**  
Company Secretary  
Place: Kochi  
Date: 02/07/2024

**Riju Thomas**  
Chief Financial Officer

**CA. Ranjit Mathews P**  
Partner  
Membership No.: 205377  
UDIN: 24205377BKABSZ6925

**INKEL LIMITED**

CIN: U45209KL2007PLC020471

Door No. 14/812 &amp; 813 - 1st Floor, Ajiyal Complex, Kakkanad, Kochi – 682030

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

(₹ In Lakh)

Particulars	Note No.	For the year ended	
		31.03.2024	31.03.2023
<b>Income</b>			
I. Revenue from Operations	2.23	9764.45	8,258.47
II. Other Income	2.24	1746.53	1,840.37
<b>III. Total Income (I+II)</b>		<b>11510.98</b>	<b>10,098.84</b>
<b>IV. Expenses</b>			
(i) Cost of land acquired/building/amenities constructed and disposed (on Long Term Finance Lease Agreements)	2.25	791.58	224.29
(ii) Purchases of Stock-in-Trade	2.26	1829.07	2,815.57
(iii) Changes in inventories of Stock-in-Trade	2.27	75.32	(75.36)
(iv) Operating, Works Contract and Project Expenses	2.28	640.28	384.75
(v) Employee Benefits Expense	2.29	852.23	819.52
(vi) Finance Costs	2.30	1384.96	1,227.14
(vii) Depreciation and Amortisation Expense	2.12	342.79	322.92
(viii) Other Expenses	2.31	1608.66	2,303.15
(ix) Provisions	2.32	-	270.52
<b>Total Expenses</b>		<b>7524.88</b>	<b>8,292.50</b>
<b>V. Profit Before Tax (III - IV)</b>		<b>3986.10</b>	<b>1,806.34</b>
<b>VI. Tax Expense :</b>			
(1) Current Tax		968.61	404.18
(2) Taxes relating to prior years		-	2.06
(3) Deferred Tax		(10.24)	(69.75)
<b>VII. Profit/(Loss) for the year before Minority Interest, Share in Net Profit/(Loss) of Associate (V-VI)</b>		<b>3027.72</b>	<b>1,469.85</b>
VIII. Share of Profit/ (Loss) of Associate Company		46.77	(26.49)
<b>IX. Profit/(Loss) for the year (VII+VIII)</b>		<b>3074.49</b>	<b>1,443.36</b>
<b>X. Profit/(Loss) attributable to</b>			
Owners of the Company		2703.68	1,360.87
Minority Interest		370.81	82.49
		<b>3074.49</b>	<b>1,443.36</b>
<b>XI. Earnings per Equity Share</b>	2.33		
Face value of share ₹ 10/- (₹ 10/-)			
(1) Basic		1.52	0.77
(2) Diluted		1.52	0.77

Significant Accounting Policies and Consolidated Notes to Accounts 1 & 2  
The Accompanying Notes are an integral part of the financial statements.

For and on behalf of the Board of Directors

As per our separate report of even date attached

**Dr. K Ellangovan**  
Managing Director  
DIN: 05272476

**Jacob Kovoov Ninan**  
Director  
DIN: 01213357

**For Elias George & Co**  
Chartered Accountants  
FRN: 000801S

**Baiju T**  
Company Secretary

**Riju Thomas**  
Chief Financial Officer

**CA. Ranjit Mathews P**  
Partner  
Membership No.: 205377  
UDIN: 24205377BKABSZ6925

Place: Kochi  
Date: 02/07/2024

**INKEL LIMITED**

CIN: U45209KL2007PLC020471

Door No. 14/812 &amp; 813 - 1st Floor, Ajijal Complex, Kakkanad, Kochi – 682030

**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Profit Before Taxation and exceptional items</b>	3,986.10	1,806.34
<b>Adjustments for:</b>		
Depreciation and Amortisation	342.79	322.92
Dividend	(769.67)	(769.67)
Loss on sale of Assets	3.93	-
Profit on sale of Fixed Assets	(7.20)	(0.65)
Interest Income	(838.34)	(799.60)
Interest Expense/Finance Cost	1,384.96	1,227.14
<b>Operating profit before Working Capital Changes</b>	<b>4,102.57</b>	<b>1,786.48</b>
<b>Changes in Working Capital</b>		
<b>Adjustments for (Increase)/Decrease in Operating Assets</b>		
Trade Receivables	496.91	(2,373.53)
Inventories	75.98	(28.39)
Short term loans and advances	5.94	(198.50)
Other Current Assets	(1,463.06)	469.09
Long term Loans and Advances	1,091.49	452.08
Other Non-Current Assets	223.77	1472.34
	<b>431.03</b>	<b>(206.91)</b>
<b>Adjustments for Increase/ (Decrease) in Operating Liabilities</b>		
Trade Payables	(417.76)	(268.88)
Other Current Liabilities	(1,245.72)	(793.87)
Short term Provisions	450.72	187.45
Long term Provisions	24.06	(2.98)
Long Term Liabilities	(8.28)	(13.30)
Short term Borrowings	46.26	(581.18)
	<b>(1,150.72)</b>	<b>(1,472.76)</b>
<b>Cash generated from Operations</b>	<b>3,382.87</b>	<b>106.82</b>
Taxes Paid	(968.61)	(406.24)
<b>Net Cash used in Operating activities - (A)</b>	<b>2,414.26</b>	<b>(299.42)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Property, Plant and Equipment	(322.41)	(591.62)
Intangible assets	-	(23.93)
Capital Work in Progress	(33.24)	(59.53)
Proceeds from sale of Property, Plant and Equipment	815.08	423.60
Dividend Received	769.67	769.67
Change in investment	(46.83)	57.12
Interest received	838.34	799.60
Repayment of Inter-Corporate Loan	-	(151.38)
Share of loss/Gain in Subsidiary not consolidated	-	(37.19)
Share of Profit/loss from MIV	46.77	(26.49)
<b>Net Cash Used in Investing activities - (B)</b>	<b>2,067.39</b>	<b>1,159.86</b>



<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Dividend paid	14.54	(0.80)
Interest paid	(1,384.96)	(1,227.14)
Share capital of Subsidiary not consolidated	-	(336.56)
Proceeds from /(Repayment of) Short term borrowings	-	-
Proceeds/(Repayment of) Long term borrowings	(1,460.05)	(1,332.02)
<b>Net Cash Generated by Financing Activities - (C)</b>	<b>(2,830.47)</b>	<b>(2,896.52)</b>
<b>Net increase in Cash and Cash equivalents (A+B+C)</b>	<b>1,651.18</b>	<b>(2,036.08)</b>
<b>Cash and Cash Equivalents at the beginning of the year</b>	<b>6,112.51</b>	<b>8,148.59</b>
<b>Cash and Cash Equivalents at the end of the year(see note 2.20)</b>	<b>7,763.68</b>	<b>6,112.51</b>

For and on behalf of the Board of Directors

As per our separate report of even date attached

**Dr. K Ellangovan**  
Managing Director  
DIN: 05272476

**Jacob Kovoov Ninan**  
Director  
DIN: 01213357

**For Elias George & Co**  
Chartered Accountants  
FRN: 000801S

**Baiju T**  
Company Secretary

**Riju Thomas**  
Chief Financial Officer

**CA. Ranjit Mathews P**  
Partner  
Membership No.: 205377

Place: Kochi  
Date: 02/07/2024

UDIN: 24205377BKABSZ6925

## SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH 2024

### NOTE-1 SIGNIFICANT ACCOUNTING POLICIES

#### a. Principles of Consolidation

The consolidated financial statement relates to INKEL Limited (the 'Company'), its subsidiaries (hereinafter

referred to as 'the Group'), and the Group's share of profit/loss in its associate company. Following subsidiaries and associate company have been considered in the preparation of the consolidated financial statements:

Name of the entity	Abbreviation Used	Relationship	% Of Holding and voting power either directly or indirectly through subsidiary as at	
			31-03-2024	31-03-2023
INKEL KSIDC Projects Limited	INKID	Subsidiary Company	74%	74%
INKES Trade Centre Limited	INKES	Subsidiary Company	74%	74%
INKEL Infrastructure Development Projects Limited	IIDPL	Subsidiary Company (w. e. f. 27-10-2018)	100%	100%
INKEL-EKK Roads Private Limited	INKEL-EKK	Subsidiary Company	72%	72%
MIV Logistics Private Limited	MIV	Associate Company	39.43%	39.43%
INKEL Renewable Energy Private Limited	IREPL	100% Subsidiary of IIDPL	100%	100%

The consolidated financial statements have been prepared on the following basis:

i. The financial statements/financial information of the subsidiaries and associate company used in the consolidation are drawn up to the same reporting date as that of the Company, i.e., 31 March, 2024.

ii. The financial statements of the Company and its subsidiaries (including subsidiary entity) have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses, unless cost cannot be recovered, as per AS 21 'Consolidated Financial Statements'.

- iii. The consolidated financial statements include the share of results in operations in an associate entity (which includes its share of profits/losses in an associate) which has been accounted for using 'equity method' as per AS 23 'Accounting for investments in Associates in Consolidated Financial Statements'. Accordingly, the share of profit/loss of the associate entity (the loss being restricted to the cost of investment) has been added to/deducted from the cost of investment.
- iv. The difference between the cost of investment in the subsidiary company and the net assets at the time of acquisition of shares in the subsidiary company is recognised in the Consolidated Financial Statements as Goodwill or Capital Reserve, as the cause may be and where two or more investments are made over a period of time, Goodwill/Capital Reserve is calculated on a step-by-step basis.
- v. Minority interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit/loss for the year of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders of the Company.
- vi. The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements and if a member of the group uses accounting policies other than those adopted in the consolidated financial statements for such transactions and events, appropriate adjustments are made to its financial statement when they are used in preparing the consolidated financial statements.
- b. Basis of Preparation**
- i. The Consolidated Financial Statements of Inkel Limited (the Company) and its subsidiaries, INKID, INKES, INKEL-EKK, IIDPL and SIC LLP and IREPL collectively referred to as the 'Group' and its associate MIV (which includes its share of results of operation in an associate viz Seabird) have been prepared in accordance with Accounting Standard-21 (AS 21), "Consolidated Financial Statements" and Accounting Standard-23 (AS 23) "Accounting for Investments in Associates in Consolidated Financial Statements".
- ii. In the absence of financial statements/financial information, the consolidated financial statements does not reflect the transactions of the subsidiary Seguro Foundations & Structures Pvt Limited (SFS).
- iii. Since the authorised Signatory representing Seguro Foundations and Structures Private Limited is not available, the financial statements of Seguro-INKEL consortium LLP have not been drawn and audited. The profit/loss of the LLP is not considered in the preparation of the consolidated financial statements.
- iv. In the absence of financial statements/financial information, the consolidated financial statements do not reflect the share of results in operations as per AS 23 – "Accounting for investment in Associates" relating to investments made by the wholly owned subsidiary company IIDPL in its associate M/s Calicut Expressway Private Limited, the impact of which in the consolidated financial statements of INKEL Limited is not expected to be material.
- c. Basis of Accounting**
- The consolidated financial statements of the Company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The Company has prepared these consolidated financial statements to comply in all material respects with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006, specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The consolidated financial statements have been prepared on an accrual basis and under the historical cost convention. The accounting policies adopted in the preparation of consolidated financial statements are consistent with those of previous year.
- d. Use of Estimates**
- The presentation of consolidated financial statements in conformity with the generally accepted accounting principles require estimates and assumptions to be made that affect the reported amount of assets and liabilities (including contingent liabilities if any) as on the date of the consolidated financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual result and estimates are recognised in the period in which the results are known/materialised.

**e. Tangible Assets**

**(Property, Plant and Equipment)**

- i. Property, Plant and Equipment are stated at cost less accumulated depreciation and impairment in value if any. Cost includes purchase price (inclusive of non-refundable purchase taxes, after deducting trade discounts and rebates), other costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.
- ii. When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (Major components).
- iii. Land acquired on long term lease arrangements that are in the nature of financial leases are classified under Fixed Assets and amortised over the lease period. Buildings constructed on such land are capitalised and depreciated as per company's accounting policy. Such land and building are reclassified and treated as Current Assets (at Net Book Value) when the decision to dispose under long term finance leases is conclusively taken by the management.
- iv. The cost of assets not ready for use at the balance sheet date are disclosed under Capital Work in Progress.

**f. Intangible Assets**

Intangible assets are recorded at the cost of acquisition of such assets and are carried at cost less accumulated amortisation and impairment, if any.

**g. Depreciation/ Amortisation**

- i. Depreciation on property, plant and equipment is provided on Written Down Value Method on the basis of the useful lives in the manner prescribed as per Schedule II of The Companies Act, 2013 based on a review by the management at the year end, except where stated.
- ii. Leasehold land is amortised over the duration of the lease.
- iii. Cost of software treated as Intangible Assets are amortised over a period of six years.

**h. Impairment of Assets**

The Companies assess at each Balance Sheet date whether there is any indication that an asset may be impaired. An asset is identified as impaired, when the carrying value of the asset exceeds its recoverable value. Based on such assessment,

impairment loss if any is recognised in the Consolidated Statement of Profit and Loss of the period in which the asset is identified as impaired. The impairment loss recognised in the prior accounting periods is reversed if there has been a change in the estimate of recoverable amount.

**i. Government Grant/Subsidies**

Government Grants and Subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the Grants/Subsidies will be received. Government Grants whose primary condition is that the Company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. Government Grants and subsidies in the nature of Promoter's Contribution like Investment Subsidy, where no repayment is ordinarily expected in respect thereof, or identifiable with non-depreciable assets are credited to Capital Reserve. Other Government grants and subsidies are recognised as Income over the periods necessary to match them with the costs for which they are intended to compensate on a systematic basis.

**j. Investments**

Non-Current Investments are stated at cost. Decline in value, if any, which is not considered temporary in nature, is provided for.

**k. Revenue Recognition**

- i. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and revenue can be reliably measured. Revenue is recognised net of taxes.
- ii. Revenue arising on disposal of current assets under long-term lease arrangements that are in nature of financial leases is recognised in the year in which the lease agreements are entered into.
- iii. Proportionate income during the period of license agreement and income from other arrangements which are in the nature of operating leases, are recognised as income in the respective years.
- iv. In the books of Inkel Limited, income from project management service is recognised based on the stage of completion of each work having regard to the various identified components of the work which are to be performed by the company and the extent of work completed by it at the end of the year.
- v. Inkel EKK Roads Private Limited recognises revenue from construction contracts based on the percentage of completion method as specified in Accounting Standard [AS 7 (Revised)] "Construction Contract". Revenue has been

recognised in the previous year to the extent of 49.03% of the Total Contract Revenue, as the percentage of completion of work as on 31<sup>st</sup> March 2024 was 53.00%. Since the percentage of completion of work as on 31<sup>st</sup> March 2024 is 53.00% based on the estimate of the project cost, revenue is recognised in the current year at 3.97% so that the cumulative revenue recognised as on 31<sup>st</sup> March 2024 is 53.00%.

- vi. Solar projects are normally completed in a span of one year. In solar projects, materials are billed by the Company on delivery and the income on execution of the work is recognised by raising the bills thereof immediately after the completion of the project.
- vii. Other incomes are recognised on accrual basis except when there are significant uncertainties in the realisation of income.

#### **I. Inventories**

- i. Inventories of land and building/amenities includes cost of purchase, development costs, construction costs, overheads and is valued at lower of cost identified on specific identification method and net realisable value.
- ii. Inventories of Stock in trade are valued at Lower of Cost, identified on specific identification method or net realisable value.

#### **m. Employee Benefits**

##### **i. Short Term Employee Benefits**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits and recognised in the period in which the employee renders the related service.

##### **ii. Defined Contribution Plans**

The companies have defined contribution plans for employees comprising of Provident Fund, Employee's State Insurance and National Pension Scheme. The contributions paid/payable to these plans during the year are charged to the Consolidated Statement of Profit and Loss for the year.

##### **iii. Defined Benefit Plans**

Gratuity (Funded) & Long-term employee benefits: Compensated absences (Funded).

##### **a) Gratuity**

The company makes contributions to the Employee's Group Gratuity-cum-Life Assurance Scheme of the Life Insurance Corporation of India. The net present value of the obligation for gratuity

benefits as determined on actuarial valuation conducted annually using the projected unit credit method, as adjusted for unrecognised past services cost, if any, and as reduced by the fair value of plan assets, is recognised in the accounts. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

##### **b) Compensated absences**

The company have a scheme for compensated absences for employees, the liability of which is determined on the basis of an actuarial valuation carried out at the end of the year. Actuarial gains and losses are recognised in full in the Statement of Profit and Loss for the period in which they occur.

##### **iv. Termination Benefits**

Termination benefits are recognised in the Statement of Profit and Loss for the period in which the same accrue.

##### **n. Income Tax**

Income tax is accounted in accordance with Accounting Standard on Accounting for Taxes on Income (AS-22), which includes current taxes and deferred taxes. Deferred Tax assets/liabilities representing timing differences between accounting income and taxable income are recognised in the financial statements. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available, except that deferred tax assets arising due to unabsorbed depreciation and losses are recognised if there is a virtual certainty supported by convincing evidence that sufficient future taxable income will be available to realise the same. Inkel and its subsidiaries, except Inkel-EKK Roads Private Limited have opted out of the provisions of Section 115JB and elected to pay tax at the rate applicable under Section 115BAA of the Income Tax Act, 1961. Hence, the minimum alternate tax is not applicable to companies other than Inkel-EKK. In the case of Inkel-EKK, MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative Tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no

longer convincing evidence to the effect that the Company will pay normal Income Tax during the specified period.

**o. Foreign Currency Transactions**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of the transaction. Monetary assets and liabilities other than forward contracts, outstanding at the Balance Sheet date are translated at the applicable exchange rates prevailing at the said date. The exchange gain/loss arising during the year is adjusted to the Consolidated Statement of Profit and Loss.

**p. Borrowing Costs**

Borrowing costs that are directly attributable to the acquisition, construction or production of an asset that takes a substantial period of time to get ready for its intended use are capitalised. Other borrowing costs are recognised as expenditure for the period in which they are incurred.

**q. Earnings per share**

Basic / diluted earnings per share is calculated by

dividing the net profit or loss for the year attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares/dilutive potential equity shares outstanding as at the end of the year as the case may be.

**r. Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised when the company has a present obligation 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. Provisions are not discounted to its present value and are determined based on management estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the correct management estimates. Contingent Liabilities are disclosed when the company has a possible obligation or a present obligation and it is probable that a cash flow will not be required to settle the obligation. Contingent assets are neither recognised nor disclosed in the accounts.

**NOTES FORMING PART OF STATEMENT OF BALANCE SHEET FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024**

**NOTE-2.1 SHARE CAPITAL**

(₹ In Lakh)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number of Shares	Amount	Number of Shares	Amount
<b>Authorised Equity Share Capital</b> Equity Shares of ₹ 10/- (₹ 10/-) each	20,00,00,000	20,000.00	20,00,00,000	20,000.00
	20,00,00,000	20,000.00	20,00,00,000	20,000.00
<b>Issued, Subscribed and Paid up</b> Equity Shares of ₹ 10/- (₹ 10/-) each	17,78,14,334	17,781.43	17,78,14,334	17,781.43
	17,78,14,334	17,781.43	17,78,14,334	17,781.43

**2.1.1 Terms/Rights attached to Equity Shares**

The company has only one class of shares referred to as equity shares with a face value of ₹10/- (₹10/-) each. Each holder of equity share is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed/declared by the Board of Directors is subject to approval/regularisation of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

**Reconciliation of shares at the beginning and at the end of the financial year**

(₹ In Lakh)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number of Shares	Amount	Number of Shares	Amount
<b>Equity Shares</b>				
As at the beginning of the financial year	17,78,14,334	17,781.43	17,78,14,334	17,781.43
Shares issued during the financial year	-	-	-	-
As at the end of the financial year	17,78,14,334	17,781.43	17,78,14,334	17,781.43

**Particulars of Shareholders holding more than 5% share in the Company**

(₹ In Lakh)

Particulars	As at 31.03.2024		As at 31.03.2023	
	Number of Shares	Amount	Number of Shares	Amount
Govt. of Kerala-22.78 % (Previous year 22.78 %)	4,05,00,000	4,050.00	4,05,00,000	4,050.00
Bismi Holdings Limited-6.19% (Previous year 6.19%)	1,10,00,000	1,100.00	1,10,00,000	1,100.00
Shri. Yusuffali M A- 17.02 % (Previous year 17.02 %)	3,02,60,018	3,026.00	3,02,60,018	3,026.00
Shri. Varghese Kurian-7.59 % (Previous year 7.59%)	1,34,94,697	1,349.47	1,34,94,697	1,349.47
Dr. Mohamed Ali-5.91 % (Previous year 5.91 %)	1,05,00,000	1,050.00	1,05,00,000	1,050.00

**Shares held by promoters for the year ended 31<sup>st</sup> March 2024**

(₹ In Lakh)

Promoter Name	No of Shares	% Of Total Shares	% Of Change during the year
Govt. of Kerala	4,05,00,000	22.78%	-
Bismi Holdings Limited	1,10,00,000	6.19%	-
Shri Yusuffali M A	3,02,60,018	17.02%	-
Shri Varghese Kurian	1,34,94,697	7.59%	-
Dr. Mohamed Ali	1,05,00,000	5.91%	-

**NOTE-2.2 RESERVES AND SURPLUS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>(a) Securities Premium</b>		
Opening Balance	739.37	739.37
Add: Additions during the year	-	-
<b>Closing balance</b>	<b>739.37</b>	<b>739.37</b>
<b>(b) Surplus in statement of profit and loss</b>		
Opening balance	1,918.41	2,127.38
Previous year adjustment	0.04	-
Share of loss of Seguro foundation limited not consolidated adjusted	-	-
Add: Profit/(Loss) for the year	2,703.68	1,360.87
Amount available for appropriation	<b>4,622.14</b>	<b>3,488.25</b>
Less: Appropriations		
Dividend for 2023-24 paid by subsidiary companies (see Note-2.2.1)	769.67	769.67
Proposed Dividend (See Note-2.2.2)	844.62	800.16
Total Appropriations	1,614.29	1,569.83
<b>Closing Balance</b>	<b>3,007.85</b>	<b>1,918.41</b>
Less: Minority Interest adjusted (as per contra)	-	-
Add: Adjusted against majority interest (as per contra)	-	-
<b>Closing Balance</b>	<b>3,747.22</b>	<b>2,657.78</b>
Capital Reserve on Consolidation	60.93	60.93
<b>Total Reserves and Surplus</b>	<b>3,808.15</b>	<b>2,718.71</b>

**2.2.1** INKEL-KSIDC Projects Limited, has declared interim dividend at the rate of 20% of each fully paid-up equity shares (2,47,61,367 equity shares of ₹10 each.) for the financial year 2023-24, which has been paid out of the accumulated profits.

INKEL-EKK has declared dividend at the rate of 20% of each fully paid-up equity shares (2,80,00,000 equity shares of ₹10 each.) for the financial year 2023-24, which has been paid out of the accumulated profits.

**2.2.2** The Board of Directors of the company has proposed a final dividend of ₹0.475 (4.75%) per equity share which is subject to approval by the shareholders at the ensuing Annual General Meeting. The total proposed final dividend for the year ended 31-03-2024 amounts to ₹844.62 lakh.

**NOTE-2.3 MINORITY INTEREST**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Share Capital	1,557.80	1,557.80
Add: Share of accumulated reserves	880.58	1,083.65
Add: Profit/(Loss) for the year transferred from Statement of Profit and Loss	370.81	82.49
Less: Dividend paid	(285.56)	(285.56)
<b>Closing Balance</b>	<b>2,523.62</b>	<b>2,438.38</b>

**NOTE-2.4 LONG TERM BORROWINGS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Term Loans (Secured) (See Note 2.4.2)</b>	33.08	33.08
From Banks		
Term loan from State Bank of India (See Note 2.4.1)	10,086.06	11,546.10
From other parties	345.00	345.00
Unsecured	-	345.00
Related party	345.00	-
	<b>10,809.13</b>	<b>12,269.18</b>

**2.4.1** In case of the subsidiary company INKEL-EKK Roads Private Limited: Term Loan is availed on hypothecation of the assets of the company. In case of subsidiary company INKEL-EKK Roads Private Limited, equity shares of ₹1,032 lakh held by INKEL Ltd and ₹396 lakh held by EKK Infrastructures Limited respectively have been pledged with State Bank of India as per the terms and condition of the facility arrangement dated 16-05-2019. 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 - ₹4,502 lakh
- b) EKK-Infrastructures Limited - ₹1,751 lakh

**2.4.2** In case of subsidiary company INKEL Infrastructures Development Projects Limited:

- (i) Secured Borrowings from M/s KMC Constructions Limited have been considered as long term since no terms of repayment have been specified.
- (ii) Long Term Borrowings from M/s KMC Constructions Limited amounting to ₹33.08 lakh has been secured by way of pledging the investment in M/s Calicut Expressway Private Limited with M/s KMC Constructions Limited.

**NOTE-2.5 DEFERRED TAX LIABILITIES**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>A. Deferred Tax Liability</b>		
On Property, Plant & Equipment and Intangible asset	65.23	275.94
	<b>65.23</b>	<b>275.94</b>

**NOTE-2.6 OTHER LONG-TERM LIABILITIES**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Security Deposits	52.88	61.17
Retention & Earnest Money Deposit	28.26	28.26
Performance Guarantee Payable	2.26	2.26
	<b>83.41</b>	<b>91.69</b>

**NOTE-2.7 LONG-TERM PROVISIONS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Provision for Employee Benefits (See Note-2.34)</b>		
- Gratuity	99.07	76.71
- Provision for Bonus	0.13	-
- Provision for Leave Encashment	75.42	73.85
	<b>174.62</b>	<b>150.56</b>

**NOTE-2.8 SHORT TERM BORROWINGS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Current maturities of Long-Term Debt	-	-
- Term Loan (See Note 2.4.1)	760.00	713.74
- Unsecured-Deposit from Public	-	-
ASIDE Loan KINFRA (See Note 2.8.1)	300.00	300.00
	<b>1,060.00</b>	<b>1,013.74</b>

**2.8.1** The interest free loan was sanctioned under the Assistance to States for developing Export Infrastructure and other Allied Activities (ASIDE) Scheme implemented by Kerala Industrial Infrastructure Development Corporation (KINFRA) as the Nodal Agency for Government of Kerala to Inkel Limited.

The loan was repayable in three annual instalments of ₹100 lakh each starting from the fourth year of disbursement, to be paid before 31<sup>st</sup> March 2019, 31<sup>st</sup> March 2020 & 31<sup>st</sup> March 2021 respectively. Overdue details as on 31<sup>st</sup> March 2024-₹3 Crore for a period of 3 years.

**NOTE-2.9 TRADE PAYABLES**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Trade Payables due for Payment (See Note 2.9.1)		
i. Outstanding dues of micro enterprises and small enterprises (See note 2.9.2)	-	-
ii. Outstanding dues of trade payables other than micro enterprises and small enterprises	2,962.83	3,380.59
	<b>2,962.83</b>	<b>3,380.59</b>

**Note-2.9.1 TRADE PAYABLES AGEING SCHEDULE**

(₹ In Lakh)

Particulars	As at 31.03.2024				Total
	Outstanding for following periods after due date of payment				
	Less than 1 year	1 to 2 years	2 to 3 Years	Above 3 years	
MSME*	-	-	-	-	-
Others	1,812.70	761.33	234.79	154.01	2,962.83
Disputed Dues MSME	-	-	-	-	-
Disputed dues Others	-	-	-	-	-

(₹ In Lakh)

Particulars	As at 31.03.2023				Total
	Outstanding for following periods after due date of payment				
	Less than 1 year	1 to 2 years	2 to 3 Years	Above 3 years	
MSME*	-	-	-	-	-
Others	2,152.13	1,039.37	38.01	151.08	3,380.59
Disputed Dues MSME	-	-	-	-	-
Disputed dues Others	-	-	-	-	-

\* MSME as per Micro, Small and Medium Enterprises Act 2006.

**2.9.2** The group has taken steps to identify the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act 2006 and the same is in progress. Based on available information, there are no balance outstanding as payable to such suppliers as at the year end. In the opinion of the management there are no amounts paid/payable towards interest under the said statute.



**NOTE-2.10 OTHER CURRENT LIABILITIES**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Other Payables	278.43	277.87
Unpaid Dividend	11.00	3.54
<b>Current Liabilities</b>		
Deposit matured and payable (See Note 2.10.2)	0.25	0.25
Advance From Customers/Clients		
- for Deposit Work	174.86	166.66
- Others	1,744.03	1,270.95
Arrears to employee	0.02	-
Retention Money payable	1,196.61	999.63
Statutory Dues	280.92	740.01
Security Deposit/Earnest Money Deposit	26.35	15.23
Advance from employees	-	0.27
Provision for Bonus	0.07	-
Provision for unearned income	85.81	-
Solar O&M Income Received in Advance	304.17	197.50
Proposed Dividend Payable	844.62	800.16
<b>Provision</b>		
Salary payable	10.91	4.55
Expenses Payable	209.95	23.41
Performance Bank Guarantee	0.65	-
	<b>5,168.67</b>	<b>4,500.04</b>

**2.10.1** As per the books of accounts of Inkel Limited, unclaimed dividend shall be transferred to Investor Education and Protection Fund as and when it becomes due. As at 31<sup>st</sup> March 2024, there is no amount due and outstanding to be transferred to the Investor Education and Protection Fund by the company.

**2.10.2** Deposits accepted from various parties and interest thereon are repayable over the agreed terms by Inkel Limited. The details are as follows:

Terms of repayment	Non-Cumulative basis	
	Rate	Amount (₹ In Lakh)
Within 1 year-Scheme 2	10.00%	-
<b>Total</b>	-	-

Interest is payable on a quarterly/maturity basis in accordance with the terms agreed with the depositors. The deposit of ₹ 0.25 Lakh is outstanding and matured on 08/07/2021.

**NOTE-2.11 SHORT-TERM PROVISIONS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>Provision for employee benefits</b>		
- Provision for Leave Encashment (See Note 2.34)	2.82	19.78
- Provision for Gratuity (See Note 2.34)	-	10.06
- Provision for Bonus/Exgratia (See Note 2.11.1)	3.32	34.00
Provision for Income Tax	571.92	50.58
Solar Expense Payable	376.57	388.49
Provision on IIDPL Investment	-	1.00
	<b>954.63</b>	<b>503.91</b>

**2.11.1** In compliance with the Payment of Bonus Act, 1965, Inkel Limited has made a provision for employee bonuses amounting to ₹3.32 lakh. This provision is calculated at the statutory rate of 8.33% of the salary or wages earned by employees whose monthly salary is less than ₹0.21 lakh.

**NOTE - 2.12 PROPERTY, PLANT, EQUIPMENT & INTANGIBLE ASSETS**  
**A. PROPERTY, PLANT, EQUIPMENT**

SL. NO.	Particulars	GROSS BLOCK			DEPRECIATION/AMORTISATION			NET BLOCK AS ON 31.03.2024	NET BLOCK AS ON 31.03.2023	
		Opening Balance	Additions/ during the year	Deletions/ Adjustments during the year	Closing Balance	For the year	Deleted during the year			Closing Balance
1	Freehold Land	3,419.98 3,439.76	- -	- 19.78	3,419.98 3,419.98	- -	- -	3,419.98 3,419.98	3,419.98 3,487.06	
2	Leasehold Land	2,407.56 2,678.89	239.66 0.47	355.99 271.80	2,291.23 2,407.56	38.93 45.07	23.27 47.04	1,934.64 2,066.62	2,066.62 1,776.69	
3	Building	3,042.52 2,486.47	64.98 556.05	772.42 -	2,335.08 3,042.52	219.66 185.30	313.64 0.28	1,406.74 1,500.72	1,541.80 1,184.09	
4	Plant & Machinery	361.09 360.96	- 0.13	159.53 -	201.56 361.09	10.83 15.35	150.66 -	154.16 293.99	47.41 746.94	
5	Furniture and Fittings	238.14 230.71	4.21 7.43	106.73 -	135.63 238.14	10.82 16.01	99.55 -	105.36 194.09	44.05 56.66	
6	Office Equipments	48.53 48.59	0.49 3.88	12.01 3.95	37.01 48.53	2.03 2.75	11.41 3.75	33.38 42.76	5.76 4.83	
7	Computer	122.12 119.06	5.72 3.63	32.25 0.57	95.59 122.12	6.21 3.00	30.64 0.54	86.15 110.58	11.54 11.60	
8	Motor Car	98.49 92.65	- 5.84	- -	98.49 98.49	13.99 16.38	- -	68.52 54.53	43.95 83.51	
9	Electrical Fittings	388.70 374.51	7.35 14.19	18.03 -	378.02 388.70	30.55 35.37	15.97 -	287.88 273.30	115.40 115.37	
	<b>Total (A)</b> (Previous Year)	10,127.13 <b>9,831.59</b>	322.41 <b>597.62</b>	1,456.96 <b>296.09</b>	8,992.59 <b>10,127.12</b>	333.02 <b>319.21</b>	645.14 <b>51.61</b>	2,498.79 <b>2,810.91</b>	6,493.80 <b>7,316.20</b>	7,316.20 <b>7,466.75</b>

**B. INTANGIBLE ASSETS**

1	Computer Software	GROSS BLOCK		DEPRECIATION/AMORTISATION		NET BLOCK AS ON 31.03.2024	NET BLOCK AS ON 31.03.2023		
		Opening Balance	Additions/ during the year	Deletions/ Adjustments during the year	Closing Balance			For the year	Deleted during the year
	Computer Software	51.78 27.85	- 23.93	- -	51.78 51.78	9.77 3.71	- -	15.76 25.53	25.53 5.31
	<b>Total (B)</b> (Previous Year)	51.78 27.85	- 23.93	- -	51.78 51.78	9.77 3.71	- -	36.02 26.25	25.53 5.31
	<b>Grand Total (A) + (B)</b> (Previous Year)	10,178.91 9,859.45	322.41 615.54	1,456.96 296.09	8,721.95 10,178.90	342.79 322.92	645.14 51.61	2,534.81 2,837.17	7,341.73 7,472.06

**2.12.1** Deletions / adjustments includes cost of land/building reclassified as current asset based on management decision to dispose the same as per long term finance lease agreement.

**NOTE - 2.13 CAPITAL WORK IN PROGRESS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Building under construction-Materials in hand		
Work in progress	21.74	-
Computer Software Installation	129.41	129.41
Interior Works TVM Office	-	50.12
Project in Progress	7.62	-
Windmill project	54.00	-
	<b>212.77</b>	<b>179.53</b>

**NOTE-2.14 NON-CURRENT INVESTMENTS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>a) Investments in Equity Instruments (Un-quoted, Trade, at cost)</b>		
<b>Seguro INKEL Consortium LLP</b>		
Investment towards 45% of the capital	4.50	4.50
Add: Opening balance of shares of profit from LLP	(145.10)	(145.10)
<b>i) In Associate companies</b>		
<b>MIV Logistics Pvt Ltd</b>		
1,18,29,714 (1,18,29,714) Equity Shares of ₹10/- each, fully paid up		
<b>Opening Balance</b>	229.49	255.98
Add: Share of Profit/(Loss) of Associate	46.77	(26.49)
Add: Last year adjustments	0.06	-
<b>Closing Balance</b>	276.32	229.49
<b>Calicut Expressway Pvt Ltd (CEPL)</b>		
3,30,750 (3,30,750) Equity Shares of ₹10/- each, fully paid up	33.08	33.08
<b>ii) In Others</b>		
<b>KV Apartments Pvt Ltd</b>		
5,000 (5,000) Equity Shares of ₹100/- each, fully paid up	5.00	5.00
<b>b) Investments in Preference Instruments (Un-quoted, Trade, at cost)</b>		
<b>i) In Associate companies</b>		
- <b>MIV Logistics Pvt Ltd</b>		
1,60,00,000 (1,60,00,000) Optionally Convertible Preference Shares of ₹10/- each, fully paid up	1,600.00	1,600.00
<b>Total investments (a) + (b)</b>	<b>1,773.79</b>	<b>1,726.96</b>
Aggregate amount of unquoted investments	<b>1,773.79</b>	<b>1,726.96</b>

**2.14.1** Seguro Foundations and Structures Private Limited is a subsidiary of INKEL Limited. INKEL Limited had acquired 65% of shares in the company Seguro Foundations and Structures Private Limited (SFS) on 1<sup>st</sup> December 2017 for ₹1,381.50 lakhs. Subsequently, it was discovered that SFS's shares were overvalued by the management of SFS by falsely inflating its revenue and resorting to other malpractices. Further, the managing director of SFS has siphoned out the funds of the company by manipulative practices and after enquiry on the matter by a committee constituted by the Board of INKEL and after obtaining report of forensic audit by an independent Chartered Accountants firm, the Board of INKEL declared the transaction of Investment in SFS as fraud on INKEL by SFS. Hence, the investment amounting to ₹1,381.50 lakh was written off in year 2019-20. (Refer note - 2.32.1)

**2.14.2** INKEL Infrastructure Development Projects Limited (IIDPL), a 100% subsidiary of INKEL Limited had loss accumulated over years. INKEL Limited wrote off its entire investment of ₹1 lakh in the equity capital of IIDPL in the year 2021-22 since the net worth of IIDPL got eroded completely. The Board of Directors of INKEL Limited vide its meeting dated 29-06-2022 decided to increase its share capital in IIDPL in order to revive the latter company by conversion of an amount of ₹14 crores into fully paid equity capital out of advance given to IIDPL earlier. IIDPL made a rights issue of ₹14 crores to INKEL Limited on 16-06-2023 and thus the equity stake of INKEL Limited in IIDPL was increased. Simultaneously, the original share capital of INKEL Limited in IIDPL which was written off in the year 2021-22 was reinstated thereby making the share capital of IIDPL ₹14.01 crores.

**2.14.3** Thalikulam Pura Private Limited is a wholly owned subsidiary company of INKEL Limited promoted to implement the scheme of provision of urban amenities in rural areas introduced by Government of India. Due to the non-feasibility of the proposed business of the company, the company did not venture into operations. The investment of INKEL in equity capital of Thalikulam Pura Private Limited amounting to ₹85.15 lakhs was written off completely in the year 2014-15 following the decision of the Board.

**2.14.4** Tirurangadi Pura Private Limited is a wholly owned subsidiary company of INKEL Limited promoted to implement the scheme of provision of urban amenities in rural areas introduced by Government of India. Due to the non-feasibility of the proposed business of the company, the company did not venture into operations. The investment of INKEL in equity capital of Tirurangadi Pura Private Limited amounting to ₹83.57 lakhs was written off completely in the year 2014-15 following the decision of the Board.

**2.14.5 Details of Investment in Seguro-INKEL Consortium LLP by INKEL Limited:**

Particulars	Capital in LLP	Share of Profit	Share of Capital in LLP
INKEL Limited	4.50	0.50	0.45
Seguro Foundations and Structures Private Limited	5.50	0.50	0.55
<b>Total</b>	<b>10.00</b>	<b>1.00</b>	<b>1.00</b>

Total capital of the LLP is ₹10.00 lakh (₹10.00 lakh)

Since the authorised Signatory representing Seguro Foundations and Structures Private Limited is not available, the financial statements of Seguro-INKEL Consortium LLP has not been drawn and audited. The profit/loss of the LLP is not considered in the preparation of the financial statements.

**NOTE-2.15 DEFERRED TAX ASSETS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>A. Deferred Tax Assets</b>		
On Provisions/other disallowances	186.12	386.59
	<b>186.12</b>	<b>386.59</b>

**NOTE-2.16 LONG-TERM LOANS AND ADVANCES**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>(Unsecured, Considered good)</b>		
EKK Infrastructures Limited	1,751.00	1,751.00
MAT Credit Entitlement	-	22.21
Kerala State Industrial Enterprises Limited	35.00	35.00
CEPL (Calicut Expressway Private Limited)	3,053.06	4,300.00
Advance recoverable in cash or in kind or for value to be received	1.58	1.58
Income Tax (Net)	327.42	149.76
	<b>5,168.06</b>	<b>6,259.55</b>

**2.16.1** As per the Binding Memorandum of Agreement dated March 10, 2022, entered into by M/s INKEL Infrastructure Development Project Limited (IIDPL), Calicut Expressway Private Limited (CEPL), INKEL Limited, and KMC Constructions Limited (KMC), KMC/CEPL acknowledges and agrees to make payment, being the expenses incurred by IIDPL and/or INKEL on behalf of CEPL. As per binding agreement ₹12.47 crores received from KMC Infratech Ltd in the current year, there is a balance of ₹30.53 crores receivable from KMC Infratech as on 31<sup>st</sup> March 2024. However individual accounts balance confirmation yet to be received.

**NOTE-2.17 OTHER NON-CURRENT ASSETS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>(Unsecured, Considered good)</b>		
Balance with banks in Fixed Deposit accounts	4,904.07	5,738.35
Security Deposits	32.28	78.96
Income Receivable	5,199.17	5,137.55
Unbilled Revenue	702.11	106.55
	<b>10,837.64</b>	<b>11,061.41</b>

**2.17.1a** Bank balances are subject to confirmation by the banks.

**2.17.1b** In the books of INKEL Limited, balance with banks in deposit account includes ₹NIL (₹3,523.95 lakh) held under lien including being cash margin towards Bank Guarantee of ₹NIL (₹5,130.00 lakh) provided in favour of National Highway Authority of India on behalf of Calicut Expressway Private Limited. The Bank Guarantee has been returned and lien has been removed and also the bank has released its NOC on the same during the current financial year.

**2.17.1c** Balance with banks in Deposit Accounts of INKEL Limited include ₹4,903.82 lakh (₹5,622.85 lakh) held with a maturity period of more than 12 months and ₹0.25 lakh (₹115.50 lakh) held against unclaimed public deposits in pursuance of the requirements of applicable Rules.

**2.17.1d** In the books of INKEL Limited, balance with banks in Deposit Account includes ₹1,882.42 lakh (₹2,340.47 lakh) earmarked for specific projects.

**NOTE-2.18 INVENTORIES**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Land and Building held on long term finance lease		
Opening Balance	-	-
Add: Additions during the year	791.58	116.94
Less: Disposed during the year	(791.58)	(116.94)
Closing Balance	-	-
Raw Materials	-	-
Stock in Trade: Solar Panel/Inverter	1.21	76.53
Project-In- Progress	-	0.66
	<b>1.21</b>	<b>77.19</b>

**2.18.1** In case of the subsidiary company INKEL-KSIDC Projects Limited. The amortized value of the land subleased is transferred from the lease hold land asset of the company to inventories based on the requirement from the prospective customer. The land is subleased to the customer and is treated as a sale in the books of the company. As such the company does not hold any inventory.

**NOTE-2.19 TRADE RECEIVABLES**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
i. Unsecured, Considered good	9,521.34	10,018.25
ii. Unsecured, Considered doubtful	151.54	154.76
Less: Provision for doubtful debts	(151.54)	(154.76)
	<b>9,521.34</b>	<b>10,018.25</b>

**2.19.1** All balances are subject to confirmation by the respective parties.

**2.19.2 Trade Receivables Ageing Schedule**

(₹ In Lakh)

Particulars	As at 31.03.2024		
	Outstanding for following periods after due date of payment		
	Less than 6 months	6 Months-1 year	1-2 years
i. Undisputed Trade Receivables-Considered good	4,219.83	389.35	3,010.65
ii. Undisputed Trade Receivables-Considered doubtful	-	-	-
iii. Disputed Trade Receivables considered good	-	-	-
iv. Disputed Trade Receivables considered doubtful	-	-	-
v. Unbilled dues	555.36	-	15.87

(₹ In Lakh)

Particulars	2 to 3 Years	Above 3 years	Total
i. Undisputed Trade Receivables-Considered good	896.62	433.66	<b>8,950.12</b>
ii. Undisputed Trade Receivables-Considered doubtful	-	151.54	<b>151.54</b>
iii. Disputed Trade Receivables considered good	-	-	-
iv. Disputed Trade Receivables considered doubtful	-	-	-
v. Unbilled dues	-	-	<b>571.22</b>

(₹ In Lakh)

As at 31.03.2023			
Particulars	Outstanding for following periods after due date of payment		
	Less than 6 months	6 Months-1 year	1-2 years
i. Undisputed Trade Receivables-Considered good	7,142.65	1,992.30	375.72
ii. Undisputed Trade Receivables-Considered doubtful	-	-	-
iii. Disputed Trade Receivables considered good	-	-	-
iv. Disputed Trade Receivables considered doubtful	-	-	-
v. Unbilled dues	-	-	-

(₹ In Lakh)

Particulars	2 to 3 Years	Above 3 years	Total
i. Undisputed Trade Receivables-Considered good	442.15	65.43	10,018.25
ii. Undisputed Trade Receivables-Considered doubtful	0.28	154.48	154.76
iii. Disputed Trade Receivables considered good	-	-	-
iv. Disputed Trade Receivables considered doubtful	-	-	-
v. Unbilled dues	-	-	-

**NOTE-2.20 CASH AND CASH EQUIVALENTS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Cash on Hand	0.23	0.12
Balance with Banks		
In Current Accounts	1,371.54	743.96
In Fixed Deposit Accounts (less than 3 months maturity)	5,830.67	5,368.43
Other Bank Balance		
In Fixed Deposit Accounts (greater than 3 months but less than 12 months maturity)	561.24	-
	<b>7,763.68</b>	<b>6,112.51</b>

**2.20.1** Bank balances are subject to confirmation by the banks.

**2.20.2** Earmarked Balances: Balance with banks in current accounts of INKEL Ltd include earmarked balances for unpaid dividend ₹11.02 lakh (₹3.57 lakh).

**2.20.3** Term Deposit of Inkel EKK Roads Private Limited is lien marked for ₹2,073.65 lakh.

**NOTE-2.21 SHORT-TERM LOANS AND ADVANCES**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
<b>(Unsecured, Considered good)</b>		
<b>Loans/advances to related parties:</b>		
Seguro-INKEL Consortium LLP	271.84	271.84
<b>Others:</b>		
Advances recoverable in cash or in kind or for value to be received	14.23	7.50
Deposits	82.34	56.31
Balances with Government Authorities	458.95	497.93
Advance to Suppliers/Contractors	17.05	16.77
<b>(Unsecured, Considered doubtful)</b>		
Advances recoverable in cash or in kind or for value to be received	628.02	628.02
Less: Provision for Doubtful Advances	(628.02)	(628.02)
	<b>844.41</b>	<b>850.35</b>

**2.21.1** All balances are subject to confirmation by the respective parties.

Balances for Seguro LLP Consortium and Seguro Foundations and Structures Privates Limited are taken as per the last available records.

**NOTE-2.22 OTHER CURRENT ASSETS**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Interest Receivable	218.86	179.94
Unbilled Revenue	1,705.92	572.89
Interest Accrued on Lease Premium Instalments	89.51	0.48
Others	552.79	350.67
	<b>2,567.08</b>	<b>1,103.98</b>

**NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024****NOTE-2.23 REVENUE FROM OPERATIONS**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
<b>Sale of Services</b>		
Income from disposal of land and building (On Long Term Finance Lease)	2,958.35	1,223.12
Construction Income	2,327.01	1,756.64
Share of course fee received	9.24	15.67
Income from Operating Lease	54.91	85.71
Income from Project Management Services (Refer Note 2.23.1)	1,112.27	698.70
Income from Common Area Maintenance Services	114.53	31.98
Lighting system commissioning services	956.39	1,333.29
<b>Sale of Products</b>		
Sale of lighting system/security system	2,231.58	3,111.02
Income from Agriculture	0.18	2.34
	<b>9,764.45</b>	<b>8,258.47</b>

**2.23.1 Disclosure as per AS 7 in the books of Inkel Ltd-Details of Project Management Consultancy services (PMC):**

- Revenue recognised from PMC contracts: ₹1,112.27/- lakh (₹698.70/- lakh). The difference in schedule is due to intercompany eliminations as required for consolidation.
- Details of cost incurred for PMC contracts: ₹438.02/- lakh (₹491.39 lakh)
- Amount of advances received: ₹610.67/- lakh (₹214.69/- lakh)
- Amount of retentions: NIL (₹. NIL)

**NOTE-2.24 OTHER INCOME**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Interest income	659.76	563.28
Guarantee fee received	11.00	28.25
Profit on sale of asset	7.20	0.65
Dividend (Net of DDT)	769.67	769.67
Interest on Fixed Deposit/Bank	178.58	236.32
Miscellaneous income	120.32	242.20
	<b>1,746.53</b>	<b>1840.37</b>

**2.24.1** In the case of the subsidiary INKEL-KSIDC Projects Ltd, Interest Income includes Interest on Lease Premium for ₹50.51 lakh (₹63.44 lakh), Overdue interest on lease premium ₹0.03 lakh (₹20.69 lakh) & Bank Interest of ₹108.30 lakh (₹81.79 lakh).

Other Note: - Undisclosed income-No Undisclosed income.

**NOTE-2.25 COST OF LAND ACQUIRED/ BUILDING/ AMENITIES CONSTRUCTED AND DISPOSED**

(On long term finance lease agreements)

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Cost of Land	332.71	224.29
Cost of Building	458.86	-
	<b>791.58</b>	<b>224.29</b>

**NOTE-2.26 PURCHASES OF STOCK-IN-TRADE**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Solar systems	1,829.07	2,815.57
	<b>1,829.07</b>	<b>2,815.57</b>

**NOTE-2.27 CHANGES IN INVENTORIES OF STOCK-IN-TRADE**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Opening Stock-in-Trade	76.53	1.17
Closing Stock-in-Trade	1.21	76.53
	<b>75.32</b>	<b>(75.36)</b>

**NOTE-2.28 OPERATING, WORKS CONTRACT AND PROJECT EXPENSES**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Construction and Project Cost	580.49	374.08
Consultancy Charges	20.71	10.67
Labour welfare cess	39.08	-
	<b>640.28</b>	<b>384.75</b>

**NOTE-2.29 EMPLOYEE BENEFITS EXPENSE**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Salaries & Allowances	781.64	758.99
Gratuity & Leave Encashment	0.28	0.44
Bonus/Ex-Gratia Expense	0.24	-
Contribution to Provident and Other funds	35.18	34.46
Staff Welfare Expenses	34.89	25.63
	<b>852.23</b>	<b>819.52</b>

**NOTE-2.30 FINANCE COSTS**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Interest Expense	1,379.83	1,206.41
Interest on Income tax	5.14	-
Interest on Public Deposits	-	18.55
Other Borrowing costs	-	2.18
	<b>1,384.96</b>	<b>1,227.14</b>



**NOTE-2.31 OTHER EXPENSES**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Expenditure on corporate social responsibility activity (See note 2.56)	2.86	-
Common Amenities	96.45	30.05
Hostel running and course expense	6.11	-
Lighting system commissioning expenses	783.89	1,282.03
Operation & Maintenance Expense	147.92	179.01
Agricultural expenses	3.29	4.39
Power & Fuel	15.33	20.63
Rent	50.54	58.88
Common Amenity Charges-TVM	2.37	0.47
Repairs & Maintenance:		
- Others	16.86	33.73
Insurance	2.97	2.96
Payment to Auditors:		
- As auditor	9.50	10.15
- For taxation matters	2.15	1.90
- For other services	0.85	0.15
Bank charges & interest	5.02	175.87
Meeting expense	14.67	4.79
Sitting fee to Directors	29.50	25.58
Consideration for Manpower services	26.85	36.34
Advertisement & Publicity	27.65	27.15
Postages, Telephone and internet charges	8.69	6.30
Printing and Stationery	7.87	6.85
Professional Charges	155.47	182.72
Licensing/Renewal Charges	0.64	-
Legal Fee	32.34	57.41
Rates & Taxes	8.13	14.21
Software Running Expenses	11.14	11.33
Water line charges	18.70	14.69
Travelling & Conveyance	39.29	25.84
Business Promotion Expense	-	0.40
Office General Expenses	12.15	7.81
Miscellaneous Expenses	10.44	11.83
Liquidity Damage-Exp	1.60	0.37
Contribution to P M Relief Fund	-	0.10
Interest on statutory dues	14.94	4.52
Land Development expense	-	4.94
CSR Activity	-	60.03
Short Provision for Prior years	42.50	-
Prior Period Expenses	-	(0.28)
	<b>1,608.66</b>	<b>2,303.15</b>

**NOTE-2.32 PROVISIONS**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
Provision for Doubtful advances	-	270.52
	-	<b>270.52</b>

**NOTE-2.33 EARNINGS PER EQUITY SHARE**

(₹ In Lakh)

Particulars	For the year ended	
	31.03.2024	31.03.2023
<b>Basic:</b>		
Profit/(Loss) after tax for the year as per Statement of Profit and Loss (₹ in Lakh)	2,704	1,360.87
Weighted average number of equity shares of ₹10/- (₹10/-) each (fully paid up)	17,78,14,334	17,78,14,334
Basic Earnings per Equity Share in ₹ (Face Value of Share- ₹ 10 each)	<b>1.52</b>	<b>0.77</b>
<b>Diluted:</b>		
Profit/(Loss) after tax for the year as per Statement of Profit and Loss (₹ in Lakh)	2,703.68	1,360.87
Weighted average number of equity shares of ₹10/- (₹10/-) each (fully paid up)	17,78,14,334	17,78,14,334
Diluted Earnings per Share in ₹ (Face Value of Share- ₹ 10 each)	<b>1.52</b>	<b>0.77</b>

**Note-2.34 EMPLOYEE BENEFITS**

(Disclosure under Accounting Standard 15 – 'Employee Benefits', Revised 2005)

**2.34.1 Defined Contribution Plans**

During the year the company & its subsidiaries have recognised ₹28.09 lakh (₹25.98 lakh) as Contribution to Provident Fund, ₹3.30 lakh (₹4.35 lakh) as Contribution to National Pension Scheme and ₹1.58 lakh (₹2.10 lakh) as Contribution to Employee State Insurance in the Statement of Profit and Loss on account of defined contribution plans.

**2.34.2 Defined Benefit Plans****Gratuity (Funded)****(i) INKEL Limited**

a) Actuarial Assumptions	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Discount Rate	6.98% p.a.	7.25% p.a.
Rate of return on plan assets	7.50% p.a.	7.50% p.a.
Compensation escalation rate *	5.00% p.a.	5.00% p.a.
Mortality rate**	IALM 2012-14	IALM 2012-14

**INKEL-EKK Roads Private Limited**

b) Actuarial Assumptions	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Discount Rate	6.99% p.a.	7.29% p.a.
Rate of return on plan assets	-	-
Compensation escalation rate *	5.00% p.a.	5.00% p.a.
Mortality rate**	IALM 2012-14	IALM 2012-14

**INKEL-KSIDC Projects Limited**

c) Actuarial Assumptions	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Discount Rate	6.97% p.a.	7.23% p.a.
Rate of return on plan assets	-	-
Compensation escalation rate *	5.00% p.a.	5.00% p.a.
Mortality rate**	IALM 2012-14	IALM 2012-14

\*The assumption of future salary increases takes into account the inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

\*\*IAL: India Assured Lives Mortality modified UIT.

(₹in Lakh)

(ii) Reconciliation of present value of obligation:	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Present value of obligation at the beginning of the year	86.88	87.21
Current Service Cost	19.32	21.34
Interest Cost	5.88	5.91
Actuarial gain/(loss)	0.36	(13.86)
Benefits Paid	(11.55)	(13.72)
Curtailements	-	-
Settlements	-	-
Present value of obligation at the end of the year	100.88	86.88

(₹ in Lakh)

(iii)	Reconciliation of fair value of plan assets:	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	Fair value of plan assets at the beginning of the year	0.10	(2.84)
	Acquisition Adjustments	-	-
	Expected return on plan assets	0.10	(0.15)
	Actuarial gain/(loss)	(0.84)	1.17
	Contributions	14.00	12.00
	Benefits paid	(11.55)	(13.72)
	Assets distributed on settlement	-	-
	Fair value of plan assets at the end of the year	1.81	(3.54)

(₹ in Lakh)

(iv)	Net (Asset)/Liability recognised in the Balance Sheet as at year end:	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	Present value of obligation	100.88	86.88
	Fair value of plan assets	(1.81)	(0.10)
	Net present value of unfunded obligation recognised as (asset)/liability in the Balance Sheet	99.07	86.77

(₹ in Lakh)

(v)	Expenses recognised in the Statement of Profit and Loss:	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	Current Service Cost	19.32	21.34
	Interest Cost	5.88	5.91
	Expected return on plan assets	(0.10)	0.15
	Acquisition Adjustment of assets	-	-
	Actuarial (gain) /loss recognised in the period	1.20	10.56
	Past Service Cost	-	-
	Curtailment cost	-	-
	Settlement cost	-	-
	Total expenses recognised in the Statement of Profit and Loss	26.30	37.96

**Leave Plan (Unfunded)**

(i)

**INKEL Limited**

a)	Actuarial Assumptions	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	Discount Rate	6.975% p.a.	7.250% p.a.
	Rate of return on plan assets	Not Applicable	Not Applicable
	Compensation escalation rate *	5.00% p.a.	5.00% p.a.
	Mortality rate	IALM 2012-14	IALM 2012-14

**INKEL EKK Roads Private Limited**

b)	Actuarial Assumptions	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	Discount Rate	6.990% p.a.	7.290% p.a.
	Rate of return on plan assets	Not Applicable	Not Applicable
	Compensation escalation rate *	5.00% p.a.	5.00% p.a.
	Mortality rate	IALM 2012-14	IALM 2012-14

**INKEL-KSIDC Projects Limited**

c)	Actuarial Assumptions	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
	Discount Rate	6.965% p.a.	7.230% p.a.
	Rate of return on plan assets	Not Applicable	Not Applicable
	Compensation escalation rate *	5.00% p.a.	5.00% p.a.
	Mortality rate	IALM 2012-14	IALM 2012-14

\*The assumption of future salary increases takes into account the inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market.

(₹ in Lakh)

(ii) Reconciliation of present value of obligation:	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Present value of obligation at the beginning of the year	93.62	71.82
Current Service Cost	20.03	20.33
Interest Cost	5.94	4.56
Actuarial (gain)/loss	(17.97)	16.68
Benefits Paid	(23.38)	(19.76)
Curtailements	-	-
Settlements	-	-
Present value of obligation at the end of the year	78.24	93.62

(₹ in Lakh)

(iii) Reconciliation of fair value of plan assets:	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Actuarial gain/(loss)	-	-
Contributions	-	-
Benefits paid	-	-
Assets distributed on settlement	-	-
Fair value of plan assets at the end of the year	-	-

(₹ in Lakh)

(iv) Net (Asset)/Liability recognised in the Balance Sheet as at year end:	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Present value of obligation	78.24	93.62
Fair value of plan assets	-	-
Net present value of unfunded obligation recognised as (asset)/liability in the Balance Sheet	78.24	93.62

(₹ in Lakh)

(v) Expenses recognised in the Statement of Profit and Loss:	31 <sup>st</sup> March 2024	31 <sup>st</sup> March 2023
Current Service Cost	20.03	20.33
Interest Cost	5.94	4.56
Expected return on plan assets	-	-
Actuarial (gain) /loss recognised in the period	(17.97)	16.68
Past Service Cost	-	-
Curtailement cost	-	-
Settlement cost	-	-
Total expenses recognised in the Statement of Profit and Loss	8.00	41.57

The above disclosures are based on information certified by the independent actuary and relied upon by the auditors.

## NOTE -2.35 DISCLOSURE OF TRANSACTIONS WITH RELATED PARTIES

Disclosure of transactions with Related Parties as required by Accounting Standard-18 on Related Party Disclosures as prescribed by Companies (Accounting Standards) Rules, 2006.

### A. Related parties and nature of relationship

#### 1. Related parties of INKEL Limited

- |                                                               |                                                                                                   |
|---------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| i. INKEL KSIDC Projects Limited                               | Subsidiary Company                                                                                |
| ii. INKES Trade Centre Limited                                | Subsidiary Company                                                                                |
| iii. INKEL-EKK Roads Private Limited                          | Subsidiary Company                                                                                |
| iv. Thalikulam PURA Private Limited                           | Subsidiary Company                                                                                |
| v. Tirurangadi PURA Limited                                   | Subsidiary Company                                                                                |
| vi. Seguro Foundations and Structures Private Limited         | Subsidiary Company (w.e.f. 01.12.2017)<br>Associate Company (w.e.f. 08.11.2017, up to 30.11.2017) |
| vii. MIV Logistics Private Limited                            | Associate Company                                                                                 |
| viii. Seguro-INKEL Consortium LLP                             | Subsidiary Entity (w.e.f. 01.12.2017)<br>Jointly Controlled Entity (up to 30.11.2017)             |
| ix. INKEL Infrastructure Development Projects Limited (IIDPL) | Subsidiary Company (w.e.f. 27.10.2018)                                                            |

- x. Key Managerial Personnel  
Mr. Ellangovan K  
Mr. Vipin P G  
Mr. Prasanna Kumar V  
Mr. Baiju T

Managing Director (w.e.f. 24.02.2022)  
Chief Financial Officer (w.e.f. 26.06.2023, up to 15.11.2023)  
Chief Financial Officer (w.e.f. 27.12.2019, up to 29.04.2023)  
Company Secretary (w.e.f. 19.12.2022)

## 2. Related parties of INKEL-EKK Roads Private Limited

- i. EKK Infrastructure Limited  
ii. Directors

Associate Company  
Mr. Sanju Muhammed  
Mr. Sachin Muhammed  
Dr. Ellangovan K  
Mr. Jayakrishnan Krishna Menon  
Mr. Varghese Kurian  
Mr. Mohamed Althaf

## 3. Related parties of INKEL-KSIDC Projects Limited

- i. KSIDC

Associate Company

## 4. Related parties of INKEL Infrastructure Development Projects Limited

- i. INKEL Renewable Energy Pvt Ltd  
ii. Calicut Expressway Private Limited  
iii. Directors

Subsidiary Company  
Associate Company  
Jacob Koor Ninan  
Rappai Chirayath Vareed  
Jayakrishnan Krishna Menon  
Ellangovan Kannan Kamala (Nominee Director)  
Mohamed Althaf (Nominee Director)

## 5. Related parties of INKES Trade Centre Limited

- i. Kerala State Industrial Enterprises Limited  
ii. Key Managerial Personnel

Stakeholder  
Dr. Ellangovan K-Nominee Director  
Mr. Rajeev Gopi-Nominee Director  
Mr. Jayakrishnan Krishna Menon-Nominee Director  
Mr. Varghese Kurian-Nominee Director  
Mr. Vijayakumar M G-Nominee Director till 12.10.2023

## B. Transactions/Balances Outstanding with Related Parties

(₹ In Lakh)

Nature of Transaction	Subsidiary/Associate/Jointly Controlled Entity/Key Managerial Personnel	
	Opening Balance	Closing Balance
<b>Income</b>		
1. <b>Project Consultancy Income</b>		
MIV Logistics Private Limited	-	0.57
2. <b>Guarantee Commission Received</b>		
MIV Logistics Private Limited	28.25	11.00
3. <b>Expenses Recovered</b>		
MIV Logistics Private Limited	13.56	10.77
4. <b>Interest on Inter- Corporate Loan during the year</b>		
EKK Infrastructure Limited	181.04	209.03
<b>Expenses</b>		
1. Remuneration to Managing Director-INKEL		
Mr. Ellangovan K	66.44	73.60
2. Remuneration to Chief Financial Officer-INKEL		
Mr. Vipin P G	-	11.00
Mr. Prasanna Kumar V	21.77	1.68
3. Remuneration to Company Secretary-INKEL		
Mr. Baiju T	4.80	16.61
Smt. Meera C	8.38	-
4. Remuneration to Directors-INKEL-EKK	4.18	4.35

<b><u>Investments in Equity Shares</u></b>		
1. MIV Logistics Private Limited (Including Preference Share Capital of ₹16 Crore)	2,782.97	2,782.97
2. EKK Infrastructure Limited	784.00	784.00
<b><u>Investments in partner's capital net of profit/ loss from operations</u></b>		
1. Seguro-INKEL Consortium LLP (Refer note 2.12) (Including share of profit)	(140.60)	(140.60)
<b><u>Guarantee given</u></b>		
1. MIV Logistics Private Limited	1,100.00	1,100.00
<b><u>Shares pledged during the year</u></b>		
NIL		
<b><u>Loan Receivable</u></b>		
1. EKK Infrastructure Limited	1,751.00	1,751.00
2. Calicut Expressway Private Limited	4,300.00	3,053.06
<b><u>Advances</u></b>		
1. Kerala State Industrial Enterprises Limited	35.00	35.00
<b><u>Receivables</u></b>		
1. MIV Logistics Private Limited	47.16	66.70
2. EKK Infrastructure Limited	358.25	583.58
3. KSIDC Limited	42.39	42.39
4. Calicut Expressway Pvt Ltd	4,300.00	3,053.06
<b><u>Lease Premium Payable</u></b>		
1. KSIDC Limited	-	239.66
<b><u>Loans and Advances Payable</u></b>		
1. Kerala State Industrial Enterprises Limited	275.39	275.39
2. Mohammed Althaf	345.00	345.00

2.35.1 Transactions in the nature of current account transactions have not been included in the above disclosure.

2.35.2 Transactions with Associate Company are prior to elimination.

#### NOTE-2.36 Segment Reporting

2.36.1 INKEL Limited operates in three business segments: PMC/EPC, Renewable Energy, and Leasing. In accordance with Accounting Standard (AS) 17, segment reporting is provided in the table below, detailing the financial performance of each segment. This includes segment-wise revenue, results, assets and liabilities.

(₹ In Lakh)

Particulars	PMC/ EPC	RE/ Solar	Estate/ Leasing	PMC/ EPC	RE/ Solar	Estate/ Leasing
	FY 23-24			FY 22-23		
Revenue from external customers	1,988.44	3,187.96	1,429.23	1,312.89	4,444.31	973.09
Revenue from other business segments	-	-	-	-	-	-
Total revenue from each segment	1,988.44	3,187.96	1,429.23	1,312.89	4,444.31	973.09
Segment Profit or loss (before interest)	617.44	226.01	473.51	137.41	94.03	311.70
Depreciation / Amortisation expenses	-	-	64.05	-	-	76.13
Carrying amount of segment assets	3,945.39	9,623.15	2,778.25	2,004.83	10,073.06	2,267.87
Segment liabilities	5,393.05	5,957.53	1,453.51	3,838.32	6,951.70	1,004.85

Reconciliation between segment information and financial statements:

(₹ In Lakh)

Particulars	Revenue	Profit	Assets	Liabilities
	FY 23-24			
From Business Segments	6,605.63	1,316.96	16,346.78	12,804.08
From Dividend and Other Income	1,314.02	1,253.65	18,800.06	1,060.53
Less: Interest Expense	-	5357.44	-	-
As per the financial statement	7,919.65	2,033.17	35,146.84	13,864.61

(₹ In Lakh)

Particulars	Revenue	Profit	Assets	Liabilities
	FY 22-23			
From Business Segments	6,730.29	543.14	14,345.76	11,794.86
From Dividend and Other Income	1,386.55	1,103.79	18,955.58	1,004.33
Less: Interest Expense	-	176.46	-	-
As per the financial statement	8,116.84	1,470.47	33,301.34	12,799.19

**2.36.2** The subsidiaries are engaged in providing infrastructure facilities and other services in connection with infrastructure projects including construction. In the opinion of management, this is the only primary reportable segment within the meaning of Accounting Standard-17 notified by the companies (Accounting Standards) Rules, 2006.

**2.36.3** The associate has during the year a single segment namely "LOGISTICS". Therefore, the company's business does not fall under different segments as defined by AS-17 "Segmental Reporting" issued by ICAI.

#### Note-2.37 FINANCIAL RATIOS

Sl. No.	Particulars	Numerator	Denominator	As at 31.03.2024	As at 31.03.2023	% of Variance
1	Current ratio	Current Assets	Current Liabilities	2.04	1.93	6%
2	Debt Equity Ratio	Total Debt	Shareholder's Equity	0.55	0.65	-15%
3	Debt Service Coverage Ratio	Net Profit before Tax + interest + depreciation	Repayment of Instalment and interest	4.14	2.76	50%
4	Return on Equity	Net Profit after Tax	Equity Capital	0.14	0.07	102%
5	Inventory Turn Over Ratio	Cost of Goods Sold	Average Inventory	49.00	70.54	-31%
6	Trade Receivable turnover Ratio	Revenue from operations	Trade Receivables	1.00	0.94	7%
7	Trade Payable Turnover Ratio	Operating Expenses	Trade Payables	0.77	0.93	-17%
8	Net Capital Turn Over Ratio	Revenue from Operations	Average Working Capital	1.01	0.93	9%
9	Net Profit Ratio	Net Profit after Tax	Revenue from Operations	0.31	0.17	80%
10	Return on Capital Employed	Earnings before Interest & Tax	Capital employed	0.22	0.11	93%
11	Return on Investment	Interest Income	Non-Current Investment + Fixed deposit	0.11	0.10	5%

#### Reason for Variance in excess of 25%

- 1) Debt Service Coverage Ratio** - Increase in profit has contributed to an improved ratio.
- 2) Return on Equity** - Increase in profit has contributed to an improved ratio.
- 3) Inventory Turnover Ratio** - Reduction due to decrease in trading turnover.
- 4) Net Profit Ratio** - Increase in net profit has resulted into improvement in ratio compared to previous year.
- 5) Return on Capital Employed** - Improvement is mainly on account of increase in profit during current year.

**NOTE-2.38 Contingent Liabilities not provided for:****A) In the books of INKEL Ltd:**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
a) Corporate guarantee issued in favour of – - MIV Logistics Private Limited - INKEL-EKK Roads Private Limited	1,100.00 18,200.00	1,100.00 18,200.00
b) Performance Guarantee issued in favour of: - National Highway Authority of India (NHAI) on behalf of Calicut Expressway Private Limited-secured by cash margin of ₹ 2,175 lakh and also by equitable Mortgage of 124.12 acres of land at Palakkad and unsold space/receivables of INKEL Tower II at Angamaly. Bank guarantee relating to the same has been returned & lien also removed. All documents was returned by bank during current financial year.	NIL	5,130.00
c) Other Counter Guarantees issued in favour of Banks for the guarantees issued by the Banks - KSEB - LSGD-Kerala - PWD - CSML - KINFRA - RDPR KARNATAKA - KMML - AUTOKAST - LIEN MARKED - ANERT - KSITL	1,882.42 744.31 - 2.00 - 0.74 70.46 22.71 33.12 942.75 54.78 11.55	1,181.60 890.51 10.26 2.00 - 230.74 26.59 21.50 - - - -
d) Claims towards Building Tax	117.36	117.36
e) Demand relating to Assessment Year 2018-19	49.68	-

- 1) Federal bank has filed an application before the Debt Recovery Tribunal (OA 149/2021) under S.19 of the Recovery of Debts and Bankruptcy Act, 1993 against M/s Seguro Foundations and Structures Pvt Ltd in which INKEL is arrayed as the 5<sup>th</sup> defendant. The application is filed for recovery of Rs.4978.39 lakh along with pendente lite and future interest @ 10.58% + 2% penal interest per annum. The bank has also prayed for a direction from the DRT in the same petition for payment of ₹52.01 lakh along with pendente lite and future interest @10.48% +2% penal interest. The case is being defended by INKEL as there is no corporate guarantee extended by INKEL.
- 2) Federal bank has filed an application before the Debt Recovery Tribunal (OA 158/2021) under S.19 of the Recovery of Debts and Bankruptcy Act, 1993 against M/s Seguro-INKEL Consortium LLP in which INKEL is the 4<sup>th</sup> defendant. Inkel is a partner in the said LLP with 50% shareholding. The application is filed for recovery of ₹270.66 Lakh along with pendente lite and future interest @ 10.58% + 2% penal interest per annum. INKEL has remitted the payment ₹267.91, thus Federal Bank has withdrawn the case and disposed off.
- 3) One Mr. Shaji Mathew has filed a case before the NCLT, Kochi bench against M/s Seguro Foundations and Structures Pvt Ltd claiming an amount of ₹11.02 Lakh. INKEL has been exparte impleaded as Additional Corporate Debtor in this case by virtue of NCLT order dated 26.11.2020. INKEL has obtained an indefinite stay from NCLAT against this order
- 4) M/s CEMEX has raised a Demand under rule 5 of Insolvency and Bankruptcy Code jointly against Seguro Foundations and Structures Pvt Ltd and INKEL for the dues claimed to be payable by Seguro Foundations and Structures Pvt Ltd. The claimed amount is ₹ 41.52 lakh as per RA bill and profitability statement, rent bill and other heads is ₹ 114.46 lakh, interest at the rate of 12% amounting to ₹ 23.00 lakh, totalling to an amount of ₹ 178.97 lakh INKEL has replied to this disputing the claim raised. No litigation initiated as on 24.06.2022.
- 5) There are Certain Legal cases faced by the Company as a party in cases related to its subsidiary Seguro Foundations and Structures Private Limited and Inkel Consortium LLP wherein the company is a majority partner, for which the outcome and potential financial impact cannot be reasonably estimated. Though the company is not the primary accused, it is one of the defendants in certain legal cases with claims for the recovery of money pending before various forums. Management holds the view that those claims are not tenable against the Company; however, due to the inherent uncertainties involved, the contingent liability cannot be quantified at this time.



**B) In the books of INKEL-KSIDC:**

(₹ In Lakh)

Particulars	As at 31-03-2024	As at 31-03-2023
Interest entered into with Kerala State Industrial Development Corporation (KSIDC)	805.00	805.00

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 and is expected a waiver. The Company has filed its return of income for the FY 2015-16 on 15th October 2016, with a loss of INR 1,55,27,677. The PCIT had initiated revision proceedings under section 263 of the Act vide notice dated 26 February 2021 and the company has filed its objection for the same on 15 March 2021. As the assessment has not been completed, contingent liability for the same is not provided.

**C) In the books of INKEL-EKK Roads Private Limited:**

The company has received show cause notice u/s74 of the GST Act, 2017 vide F. No. DGGI/INV/GST/889/2022-Gr-D-O/o DD-DGI-RU- THIRUVANANTHAPURAM DATED 31-10-2023 demanding GST Rs 19.896 crores on the Grant and annuity received from RICK during the period Nov 17 to Jan 22. The Company has appointed "BSR &Co. LLP" Chartered Accountants to defend the company. Written submissions have been filed by the Chartered Accountants vide letter no. INKEL-EKK/FIN/GEN/2023-24/019 dated 28-12-2023. As per the concessionaire agreement with RICK Limited, Article 41 allows claim of tax due to change of law and RICK limited have been intimated of the same vide letter INKEL-EKK/FIN/G/2023-24/14 dated 27-11-2023.

**NOTE-2.39 COMPUTATION OF GOODWILL ARISING ON CONSOLIDATION OF SUBSIDIARY COMPANY:****INKEL EKK Roads Private Limited**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Consideration Paid	816.00	816.00
Less: Nominal value of share capital held by INKEL Limited in INKEL EKK Roads Private Limited	816.00	816.00
Less: Share of INKEL Limited in the accumulated losses as on the date of acquisition	(3.34)	(3.34)
Add: Transfer from Minority Interest on change in Share Holding in Financial Year 2017-18	2.75	2.75
<b>Goodwill on consolidation</b>	<b>6.09</b>	<b>6.09</b>

**NOTE-2.40****2.40.1 Fraud on INKEL:**

INKEL Limited (INKEL) had acquired 65% of shares in the company Seguro Foundations and Structures Private Limited (SFS) on 1st December 2017 and made an investment of ₹1,381.50 lakh. SFS has been functioning as a subsidiary of INKEL from such date. During the financial year 2018-19 certain instances of non-adherence with proper corporate governance systems, as also incompleteness/deficiencies in the financial information furnished by the former management of SFS were noticed, which were prima facie considered material.

The committee constituted by the Board of INKEL has found out serious lapses, irregularities, diversion of funds and misappropriations including "Overvaluation of Seguro's shares for investment by INKEL, Practice of showing inflated unbilled revenue (work in progress), Non utilisation of Investment by INKEL on any projects, Irregularities in financial transactions and diversion of funds, Absence of transparency in related party transactions, Statutory non compliances and malpractices to hide the same, availing higher working capital facility from bank by submitting inflated receivable" etc. and recommended the Board to consider legal remedies against the erstwhile management of SFS. The forensic audit simultaneously conducted by the management of INKEL by engaging a firm of chartered accountants had also reported that the Managing Director of SFS has perpetrated frauds by "siphoning funds through bogus creditors, fictitious expense, misappropriation/diversion of funds, overstatement of unbilled revenue, conflicting interest, non-reported related party transactions" etc. Based on the aforesaid reports INKEL has initiated legal actions against SFS and its erstwhile management. Having regard to the report that SFS's shares were overvalued through misrepresenting its financial positions and the investment made by INKEL was siphoned away by the managing director of SFS, the Board of INKEL has declared the transaction of investment in SFS as a fraud on INKEL by SFS.

**2.40.2 Impairment of value of investment:**

Based on unaudited financial statements as on 31/03/2019 provided by SFS and the provisional financial statements of SFS compiled for the year ended 31/03/2020, the net worth of SFS has fully eroded. Further no financial statements of SFS was compiled for the years 31/03/2021, 31/03/2022, 31/03/2023 and 31/03/2024. In view of the matters of fraud and erosion of share value reported above, there is permanent diminution in the value of investments in the subsidiary company, SFS as per AS-13 (Accounting for Investments) and recoverability of the investment seems to be remote. Hence the value of investment ₹ 1,381.50 lakh has been written off completely in the year 2019-20.

**2.40.3 Investment in other subsidiaries and associates:**

As per the audited financial statements of M/s INKES Trade Centre Ltd, a subsidiary company of INKEL Limited, as at 31/03/2024, the net worth has undergone partial erosion and as per the audited financial statement of M/s MIV Logistics Private Limited, an associate company of INKEL Ltd, as at that date, the net worth though undergone erosion has improved over the previous year due to making business profit. The net worth of both companies attributable to the equity investment of INKEL Ltd is lower than the cost of investment as shown hereunder:

(₹ in Lakh)

Name of Company / Relationship	Carrying Cost of Investment as per books of INKEL		Share of Net Asset Value as per books of the respective Company	
	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023	As at 31 <sup>st</sup> March 2024	As at 31 <sup>st</sup> March 2023
1) INKES Trade Centre Limited	370.00	370.00	290.87	296.52
2) MIV Logistics Private Limited	1182.97	1182.97	276.25	229.48

- a) The net worth of INKES has eroded slightly in the year 31/03/2024. The diminution in the value of investment of INKEL Limited in the equity shares of INKES is not considered to be permanent by the management of INKEL Limited considering the drop in value is not significant and can be recovered with the prospective business of the investee company.
- b) Further, as per the financial statements of MIV Logistics Private Limited ((a)(2) referred to above) as at 31st March 2024, the said company is holding investments in equity shares amounting to ₹269.13 lakh in its associate company viz. Seabird Seaplane Private Limited (Seabird) and has outstanding loans and advances given by MIV to the said company amounting to ₹301.84 lakh (excluding interest not charged in accounts). Seabird Seaplane Private Limited has not commenced any commercial operations since its inception in 2012 and it had filed an insolvency petition before the National Company Law Tribunal. It is understood that the NCLT has passed the order whereby the company commenced liquidation. The chance of recovering the advances made by MIV Logistics Private Limited to the said company is remote. The investment made by MIV Logistics Private Limited in equity shares of the company also is not recoverable. If the effect of depletion in value of its investment in Sea Bird Sea Plane Private Limited and advances thereto is provided by MIV Logistics Private Limited, its net worth would be impacted adversely by an amount of ₹ 570.98 Cr. However, MIV Logistics Private Limited is making profits from business and its net worth position is improving gradually. Therefore, the diminution in the value of investment of INKEL in the equity shares of MIV Logistics Private Limited is considered by the Management to be temporary. Hence, INKEL has valued the investment in the said company at cost following the provisions of AS 13 on Investments.

**NOTE-2.41 CAPITAL COMMITMENTS**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Estimated amount of contracts remaining to be executed on capital account and not provided for Interior work at TVM office	-	5.90

**NOTE-2.42 REMITTANCES IN FOREIGN CURRENCY****2.42.1 Dividend**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Year to which dividend relates	Financial Year 2022-23	Financial Year 2021-22
Amount remitted during the year	78.89	-
Number of non-resident shareholders	4	-
Number of shares on which dividend was due	2,31,33,953.00	-

**2.42.2 Other Remittances**

(₹ In Lakh)

Particulars	As at 31.03.2024	As at 31.03.2023
Software Purchase	-	0.83

**NOTE-2.43****Operating Lease: Company as Lessee**

Inkel Limited has taken buildings for use as office space on lease under operating lease agreements renewable on periodic basis at the option of both the lessor and lessee. Rental expenses debited to Profit and Loss account ₹50.54 lakh (₹58.88 lakhs) incurred in respect of the buildings taken on operating lease.

**NOTE-2.44**

The subsidiary IIDPL has accumulated loss amounting to ₹1,418.38 lakh (₹1,424.59), with a negative net worth of ₹17.38 lakh (₹1,423.59). This condition indicates the existence of uncertainty which may cast considerable doubt as to the company's ability to continue as a going concern.

**NOTE-2.45**

Previous year figures unless otherwise stated are given in italics and have been regrouped and recast wherever necessary.

**NOTE-2.46**

Title deeds of Immovable Property not held in name of the Company- NIL

**NOTE-2.47**

The Company and its subsidiaries have not revalued its Property, Plant and Equipment during the year by a registered valuer as defined under rule 2 of the Companies (Registered Valuers and Valuation) Rules, 2017.

**NOTE-2.48**

The Company and its subsidiaries have not provided Loans or Advances in the nature of loans to promoters, directors, Key Managerial Personnel (KMPs) or the related parties (except subsidiary companies) as defined under Companies Act, 2013, with the exception of INKEL EKK Roads Private Limited (a subsidiary of INKEL Limited), which granted a Loan to its associate company, M/s EKK Projects Limited. The outstanding amount as of 31.03.2024 is ₹ 1,751.00 lakh.

**NOTE-2.49****In the books of INKES Trade Centre Limited:**

The company has entered agreement with KSIE Ltd for developing of land at Thampanoor and lease premium is amortised during the period under review. Pre - operative expense incurred will be allocated to the assets at the time of capitalization.

**NOTE-2.50 CAPITAL-WORK-IN PROGRESS (CWIP)****CWIP Ageing schedule**

(₹ In Lakh)

Amount in CWIP for the period of	CWIP	Project In Progress	Projects Temporarily Suspended
	Less than 1 year		83.19
1 to 2 years		11.35	-
2 to 3 years		-	-
3 years and above		118.23	-
	<b>Total</b>	<b>212.77</b>	<b>-</b>

**NOTE-2.51**

The Company and its subsidiaries have no Intangible Assets under Development as on 31.03.2024, whose completion is overdue or has exceeded its cost compared to its original plan.

**NOTE-2.52**

The Company and its subsidiaries do not have any benami property held in its name. No proceedings have been initiated on or are pending against the Company and its subsidiaries for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

**NOTE-2.53**

The Company and its subsidiaries have not been declared wilful defaulter by any bank or financial institution or other lender or Government or Government Authority.

**NOTE-2.54**

The Company and its subsidiaries do not have any transactions with companies struck off.

**NOTE-2.55**

The Company and its subsidiaries do not have any charges or satisfaction which is yet to be registered with ROC (Registrar of Companies) beyond the statutory period.

**NOTE-2.56**

The Company and its subsidiaries have complied with number of layers of companies are as per clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017

**NOTE-2.57**

INKEL Limited has spent CSR expenditure as required by section 135 of Companies Act. The subsidiary company INKEL EKK Roads Private Limited has complied with section 135 of Companies Act, applicability of CSR did not occur as profit was below the threshold limit. The subsidiary company INKID not required to comply with Section 135 of Companies Act, applicability of CSR did not occur as profit was below the threshold limit.

**NOTE-2.58**

Additional information as required by paragraph 2 of the General instructions for Preparation of Consolidated Financial Statements to Schedule III to the Companies Act, 2013

(₹ in Lakh)

Name of the entity	As at 31.03.2024 Net Assets, i.e., Total Assets - Total liabilities		As at 31.03.2023 Net Assets, i.e., Total Assets - Total liabilities	
	As a % of consolidated net assets	Amount (₹ In Lakh)	As a % of consolidated net assets	Amount (₹ In Lakh)
Parent Company	60.55%	14,599.55	66.35%	15,219.03
Subsidiaries:				
INKEL KSIDC Projects Limited	14.06%	3,390.16	13.08%	3,000.40
INKEL KINFRA Infrastructure Projects Limited				
INKES Trade Centre Ltd	1.21%	290.86	1.29%	296.52
INKEL EKK Roads Private Limited	13.12%	3,163.60	14.35%	3,291.83
Seguro Foundations & Structures Pvt Ltd	-	-	-	-
INKEL Infrastructure Development Projects Ltd	-0.07%	(17.38)	-6.21%	(1,423.59)
Subsidiary Entity:				
SEGURO-INKEL Consortium LLP	-0.47%	(113.54)	-0.49%	(113.54)
Associate Company:				
Equity Investment in MIV Logistics Private Ltd		229.49		255.98
Add: Share of Profit/(Loss)		46.77		(26.49)
Add: Last year Adjustments		0.06		-
	1.15%	276.32	1.00%	229.49
Equity Investment in Calicut Expressway Private Limited	-	-	-	-
Minority Interest	10.47%	2,523.62	10.63%	2,438.38
<b>Total</b>	<b>100%</b>	<b>24,113.20</b>	<b>100%</b>	<b>22,938.52</b>

(₹ in Lakh)

Name of the entity	For the year ended 31.03.2024		For the year ended 31.03.2023	
	Share in Profit or (Loss)		Share in Profit or (Loss)	
	As a % of consolidated Profit or (Loss)	Amount (₹ In Lakh)	As a % of consolidated Profit or (Loss)	Amount (₹ In Lakh)
Parent Company	52.84%	1,624.71	89.21%	1,287.68
Subsidiaries:				
INKEL KSIDC Projects Limited	24.61%	756.68	5.46%	78.77
INKEL KINFRA Infrastructure Projects Limited	-	-	-	-
INKES Trade Centre Ltd	-0.18%	(5.65)	-0.56%	(8.12)
INKEL EKK Roads Private Limited	8.94%	274.98	10.27%	148.28
Seguro Foundations & Structures Pvt Ltd	-	-	-	-
INKEL Infrastructure Development Projects Ltd	0.20%	6.21	-8.26%	(119.24)
Subsidiary Entity:				
SEGURO-INKEL Consortium LLP	-	-	-	-
Associate Company:				
MIV Logistics Private Ltd	1.52%	46.77	-1.84%	(26.49)
Minority Interest	12.06%	370.81	5.71%	82.49
<b>Total</b>	<b>100%</b>	<b>3,074.49</b>	<b>100%</b>	<b>1,443.36</b>

For and on behalf of the Board of Directors

As per our separate report of even date attached

**Dr. K Ellangovan**  
Managing Director  
DIN: 05272476

**Jacob Kovoov Ninan**  
Director  
DIN: 01213357

**For Elias George & Co**  
Chartered Accountants  
FRN : 000801S

**Baiju T.**  
Company Secretary

**Riju Thomas**  
Chief Financial Officer

**CA. Ranjit Mathews P**  
Partner  
Membership No.205377  
UDIN: 24205377BKABSZ6925

Place: Kochi  
Date : 02/07/2024

**Notes**

**INKEL LIMITED**

CIN: U45209KL2007PLC020471

Door No. 14/812&813, 1<sup>st</sup> Floor, Ajiyal Complex, Kakkanad, Cochin, Ernakulam, Kerala – 682030, India  
 Ph: + 91 0484 2978101, 2978103, E mail: [deptcs@inkel.in](mailto:deptcs@inkel.in), [www.inkel.in](http://www.inkel.in)

**ATTENDANCE SLIP**

**17<sup>TH</sup> ANNUAL GENERAL MEETING**

*(Please complete this attendance slip and hand over at the entrance of the Meeting Hall)*

I/We hereby record my/our presence at the 17<sup>th</sup> Annual General Meeting of INKEL Limited held on **Monday**, the **9<sup>th</sup> day of September 2024 at 12.00 Noon (IST)** at IMA House, Stadium Link Road, Behind Jawaharlal Nehru International Stadium, Kathrikadavu, Palarivattom PO, Kaloor, Kochi, Ernakulam, Kerala 682025.

Full Name of the Member (s) :

Folio No. :

No. of shares :

Registered address :

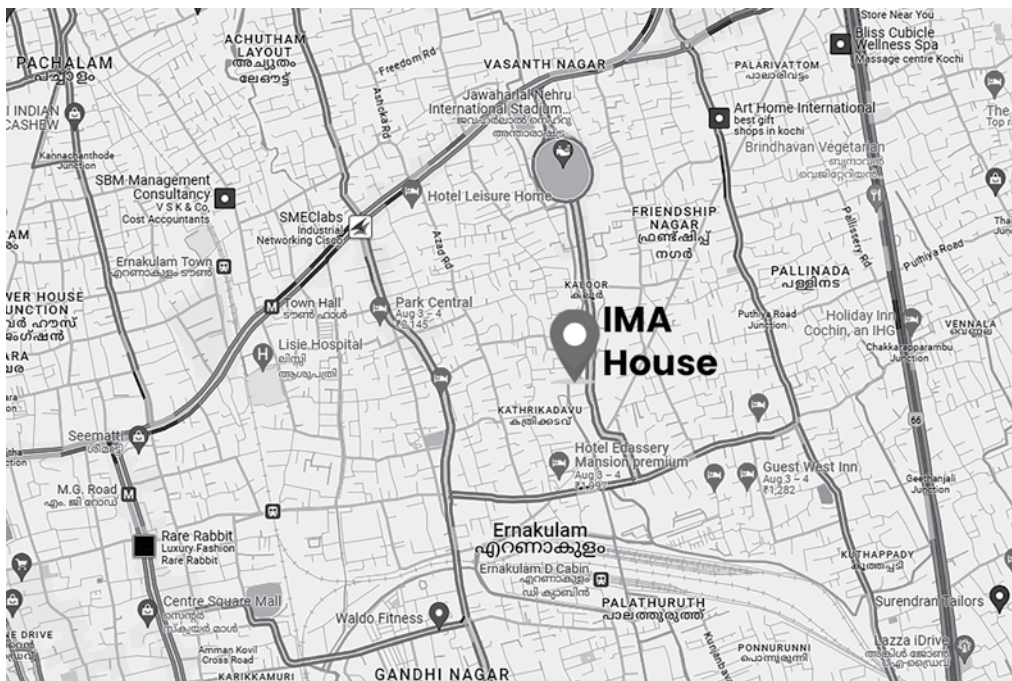
Name of Proxy :

Member's/Proxy's Signature :

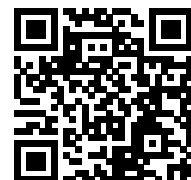
**ROUTE MAP**

**17<sup>th</sup> ANNUAL GENERAL MEETING**

Venue: **IMA House**, Stadium Link Road, Behind Jawaharlal Nehru International Stadium, Kathrikadavu, Palarivattom PO, Kaloor, Kochi, Ernakulam, Kerala 682025



**Scan Me  
for Directions**



**Notes**



**INKEL LIMITED**

CIN: U45209KL2007PLC020471

Door No. 14/812&813, 1<sup>st</sup> Floor, Ajiyal Complex, Kakkannad, Cochin, Ernakulam, Kerala – 682030, IndiaPh: + 91 0484 2978101, 2978103, E mail: [deptcs@inkel.in](mailto:deptcs@inkel.in), [www.inkel.in](http://www.inkel.in)**Form No. MGT-11****PROXY FORM***[Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]*

Name of the member (s) :

Registered address :

E-mail Id :

Folio No/ Client Id, DP ID :

No. of Shares held :

I/We, being the member (s) of INKEL Limited, hereby appoint

1. Name :

Address :

E-mail Id :

Signature :

or failing him,

2. Name :

Address :

E-mail Id :

Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 17<sup>th</sup> Annual General Meeting of the INKEL Limited, to be held on Monday, the 9<sup>th</sup> day of September 2024 at 12.00 Noon (IST) at IMA House, Stadium Link Road, Behind Jawaharlal Nehru International Stadium, Kathrikadavu, Palarivattom PO, Kaloor, Ernakulam, Kerala 682025 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of Standalone and Consolidated Financial Statements for the year ended 31<sup>st</sup> March 2024
2. Declaration of dividend for the year ended 31<sup>st</sup> March 2024
3. Reappointment of Mr. Rappai Vareed Chirayath, holding DIN: 02011057, as Director
4. Appointment of Statutory Auditors of the Company
5. Re-appointment of Adv. Geethakumary P S, holding DIN: 08087165 as Independent Director
6. Extension of period of appointment of Mr. Jacob Kovoov Ninan, holding DIN: 01213357 as Independent Director.
7. Extension of period of appointment of Dr. Ellangovan K. holding DIN:05272476 as Managing Director by re-appointing him for further period of Five Years.

Signed this..... day of.....2024

Signature of shareholder

Signature of Proxy holder

Affix ₹1 Revenue Stamp
---------------------------------

**Note:**

1. **This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

**Notes**

# INKEL 16<sup>th</sup> Annual General Meeting



# Team Building





Creating Infrastructure  
A PPP INITIATIVE OF GOVERNMENT OF KERALA

## **INKEL Limited,**

Door No. 14/812 & 813 1st Floor, Ajiyal Complex,  
Kakkanad, Cochin, Kerala - 682030