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**Argee & Co**

**Chartered Accountants**

## INDEPENDENT AUDITOR'S REPORT

To the Members of  
**INKEL-KSIDC Projects Limited**

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

### Opinion

We have audited the accompanying financial statements of **INKEL-KSIDC Projects Limited, Ernakulam** (the "Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss (Including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information (hereinafter referred to as the "financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2024, and loss, other comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our opinion.



## Emphasis of Matter

Our opinion is not modified in respect of the matter:

The Company is a joint venture between INKEL and KSIDC with a 74:26 equity ratio. KSIDC leased 243.79 acres of land in Malappuram to INKID for 90 years at Rs. 36.52 crore (Rs. 14.98 lakh per acre) as per a government order in 2009, and the lease was registered in 2010 after paying a stamp duty of Rs. 2.92 crore.

The Company developed infrastructure on the land but faced issues when various government orders reallocated portions of the land i.e., 75 acres to EFLU (2013), then 30 acres to the Revenue Department (2016), and finally, only 5 acres were allocated for a Women's College (2018). This left 70 acres with the Company, who stopped paying the lease premium for these 70 acres due to the reallocation uncertainties.

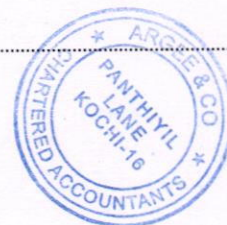
As a result, the 70 acres were not capitalized in the Company's accounts. However, in 2020-21, 1.6 acres were leased, and the premium was settled in July 2021 after capitalisation of the said land.

During 2023-24, 16 more acres from the said land were leased to various companies, with the premium still payable to KSIDC Ltd. These 16 acres are capitalized in the accounts in the current financial year as they are leased, with costs recognized in the P&L account (Refer Note no 2 to the financial statements).

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current period. These matters were addressed in the context of our audit of the Standalone Financial Statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

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



## **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 but does not include the financial statements and our auditor's report thereon.

Our opinion on the 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 financial statements, our responsibility is to read the other information 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. 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.

## **Responsibilities of Management and Board of Directors for the Financial Statements**

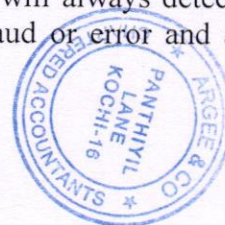
The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance 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 Management and Board of Directors are 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.

Those 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

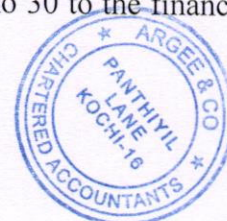


considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

We give in “**Annexure A**” a detailed description of Auditor’s responsibilities for Audit of the Financial Statements.

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

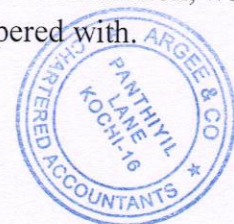
1. As required by the Companies (Auditor’s Report) Order, 2020 (“the Order”), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in “Annexure B” a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. 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, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) The reservation relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g).
  - (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure C”.
  - (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 Standalone Financial Statements. (Refer note no 30 to the 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- iv.
  - a. The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities (“Intermediaries”), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, 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, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.
  - v. As stated in Statement of changes in equity to the standalone financial statements, the interim dividend declared and paid by the Company during the year is in compliance with Section 123 of the Act.
  - vi. The reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 is applicable from April 1, 2023.

Based on our examination, the Company has used a software application for revenue, billing and receivables, purchases and payables during the year-ended March 31, 2024, which has a feature of recording the audit trail (edit log) facility. The same has been enabled at application as well as database level.

Further, the audit trail feature operated throughout the year for all relevant transactions recorded in the software application. Also, during the course of our examination, we did not come across any instance of the audit trail feature being tampered with.

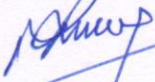


3. During the year the Company has not paid any managerial remuneration. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197 (16) of the Act, as amended: is not applicable to the company.

UDIN: 24019796BKENAE4405

**For Argee & CO**  
**Chartered Accountants**

Firm No: 000217S



CA M Ramendran FCA  
Partner  
Membership No.019796



Place: Kochi

Date: 20-06-2024

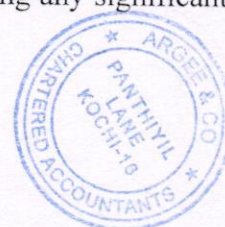
## **ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT ON EVEN DATE ON THE FINANCIAL STATEMENTS OF INKEL-KSIDC PROJECTS LIMITED.**

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements 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.

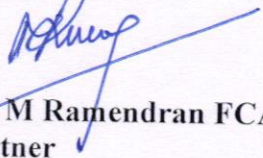


We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

UDIN: 24019796BKENAE4405

For Argee & CO  
Chartered Accountants  
Firm No. 000217S



  
CA M Ramendran FCA  
Partner  
M.No.019796

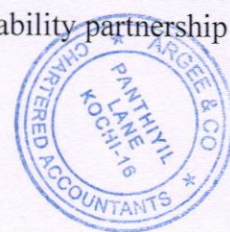
Place: Kochi  
Date: 20-06-2024



**ANNEXURE B TO INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF INKEL-KSIDC PROJECTS LIMITED FOR THE YEAR ENDED MARCH 31, 2024**

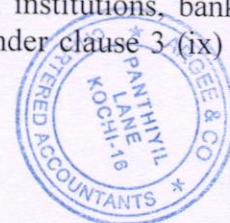
[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report]

- i.
  - (a)
    - A. The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment, and relevant details of right-of-use assets.
    - B. The company is maintaining proper records showing full particulars of intangible assets.
  - (b) The Property, Plant and Equipment have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account.
  - (c) According to the information and explanations given to us, there are no immovable properties. Accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
  - (d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) during the year. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.
  - (e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988, as amended and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i) (e) of the Order are not applicable to the Company.
- ii.
  - (a) The company do not have inventory as the business of the company is promotion, setting up and maintenance of all types of Infra structure facilities, projects and ventures.
  - (b) During any point of time of the year, the company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets;
- iii. According to the information and explanations provided to us, the Company has not made any investments in, provided any guarantee or security, or granted any Loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or

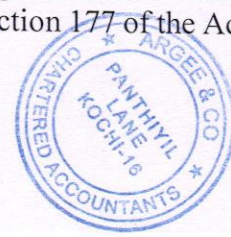


any other parties. Hence, the requirements under paragraph 3(iii) of the order are not applicable to the company.

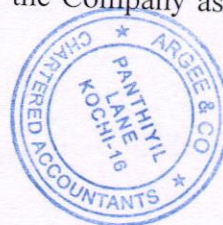
- iv. According to the information and explanations given to us, there are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013, are applicable and accordingly, the provisions stated under clause 3(iv) of the Order is not applicable to the Company.
- v. According to the information and explanations given to us, the Company has neither accepted any deposits from the public nor any amounts which are deemed to be deposits, within the meaning of Sections 73, 74, 75 and 76 of the Companies Act, 2013 and the rules framed there under. Accordingly, the provisions stated under clause 3(v) of the Order are not applicable to the Company. Also, there are no amounts outstanding as on March 31, 2024, which are in the nature of deposits.
- vi. The provisions of sub-Section (1) of Section 148 of the Act are not applicable to the Company as the Central Government of India has not specified the maintenance of cost records for any of the products of the Company. Accordingly, the provisions stated in paragraph 3(vi) of the Order are not applicable to the Company.
- vii.
  - (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective July 1, 2017, these statutory dues have been subsumed into GST.  
  
The Company has been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Goods and Service Tax, Customs Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.  
  
According to the information and explanations given to us and on the basis of our examination of the records of the Company, no undisputed amounts payable in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Income-Tax, Duty of Customs or Cess or other statutory dues were in arrears as at March 31, 2024 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanation given to us and the records of the Company examined by us, there are no dues of Goods and Services Tax, Provident Fund, Employees' State Insurance, Income-Tax, Duty of Customs, Cess, and other statutory dues which have not been deposited on account of any dispute.
- viii. According to the information and explanations given to us, there are no transactions which are not accounted in the books of account which have been surrendered or disclosed as income during the year in Tax Assessments of the Company. Also, there are no previously unrecorded income which has been now recorded in the books of account. Hence, the provision stated in paragraph 3(viii) of the Order is not applicable to the Company.
- ix.
  - (a) The Company has not taken loans or borrowings from financial institutions, banks and government or has not issued any debentures. Hence reporting under clause 3 (ix) of the Order is not applicable to the Company.



- (b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- (c) In our opinion and according to the information explanation provided to us, no money was raised by way of term loans during the year. Accordingly, the provision stated in paragraph 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- x.
- (a) In our opinion and according to the information explanation given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Hence, the provisions stated in paragraph 3(x)(a) of the Order are not applicable to the Company.
- (b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly, or optionally convertible debentures during the year. Hence, the provisions stated in paragraph 3(x)(b) of the Order are not applicable to the Company.
- xi.
- (a) Based on 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 report that no material fraud by the Company nor on the Company has been noticed or reported during the year in the course of our audit.
- (b) Based on 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, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed with the Central Government. Accordingly, the provisions stated under clause 3(xi)(b) of the Order is not applicable to the Company.
- (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 provisions stated in paragraph 3(xii)(a) to (c) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 188 of the Act, where applicable and details of such transactions have been disclosed in the financial statements as required by applicable accounting standards. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act.



- xiv.
- (a) The Company does not require separate internal audit system commensurate with the size of its business.
- xv. According to the information and explanations given to us, in our opinion, during the year the Company has not entered into any non-cash transactions with directors or persons connected with its directors and accordingly, the reporting on compliance with the provisions of Section 192 of the Companies Act, 2013 in clause 3(xv) of the Order is not applicable to the Company.
- xvi.
- (a) The Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and accordingly, the provisions stated in paragraph 3(xvi)(a) of the Order are not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities during the year and accordingly, the provisions stated in paragraph 3(xvi)(b) of the Order are not applicable to the Company.
- (c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3(xvi)(c) of the Order are not applicable to the Company.
- (d) According to the information and explanations provided to us, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Company (as part of its group. Accordingly, the provisions stated under clause 3(xvi)(d) of the order are not applicable to the Company.
- xvii. Based on the overall review of the financial statements, The Company has not incurred cash losses in the financial year and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year. Hence, the provisions stated in paragraph 3(xviii) of the Order are not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios (refer note no 35 of the financial statement), ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the 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. According to the information and explanations given to us and based on our verification, the provisions of Section 135 of the Act are not applicable to the Company. Hence, reporting under paragraph (xx)(a) to (b) of the Order is not applicable to the Company.

xxi. According to the information and explanations given to us, the Company does not have any Subsidiary, Associate or Joint Venture. Accordingly, reporting under Clause 3(xxi) of the Order is not applicable.

UDIN: 24019796BKENAE4405

**For Argee & CO**  
**Chartered Accountants**  
**Firm No.000217S**



*[Signature]*  
**CA M Ramendran FCA**  
**Partner**  
**M.No.019796**

Place: Kochi  
Date:20-06-2024



effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 with reference to financial statements.

### **Meaning of Internal Financial Controls With reference to Financial Statements**

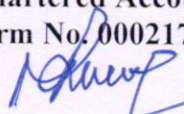
A Company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the Company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls With reference to financial statements**

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

UDIN: 24019796BKENAE4405

**For Argee & CO**  
**Chartered Accountants**  
**Firm No. 000217S**

  
**CA M Ramendran FCA**  
**Partner**  
**M.No.019796**



Place: Kochi  
Date:20-06-2024

**INKEL-KSIDC Projects Limited**

CIN -U774900KL2010PLC025553

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

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

(₹ in Lakh)

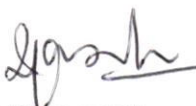
Particulars	Notes	As at 31 March 2024	As at 31 March 2023
<b>Assets</b>			
1. Non-current assets			
(a) Property, plant and equipment	2	517.12	697.90
(b) Right-of-use assets	2	1,053.11	1,069.72
(c) Capital work in progress	2	21.74	-
(d) Financial assets			
(i) Other Financial Assets	3	44.89	44.89
(e) Deferred tax Assets	4	132.36	118.34
(f) Other non-current assets		-	-
2. Current assets			
(a) Financial Assets			
(i) Trade receivables	5	966.87	683.11
(ii) Cash and cash equivalents	6	1.32	0.36
(iii) Bank balance other than Cash and cash equivalents	7	2,153.76	1,768.30
(iv) Other Financial Assets	8	54.40	24.25
(b) Other current assets	9	307.10	301.34
<b>Total Assets</b>		<b>5,252.66</b>	<b>4,708.22</b>
<b>Equity and Liabilities</b>			
Equity			
(a) Equity Share capital	SOCE	2,476.14	2,476.14
(b) Other equity	SOCE	2,507.65	1,962.58
Liabilities			
(1) Non-current Liabilities			
(a) Financial Liabilities			
(i) Borrowings, (Non-current)			
(ii) Other financial liabilities	11	14.62	13.88
(b) Provisions (Non-current)	12	0.39	0.14
(2) Current Liabilities			
(a) Financial Liabilities			
(i) Trade payables			
(A) Total outstanding dues of micro, small and medium enterprises			
(B) Total outstanding dues of creditors other than micro small and medium enterprises.	13	251.92	199.91
(ii) Other financial liabilities	14	-	0.03
(b) Other current liabilities	15	1.21	53.60
(c) Provisions (Current)			-
(d) Current Tax Liabilities (net)	16	0.73	1.95
<b>Total Equity and Liabilities</b>		<b>5,252.66</b>	<b>4,708.22</b>

See accompanying notes to the financial statements 1-36

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

For and on behalf of the Board of Directors

As per our Report of even date attached



**Dr Ellangovan K**  
Director  
DIN:05272476

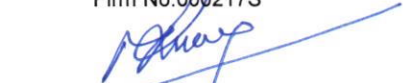


**Jose Kurian Mundackal**  
Director  
DIN:02656794

**For Argee & Co**  
Chartered Accountants  
Firm No.000217S



**Baiju T**  
Company Secretary



**M Ramendran**  
(Partner)  
Mem.No 19796

Place: Cochin  
Date: 20/06/2024

UDIN 240197968KCNAG4405





## INKEL-KSIDC Projects Limited

CIN -U774900KL2010PLC025553

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

### STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2024

#### A EQUITY SHARE CAPITAL

Rupees in Lakhs unless otherwise stated

Particulars	No. of Shares	₹ in Lakh
<b>(a) Authorised Share Capital</b>		
Balance as at 1 April 2023	2,50,00,000	2,500
Changes in Authorised Equity Share capital during the year	-	-
Balance as at 31 March 2024	2,50,00,000	2,500
Changes in Authorised Equity Share capital during the year	-	-
Balance as at 31 March 2024	2,50,00,000	2,500
<b>(b) Issued Share Capital</b>		
Balance as at 1 April 2023	2,47,61,367	2,476.14
Changes in Equity Share capital during the year	-	-
Balance as at 31 March 2024	2,47,61,367	2,476.14
Changes in Equity Share capital during the year	-	-
Balance as at 31 March 2024	2,47,61,367	2,476.14

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

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

<b>Shares in the Company held by each shareholder holding more than five percent shares</b>				
Particulars	As at 31.03.2024		As at 31.03.2023	
	No. of Shares	% holding	No. of Shares	% holding
INKEL Limited	1,83,23,412	74%	1,83,23,412	74%
KSIDC Limited	64,37,955	26%	64,37,955	26%
<b>Shares held by holding company and /or their subsidiaries / associates</b>				
Equity shares of Rs.10/- each fully paid up held by				
Holding company - INKEL Limited	1,83,23,412	1,832.34	1,83,23,412	1,832.34



**B Other Equity**

Attributable to owners of Inkel KSIDC Projects Limited

(₹ in Lakh )

Particulars	Retained Earnings	Other Comprehensive Income	Total Other Equity
<b>Balance as at 1 April 2022</b>	<b>2,338.26</b>	-	<b>2,338.26</b>
Prior period adjustments	-	-	-
Profit/ (Loss) for the Year	119.55	-	119.55
Other Comprehensive Income	-	-	-
Dividend	495.23	-	495.23
<b>Balance as at 31 March 2023</b>	<b>1,962.58</b>	-	<b>1,962.58</b>
Prior period adjustments	-	-	-
Profit/ (Loss) for the Year	1,040.30	-	1,040.30
Other Comprehensive Income	-	(0.0003)	(0.0003)
Dividend	495.23	-	495.23
<b>Balance as at 31 March 2024</b>	<b>2,507.65</b>	<b>(0.0003)</b>	<b>2,507.65</b>

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

See accompanying notes to the financial statements

1-36

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

For and on behalf of the Board of Directors

As per our Report of even date attached



**Dr Elangovan K**  
Director  
DIN:05272476



**Jose Kurian Mundackal**  
Director  
DIN:02656794

**For Argee & Co**  
Chartered Accountants  
Firm No:000217S



**Baiju T**  
Company Secretary



**M Ramendran**  
Partner  
Mem.No 19796

UDIN : 24019796BKENAE4405

Place: Cochin

Date: 20/06/2024



# INKEL-KSIDC Projects Limited

CIN -U774900KL2010PLC025553

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

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

Particulars	Notes	For the year ended	
		31.03.2024	31.03.2023
<b>Revenue from Operations</b>			
I Revenue from Operations	17	1,466.41	283.23
II Other Income	18	187.47	171.66
<b>III Total Income (I + II)</b>		<b>1,653.88</b>	<b>454.88</b>
<b>IV Expenses</b>			
Employee Benefit Expense	19	3.38	2.61
Finance Costs	20	5.14	0.02
Depreciation and Amortisation Expense	21	202.21	174.78
Other Expenses	22	41.67	94.72
<b>V Total Expense</b>		<b>252.40</b>	<b>272.13</b>
VI Profit before Exceptional Items & Tax (III-V)		1,401.48	182.75
VII Exceptional Items			
VIII Profit before Tax (VI-VII)		1,401.48	182.75
IX Tax Expense			
(1) Current Tax		375.21	75.70
(2) Prior Tax			-
(3) Deferred Tax	23	(14.02)	(12.50)
<b>Total Tax Expenses</b>		<b>361.19</b>	<b>63.20</b>
X Profit / (Loss) for the period from Continuing operations (VIII-IX)		1,040.30	119.55
XI Other Comprehensive Income			
(a)(i) Items that will not be reclassified to profit or loss (net)	24	(0.0003)	-
(b)(i) Items that will be reclassified to profit or loss (net)			
(ii) Income tax relating to items that will be reclassified to Profit and Loss			
XII Total Comprehensive Income for the period (X+XI) Comprising Profit / (Loss) and Other comprehensive Income for the Period		1,040.30	119.55
Paid-Up Equity Share Capital (Face Value of Rs.10/-)		247.61	247.61
Reserves Excluding Revaluation Reserves			
XIII Earnings per share (of Rs.10/- each):			
Basic & Diluted	25	4.20	0.48

See accompanying notes to the financial statements 1-36

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

For and on behalf of the Board of Directors

  
**Dr Ellagovan K**  
 Director  
 DIN:05272476

  
**Jose Kurian Mundackal**  
 Director  
 DIN:02656794

As per our Report of even date attached

**For Argee & Co**  
 Chartered Accountants  
 Firm No.000217S

  
**Baiju T**  
 Company Secretary

  
**M Ramendran**  
 Partner  
 Mem.No 19796

Place: Cochin  
 Date: 20/06/2024

UDIN:24019796BKENAC4405



**INKEL-KSIDC Projects Limited**

CIN -U774900KL2010PLC025553

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

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

(₹ in Lakh )

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>A. Cash flow from operating activities</b>		
<i>Net profit before taxation</i>	1,401.48	182.75
Adjustments for:		
Depreciation and amortization	202.21	174.78
Interest income	(158.90)	(166.00)
Finance Cost		(1,722.98)
Exceptional item	(0.0003)	
Property, Plant And Equipment		-
Deffered Tax Assets	14.02	12.50
Cost of Land	223.23	103.37
<b>Operating profit / (loss) before working capital changes</b>	<b>1,682.04</b>	<b>(1,415.58)</b>
Adjustments for:		
Increase / (decrease) in trade & other receivables	(333.69)	903.46
(Increase) / decrease in Trade, other payables and provisions	(0.63)	253.86
<b>Cash generated from operations</b>	<b>1,347.72</b>	<b>(258.25)</b>
Direct Taxes (TDS/Advance tax)	(375.21)	(75.70)
<b>Cash flow from operating activities (A)</b>	<b>972.52</b>	<b>(333.95)</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment	(249.77)	(568.89)
Interest income	158.90	166.00
Fixed Deposits with banks	(385.46)	(497.36)
<b>Net cash generated / (used) in investing activities</b>	<b>(476.32)</b>	<b>(900.25)</b>
<b>C. Cash flow from financing activities</b>		
Repayment of loans	-	
Interest expense	-	1,722.98
Dividend	(495.23)	(495.23)
<b>Net cash generated / (used) in financing activities</b>	<b>(495.23)</b>	<b>1,227.75</b>
<b>Total cash generated from Operating, investing and financing activities</b>	<b>0.96</b>	<b>(6.45)</b>
Cash and cash equivalents at the beginning of the year	0.36	6.81
<b>Cash and cash equivalents at the end of the year</b>	<b>1.32</b>	<b>0.36</b>
Cash in Hand	0.05	0.02
Balance With banks		
In Current Accounts	1.27	0.33
<b>Net (Increase) /Decrease in cash and cash equivalents</b>	<b>0.96</b>	<b>(6.45)</b>

See accompanying notes to the financial statements

1-36

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

For and on behalf of the Board of Directors

As per our Report of even date attached

**Dr Ellangovan K**

Director  
DIN:05272476

**Jose Kurian Mundackal**

Director  
DIN:02656794

**For Argee & Co**

Chartered Accountants  
Firm No.000217S

**Baiju T**

Company Secretary

**M Ramendran**

Partner  
Mem.No 19796

Place: Cochin

Date: 20/06/2024

UDIN: 24019796 BKGNAL4405



## Corporate Information

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

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

### 1 Significant Accounting Policies

#### 1.1 Statement of Compliance

These financial statements of the Company have been prepared in accordance with Indian Accounting Standard (Ind AS) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values, the provisions of the Companies Act, 2013 ('the Act') (to the extent notified). The Ind AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. The aforesaid financial statements have been approved by the Board of Directors in the meeting held on 20th June 2024

#### 1.2 Basis of preparation

In accordance with the notification issued by the Ministry of Corporate Affairs, the Company is required to prepare its financial statements as per the Indian Accounting Standards ('Ind AS') prescribed under Section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016 with effect from 1 April, 2017. Accordingly, the Company has prepared these financial statements which comprise the Balance Sheet as at 31 March 2024, the Statement of Profit and Loss, the Statements of Cash Flows and the Statement of Changes in Equity for the period ended 31 March 2024, and accounting policies and other explanatory information (together hereinafter referred to as " financial statements").

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

- a Certain Financial assets and liabilities that is measured at fair value;
- b Defined benefit plans - plan assets measured at fair value;

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

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

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

#### 1.3 Current versus non-current classification

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

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

All other assets are classified as non-current.



A liability is classified as current when:

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

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

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

#### 1.4 Use of Estimates

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

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

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

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

Others include:

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

#### Non-financial Assets:

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



**Impairment of Financial Assets:**

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

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

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

**1.5 Inventories**

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

**1.6 Plant Property & Equipment**

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

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

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

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

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



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

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

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

## 1.7 Impairment

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

## 1.8 Financial assets

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

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

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

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

Financial assets are classified using the following measurement categories:

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

### a. Trade Receivable

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

II.

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

### b. Other loans and receivables

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





### **c. Derecognition of financial asset**

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

### **1.9 Financial liabilities**

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

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

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

#### **Offsetting of financial instruments**

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

### **1.10 Revenue Recognition**

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

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

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

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

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

#### **a. Revenue from Sub-leasing**

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

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



**b Other incomes:**

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

**1.11 Foreign Currency Transactions and Translations**

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

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

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

**1.12 Government Grants**

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

**1.13 Employee Benefits**

The Company make defined contribution to Government Employee Provident Fund, and shown in Note No-28.

**1.14 Cash Flows and Cash and Cash Equivalents**

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

**1.15 Operating Segments**

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

**1.16 Earnings per Share**

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



### **1.17 Taxation**

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

#### **Current Tax**

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

#### **Deferred tax**

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

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

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

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

### **1.18 Provisions, Contingent Liabilities and Contingent Assets**

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

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

### **1.19 Corporate social responsibility**

Corporate Social Responsibility as per Section 135 is not applicable to the Company.



## 1.20 Leases

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

### Ind AS 116 'Leases'

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

Pursuant to adoption of Ind AS 116, the Company recognised right-of-use assets and lease liabilities for those leases which were previously classified as operating leases, except for short-term leases and leases of low-value assets. The Company recorded the lease liability at the present value of the lease payments discounted at the incremental borrowing rate at the date of initial application and right of use asset at an amount equal to the lease liability adjusted for any prepayments/accruals recognised in the balance sheet as on 31st March, 2024.

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

Set out below are the new accounting policies of the Company upon adoption of Ind AS 116, which have been applied from the date of initial application:

### Right-of-use assets

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

### Lease liabilities

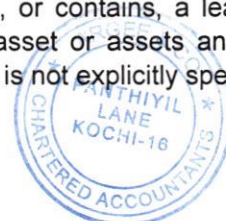
At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term applying modified retrospective approach. The lease payments include fixed payments less any lease incentives receivable and amounts expected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

### Short-term leases and leases of low-value assets

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

### Leasing arrangement

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



**The Company as lessee**

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

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

**Application of New Accounting Pronouncements**

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

**Amendment to Ind AS 116 – Leases**

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



**2 Property Plant & equipment**

(₹ in Lakh)

Description of Assets	Building	Furniture and Fittings	Electrical fittings	Motor Vehicle	Total	Right of Use Asset
<b>Cost of Assets</b>						
As at 01-04-2023	1,445.88	0.17	305.50	29.96	1,781.52	1,243.57
Previous year	897.03	0.17	291.31	24.12	1,212.63	1,363.56
Additions during the year	7.61	-	14.19	5.84	7.61	220.43
Previous year	548.85	-	-	-	568.89	-
Sales / Disposal / Adjustments	-	-	-	-	-	223.72
Previous year	21.74	-	-	-	21.74	119.99
Capital Work in Progress	-	-	-	-	-	-
Previous year	1,453.49	0.17	305.50	29.96	1,789.12	1,240.27
As at 31-03-2024	1,445.88	0.17	305.50	29.96	1,781.52	1,243.57
Previous year						
<b>Accumulated Depreciation</b>						
As at 01-04-2023	873.04	0.16	203.54	6.88	1,083.62	173.84
Previous year	750.84	0.16	172.83	-	923.83	175.47
Charge for the year	154.52	-	26.40	7.47	188.39	13.82
Previous year	122.20	-	30.71	6.88	159.79	14.99
Adjustments during the year	-	-	-	-	-	0.50
Previous year	1,027.56	0.16	229.94	14.35	1,272.01	16.62
As at 31-03-2024	873.04	0.16	203.54	6.88	1,083.62	187.16
Previous year						173.84
<b>Net Block</b>						
As at 31-03-2024	425.93	0.01	75.56	15.61	517.12	1,053.11
As at 31-03-2023	572.85	0.01	101.97	23.08	697.90	1,069.72

Note: The Company has leased 16 acres of land in INKEL Greens Malappuram from the 70 acres of land that is not included in the books of accounts of the Company. Therefore, acquisition of these 16 acres was recorded on the same day the land was leased. Remaining 52.4 acres of land is not yet added in the books of accounts of the Company.



**3 Other Financial Assets (Non-Current)**

(₹ in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
<b>Unsecured considered good</b>		
KSIDC LTD	44.54	44.54
Security Deposit	0.35	0.35
Fixed deposit with more than 12 months maturity	-	-
<b>Total</b>	<b>44.89</b>	<b>44.89</b>

**4 Deferred Tax Assets**

(₹ in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Opening Balance	118.34	105.84
Add : Temporary Differences	14.02	12.50
<b>Total</b>	<b>132.36</b>	<b>118.34</b>

**5 Trade Receivables (Current)**

(₹ in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Unsecured Considered good	966.87	683.11
Trade Receivables -Secured Considered Good	-	-
Trade Receivables which have significant increase in Credit Risk	-	-
Trade Receivables -Credit Impaired	-	-
<b>Total</b>	<b>966.87</b>	<b>683.11</b>

**5.1 Trade Receivables****Out standing for following periods after due date of payment**

(₹ in Lakh)

Particulars	Less Than 6 Months	6 Months to 1 year	1-2 years
Undisputed - Considered Good	966.87	-	
Undisputed - which have significant increase in credit risk	-	-	
Undisputed - Credit impaired	-	-	
Disputed - Considered Good	-	-	
Disputed - which have significant increase in credit risk	-	-	
Disputed - Credit impaired	-	-	

**6 Cash and cash equivalents**

(₹ in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Cash on Hand	0.05	0.02
Balances with Banks		
Balance with banks in Current Accounts	1.27	0.33
<b>Total</b>	<b>1.32</b>	<b>0.36</b>



**7 Bank balance other than Cash and cash equivalents** (₹ in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Deposits with Banks with original Maturity less than twelve months	2,153.76	1,768.30
<b>Total</b>	<b>2,153.76</b>	<b>1,768.30</b>

All the deposits with banks are having an original maturity of less than 12 months has been classified to cash and cash equivalents

**8 Other Financial Assets (Current)** (₹ in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Interest accrued on term deposits	54.40	24.25
Advance to Suppliers		-
<b>Total</b>	<b>54.40</b>	<b>24.25</b>

**9 Other Current Assets** (₹ in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
GST Input Credit	306.48	300.67
Prepaid Insurance	0.63	0.67
<b>Total</b>	<b>307.10</b>	<b>301.34</b>

**11 Other financial liabilities (Non-current)** (₹ in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Retention -From Contractors	8.62	7.88
Security Deposit	6.00	6.00
<b>Total</b>	<b>14.62</b>	<b>13.88</b>

**12 Provisions (Non Current)** (₹ in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for Leave Encashment	0.17	0.09
Terminal benefit Liability( Gratuity Benefit)	0.15	0.05
Provision for Bonus exgratia	0.07	-
<b>Total</b>	<b>0.39</b>	<b>0.14</b>





13 Trade Payables (Current)

(₹ in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Dues to Micro Enterprises and Small Enterprises*		
Less than One year		
Morethan One year		
Dues to others		
Less than One year	251.92	199.91
Morethan One year		
<b>Total</b>	<b>251.92</b>	<b>199.91</b>

13.1 Trade payables

Out standing for following periods after due date of payment

(₹ in Lakh)

Particulars	Less than one year	1-2 years
MSME'		
Others	251.92	-
Disputed dues MSME	-	-
Disputed dues others	-	-

\*Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act, 2006") as at March 31, 2024 and March 31, 2023:

(₹ in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Principal amount remaining unpaid (but within due date as per the Micro, Small and Medium Enterprises Development Act, 2006)		-
Interest due thereon remaining unpaid		-
Interest paid by the Company in terms of Section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along-with the amount of the payment made to the supplier beyond the appointed day during the period.		-
Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006		-
<b>Particulars</b>	<b>As at 31 March 2024</b>	<b>As at 31 March 2023</b>
Interest accrued and remaining unpaid		-
Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises		-

The above information regarding Micro, Small and Medium Enterprises has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.



**14 Other Financial Liabilities (Current)**

(₹ in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Security Deposits		
Interest on Term Loan (Payable)		
Current Maturities of Term Loan		
EMD & Performance Guarantee from Contractors	-	0.03
<b>Total</b>	<b>-</b>	<b>0.03</b>

**15 Other Current Liabilities**

(₹ in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Statutory Liabilities payable	1.07	53.37
Advances received		
Goods and Service Tax Reverse Charge	0.05	0.09
Goods and Service Tax Payable	-	0.10
Provident Fund Payable	0.04	0.04
Labour Welfare Fund	0.04	-
<b>Total</b>	<b>1.21</b>	<b>53.60</b>

**16 Current Tax Liabilities( Net)**

(₹ in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Provision for Income Tax	375.21	75.70
Less: TDS and Advance Tax Paid	(379.62)	(73.77)
Add: Provision for interest on income tax	5.14	0.02
<b>Total</b>	<b>0.73</b>	<b>1.95</b>



**17 Revenue From Operations**

(₹ in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Lease rentals INKEL Greens	1,707.39	158.48
Less cost of Lease asset derecognised	(242.46)	(37.59)
	1,464.92	120.89
Lease rentals Angamaly	0.42	224.91
Less cost of Lease asset derecognised	-	(65.79)
	0.42	159.12
Finance income on lease receivables	1.07	3.21
<b>Total</b>	<b>1,466.41</b>	<b>283.23</b>

**18 Other Income**

(₹ in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest income	158.90	166.00
Other non-operating income	0.58	0.25
Sub lease levy	-	5.41
Road Usage/ Access Right	27.79	-
Tender Fee	0.20	-
<b>Total</b>	<b>187.47</b>	<b>171.66</b>

**19 Employee Benefit Expenses**

(₹ in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Salary & Allowances	2.91	2.23
Gratuity	0.11	0.05
Contribution to provident and other funds	0.36	0.34
<b>Total</b>	<b>3.38</b>	<b>2.61</b>

**20 Finance Costs**

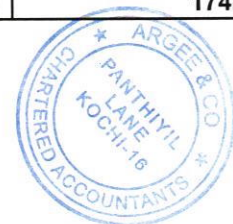
(₹ in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Interest On Income Tax	5.14	0.02
<b>Total</b>	<b>5.14</b>	<b>0.02</b>

**21 Depreciation & Amortisation Expenses**

(₹ in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Depreciation & Amortisation	202.21	174.78
<b>Total</b>	<b>202.21</b>	<b>174.78</b>



## 22 Other Expenses

(₹ in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Audit fee (Payment to Statutory Audit)	1.75	1.75
Administrative expenses	0.15	0.33
Business promotion expenses	-	0.40
CSR Activity	-	49.12
Manpower Services cost	27.25	24.29
Land development expenses	-	4.94
Software Running Expenses	-	0.03
Postage	-	0.00
Insurance Expenses	0.67	0.77
Rates & taxes	0.88	0.87
Repairs & Maintenance	1.05	4.11
Directors Sitting fees	1.40	1.60
Travelling Expense	0.11	0.17
Professional Charges	1.36	6.34
Project Consultancy Expense	7.04	-
<b>Total</b>	<b>41.67</b>	<b>94.72</b>

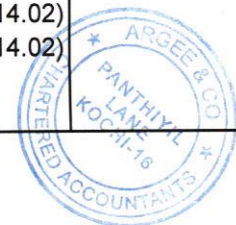
## 23 Deferred tax

(₹ in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Opening balance recognized in profit or loss	118.34	105.84
Opening balance recognized in other comprehensive income		
<b>Recognised in profit or loss</b>		

## Deferred tax Contd..

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Deferred Tax Liability</b> Arising on account of difference in carrying amount and tax base of PPE and Intangibles		
<b>Deferred Tax Asset</b> Arising on account of difference in carrying amount and tax base of PPE and Intangibles	14.02	12.50
Arising on account of unabsorbed business loss*		
<b>MAT Credit</b>  Add: Minimum Alternate Tax Credit Entitlement		
<b>Recognised in other comprehensive income</b> Tax expense during the year recognized in the OCI		
<b>Net deferred tax (liability) / asset</b>	132.36	118.34
<b>Deferred tax expense / (Income)</b>	(14.02)	(12.50)
Closing balance recognized in profit or loss	(14.02)	(12.50)
Closing balance recognized in other comprehensive income		



**24 Other Comprehensive Income**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
(a)(i) Items that will not be reclassified to profit or loss (net)		
Actuarial Gain /(Loss) of defined Employee benefit plan	(0.0003)	-
(ii) Income tax relating to items that will not be reclassified to Profit and Loss		-
(b)(i) Items that will be reclassified to profit or loss (net)		-
(ii) Income tax relating to items that will be reclassified to Profit and Loss		-
<b>Total</b>	<b>-0.0003</b>	<b>-</b>

**25 Earnings per Share**

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
<b>Earnings per Share of Rs.100/- each</b>		
Net Profit for the year	1,040	120
<b>Basic Earnings per Share</b>		
Weighted Average No. of Equity Shares	248	248
Basic EPS	4.20	0.48
<b>Diluted Earnings per Share</b>		
Weighted Average No. of Equity Shares	248	248
Diluted EPS	4.20	0.48

**26 Corporate social responsibility**

As per Section 135 of the Companies Act, 2013, a Company, meeting the applicability threshold, needs to spend at least 2% of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) Activities. The Company is not applicable to spend CSR during the FY 2023-24.

(₹ in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Gross amount required to be spent	-	29.07
Amount spent during the year	-	49.12

**27 Disclosures required under Ind AS 19 - "Employee Benefits Plan"**

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

a) Defined Benefit Plans :

1) Gratuity

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



**i. Actuarial assumptions**

Particulars	Employee gratuity	Employee gratuity
	31.03.2024	31.03.2023
Discount rate (per annum)	6.965%	7.230%
Expected Rate of increase in compensation levels	5.00%	5.00%
Expected Rate of return on plan assets.	0%	0%
Mortality Rate	IALM 2012-14	IALM 2012-14
Retirement age	60.00	60.00

The discount rate assumed is 6.965% per annum which is determined by reference to market yield at the Balance Sheet date on government bonds.

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

Particulars	31.03.2024	31.03.2023
Funded net liability recognized in balance sheet	0.15	0.05
Amount classified as:		
Non current provision (Note no 12)	0.15	0.05

**28 Activity in Foreign Currency**

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

**29 Related Party Disclosure**

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

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

Holding Company

INKEL Limited

Associated companies

KSIDC Ltd



Names of other related parties and nature of relationship

Key Management Personnel's

**Transactions with related parties / KMP** (₹ in Lakh)

Related Party	2023-24	2022-23
Sitting Fees paid	1.40	1.60
Lease Premium - KSIDC Ltd	239.66	-
Dividend Paid - INKEL Limited	366.47	366.47
Dividend Paid - KSIDC Ltd	128.76	128.76
Reimbursement of cost of services - INKEL Limited	16.47	13.32
Project Management Consultancy Expenses - INKEL Limited	7.04	-

**Outstanding Balances** (₹ in Lakh)

Related Party	As at 31.03.2024	As at 31.03.2023
Payable to INKEL Limited	9.55	196.97
Lease Premium Payable - KSIDC Ltd	239.66	-
Receivable from KSIDC	44.54	44.54

**30 Details of Provision for Contingent Liability**

**Movement in provisions as required by IND AS - 37 - "Provisions, Contingent Liabilities and** (₹ in Lakh)

Particulars	Year ended 31 March 2024	Year ended 31 March 2023
Provision for Expenses	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 /GOK

The details of Provisions, Contingent Liabilities and Contingent Assets are as required under Ind AS-37 Provisions, Contingent Liabilities and Contingent Assets for the year ended 31st March 2024

The company has pending the following litigations with various courts and which in its opinion has no impact on its financial position in the financial statements as on 31 March 2024

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



### 31 Capital Management

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

#### Financial Risk Management

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

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

#### Market Risk

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

#### Currency Risk :

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

#### Price Risk

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

#### Credit Risk

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

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

The Company considers factors such as track record, size of institution, market reputation and service standard to select the banks with which deposits are maintained. Generally, the balances are maintained with the institutions with which the Company has been transacting for years.

The Company has made deposits with Scheduled banks for tenure more than 3 months and hence the credit risk of the company is kept at minimal level.





### Trade Receivables

The company is exposed to credit risk from its operating activities primarily from trade receivable amounting to Rs.9,66,86,984.31 and Rs. 6,83,11,258.11 as of 31 March 2024 and 31 March 2023 respectively. The company has standard operating procedure for obtaining sufficient security where appropriate, as a means of mitigating the risk of financial loss from defaults. The credit quality of the company's customers is monitored on an on going basis and assessed for impairment where indicators of such impairment exist. The history of trade receivables shows a negligible provision for bad and doubtful debts. The solvency of customers and their ability to repay the receivable is considered in assessing receivables for impairment. Therefore, the Company does not expect any material risk on account of non performance by any of the Company's counterparties. Where receivables are impaired, the Company actively seeks to recover the amounts in question and enforce the compliance with credit terms.

### Ageing of Trade receivables

(₹ in Lakh)

Particulars	Year ended	Year ended
	31 March 2024	31 March 2023
0-180 Days	966.87	683.11
181-365 Days		
366-730 Days		
More than 730 Days		
Total	966.87	683.11

### Liquidity Risk

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

### 32 Capital and Other Commitments

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

### 33 Fair Value Measurements

Financial Instruments by category

The carrying value and fair value of financial instruments by categories are as follows:

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

Fair value of financial assets and liabilities measured at amortized cost

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



### 34 Leases

#### As a lessor

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

(₹ in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Finance Lease Receivable - Non-current	952.39	640.97
Finance Lease Receivable - Current	3.84	2.02
	956.23	642.99

#### Amount receivable under Finance Lease

(₹ in Lakh)

Particulars	Minimum Lease Payments as at 31 March 2024	Minimum Lease Payments as at 31 March 2023
Less than a year	3.84	2.02
One to two years	4.05	2.14
Two to three years	4.28	2.27
Three to four years	4.52	2.40
Four to five years	4.77	2.55
Total (A)	21.46	11.38
More than five years (B)	4,071.27	2,762.87
Total (A +B)	4,092.73	2,774.25
Unearned finance income	(3,136.50)	(2,131.25)
Present Value of Minimum Lease Payments Receivable	956.23	642.99

#### As a lessee

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

(₹ in Lakh)

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



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

(₹ in Lakh)

Particulars	As at 31 March 2024	As at 31 March 2023
Lease Hold Asset	1,053	1,070
Lease liability		

### 35 Ratios

Particulars	Ratio for the year 2023-24	Ratio for the year 2022-23	Variance
Current ratio	13.72	10.87	26.22
<b>Reason for Variance :</b> Current Ratio has increased due to the increase of assets (receivables, FD, etc) and reduction in statutory liabilities.			
Return on Equity	0.42	0.05	770.18
<b>Reason for Variance :</b> Return on Equity has increased due to the increase in profit of the company compared to previous year.			
Trade Receivable turnover Ratio	1.52	0.41	265.80
<b>Reason for Variance :</b> Trade Receivable ratio has increased due to the increase in trade receivable compared to previous year.			
Trade Payable Turnover Ratio	0.172	0.706	(75.66)
<b>Reason for Variance:</b> Trade Payable ratio has reduced due to the increase in the turnover of the Company during the year.			
Net Capital Turnover Ratio	0.29	0.06	361.13
<b>Reason for Variance:</b> Net Capital Turnover Ratio has increased due to the increase in the turnover of the Company during the year.			
Net Profit Ratio	0.71	0.42	68.07
<b>Reason for Variance :</b> Net Profit Ratio has increased due to the increase in profit of the Company compared to previous year.			
Return On Capital Employed	0.21	0.03	675.01
<b>Reason for Variance :</b> Return on capital employed has increased due to the increase in profit of the Company compared to previous year.			

### 36 Other Statutory Information:

- (i) The Company do not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.
- (ii) The Company do not have any transactions with companies struck off.
- (iii) The Company do not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period.



(iv) The Company have not traded or invested in Crypto currency or Virtual Currency during the financial period.

(v) The Company have not advanced or extended loan or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

(a) 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

(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

vi) The Company have not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

vii) The Indian Parliament has approved the Code on Social Security, 2020 which would impact the contributions by the company towards Provident Fund and Gratuity. The Ministry of Labour and Employment has released draft rules for the Code on Social Security, 2020 on November 13, 2020, and has invited suggestions from stakeholders which are under active consideration by the Ministry. The Group will assess the impact and its evaluation once the subject rules are notified

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

ix) The Company have not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

(a) 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

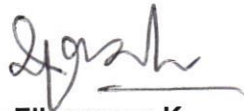
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(x) The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(xi) The company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

For and on behalf of the Board of Directors

As per our Report of even date attached



**Dr Ellangovan K**  
Director  
DIN:05272476

**Jose Kurian Munda**  
Director  
DIN:02656794

**For Argee & Co**  
Chartered Accountant  
Firm No.000217S



**Baiju T**  
Company Secretary

**M Ramendran**  
Partner  
Mem.No 19796

Place: Cochin  
Date: 20/06/2024

