

## **INDEPENDENT AUDITOR'S REPORT**

To the Members of Starworth Infrastructure & Construction Limited

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

#### **Opinion**

We have audited the accompanying financial statements of Starworth Infrastructure & Construction Limited ("the Company"), which comprise the Balance sheet as at March 31 2022, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2022, its profit including other comprehensive income, its cash flows and the changes in equity 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), as 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 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 we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

#### **Emphasis of Matter**

- (i) We draw attention to Note 35 (b) (ii) to the accompanying financial statements in connection with an ongoing litigation with its customer. Pending resolution of the litigation and based on legal opinion obtained by the management, no provision has been made towards the customer's counter-claims and the underlying receivables and inventories are classified as good and recoverable in the accompanying financial statements. Our opinion is not modified in respect of this matter.
- (ii) We draw attention to Note 35 (b) (iii) to the accompanying financial statements in connection with an ongoing litigation with its vendor. Pending resolution of the litigation and legal opinion obtained by the management, no provision has been made towards the advance made to vendor and the underlying amount is classified as good and recoverable in the accompanying financial statements. Our opinion is not modified in respect of this matter.
- (iii) We draw attention to Note 2.4 to the accompanying financial statements for the year ended March 31, 2022, which describes the management's evaluation of Covid-19 impact on the business operations and cash flows of the Company. In view of the uncertain economic conditions, the management's evaluation of the impact on the subsequent periods is highly dependent upon conditions as they evolve. Our opinion is not modified in respect of this matter.

