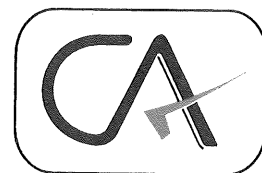


# Maharaj N R Suresh And Co.

Chartered Accountants

9, (Old 5), II Lane, II Main Road, Trustpuram, Chennai - 600 024.

Tel. : (044) 24837583, 24801322 Fax : 044-24813734 e-mail : mnrssuresh56@gmail.com



## INDEPENDENT AUDITOR'S REPORT

TO THE BOARD OF DIRECTORS OF  
ESVI INTERNATIONAL (ENGINEERS & EXPORTERS) LIMITED

Report on the Standalone Financial Statements

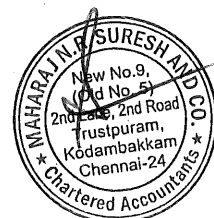
### Opinion

We have audited the accompanying standalone financial statements of Esvi International (Engineers & Exporters) Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2019 the Statement of Profit and Loss (including Other Comprehensive Income) for the year ended on that date, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("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 the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the loss and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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



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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with Indian Accounting Standards and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent ; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the ability of the Company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

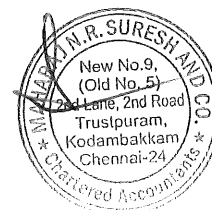
The Board of Directors are responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and



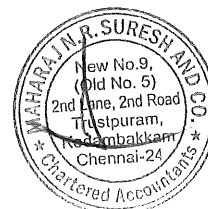
appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to



communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

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

1. As required by Section 143(3) of the Act, based on our audit, we report, to the extent applicable 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 Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.

d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

e) On the basis of the written representations received from the directors as on 31st March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.

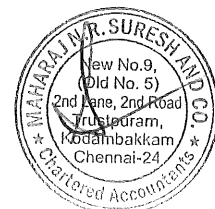
f) With respect to the adequacy of the internal financial controls over financial reporting of the Company, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g) 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:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has no pending litigations on its financial position in its standalone Ind AS financial statements.

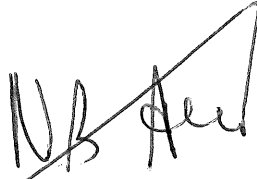


ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

iii. There has not been an occasion in case of the company during the year under report to transfer any sums to the Investor Education and Protection Fund. Therefore the question of delay in transferring such sums does not arise.

2. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For MAHARAJ N R SURESH AND CO.,  
Chartered Accountants  
(Firm's Registration No. 001931S)

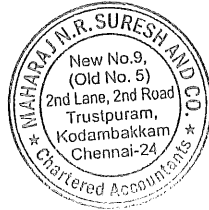


**N.R.SURESH**

Partner

(Membership No.021661)

Chennai, May 24, 2019



**ANNEXURE "A" to The Independent Auditor's Report of even date on the Standalone Ind AS Financial Statements of Esvi International (Engineers & Exporters) Limited**

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

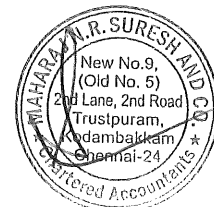
We have audited the Internal Financial Controls over financial reporting of Esvi International (Engineers & Exporters) Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's Internal Financial Controls over Financial Reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of Internal Financial Controls, both applicable to an audit of Internal Financial Controls and both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate Internal Financial Controls over Financial Reporting was established and maintained and if such controls operated effectively in all material respects.



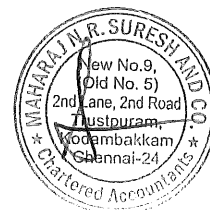
Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls System over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's Internal Financial Controls System over Financial Reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's Internal Financial Control over Financial Reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's Internal Financial Control over Financial Reporting includes those policies and procedures that:

- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles and that receipts and expenditures of the Company are being made only in accordance with authorisations of Management and Directors of the Company; and
- (iii) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.



## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of Internal Financial Controls over Financial Reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the Internal Financial Controls over Financial Reporting to future periods are subject to the risk that the Internal Financial Control over Financial Reporting may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate Internal Financial Controls System over Financial Reporting and such Internal Financial Controls over Financial Reporting were operating effectively as at March 31, 2019, based on the Internal Control over Financial Reporting criteria established by the Company, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by ICAI.

For MAHARAJ N R SURESH AND CO.,  
Chartered Accountants  
(Firm's Registration No. 001931S)



**N.R.SURESH**

Partner

(Membership No.021661)

Chennai, May 24, 2019

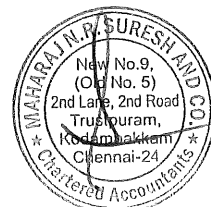




**Annexure "B" to the Independent Auditors' Report of even date on the Standalone Ind AS Financial Statements of Esvi International (Engineers & Exporters) Limited**

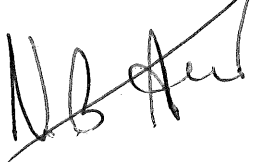
The Annexure referred to in Paragraph 2 under the heading "Report on Other Legal and Regulatory Requirements" of our Report of even date :

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) These fixed assets have been physically verified by the Management at reasonable intervals, which, in our opinion, is reasonable, having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the Company.
- (ii) The Company has no inventory
- (iii) The Company has not granted any loans secured or unsecured, to companies, firms, LLPs or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- (iv) The Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013, in respect of investments. The Company has not provided any guarantee. The Company has not granted loans to any company covered under Section 185.
- (v) The Company has not accepted any deposits from the public.
- (vi) As per the explanation and information given to us, the Company is not required to maintain Cost Records pursuant to Sub-section (1) of Section 148 of the Companies Act, 2013. Accordingly the clause 3(vi) of the order is not applicable to the company.
- (vii) According to the information and explanations given to us in respect of Statutory dues :
  - (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues, including Income Tax, Wealth Tax, Goods and Service Tax and other material statutory dues applicable to it. There were no undisputed amounts payable in respect of Income Tax, Wealth Tax, Goods and Service Tax were in arrears as at 31<sup>st</sup> March 2019 for a period of more than six months from the date they became payable.

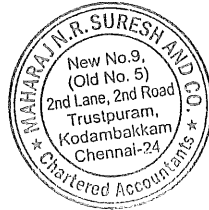


- (b) There are no due of Income Tax or Duty of Customs, Wealth Tax, Goods and Service Tax which have not been deposited as on 31<sup>st</sup> March 2019 on account of any dispute.
- (viii) The Company has not availed loans or borrowings from a financial institution, bank, Government or has dues to debenture holders.
- (ix) The Company has not raised any moneys by way of initial public offer or further public offer term loans (including debt instruments) during the year.
- (x) No fraud on or by the Company has been noticed or reported during the year.
- (xi) The Company has not paid or provided managerial remuneration during the year.
- (xii) The Company is not a Nidhi Company and hence complying with the provisions of the Nidhi Rules, 2014 does not arise.
- (xiii) All transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable and the details have been disclosed in the Financial Statements, etc., as required by the applicable Accounting Standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- (xv) The Company has not entered into any non-cash transactions with Directors or persons connected with him.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For MAHARAJ N R SURESH AND CO.,  
Chartered Accountants  
(Firm's Registration No. 001931S)



**N.R.SURESH**  
Partner  
(Membership No.021661)  
Chennai, May 24, 2019



<b>Esvi International (Engineers And Exporters) Limited</b>			
<b>Balance Sheet as on 31.03.2019 (Rs)</b>			
Particulars	Note No	As At 31.03.2019	As At 31.03.2018
(1) <b>ASSETS</b>			
<b>Non-current assets</b>			
(a) Investment Property	2	11,024,966	11,398,995
(b) Financial Assets			
(i) Investments	3	813,011	803,737
		<b>11,837,977</b>	<b>12,202,732</b>
(2) <b>Current assets</b>			
(a) Financial Assets			
(i) Trade Receivables	4	4,218,766	4,094,591
(ii) Cash and cash equivalents	5	9,287,204	9,246,100
(b) Other current assets	6	854,376	908,508
		<b>14,360,346</b>	<b>14,249,199</b>
<b>Total Assets</b>		<b>26,198,323</b>	<b>26,451,931</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
(a) Equity Share capital	7	12,500,000	12,500,000
(b) Other Equity	8	11,454,611	11,713,334
		<b>23,954,611</b>	<b>24,213,334</b>
(1) <b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Trade Payables	9	113,712	108,597
(ii) Other financial liabilities	10	2,130,000	2,130,000
		<b>2,243,712</b>	<b>2,238,597</b>
<b>Total Equity and Liabilities</b>		<b>26,198,323</b>	<b>26,451,931</b>

The accompanying notes 1 to 17 form an integral part of the Financial Statements.

Per our Report of even date annexed

For Maharaj N R Suresh and Co

FRN No. 001931S

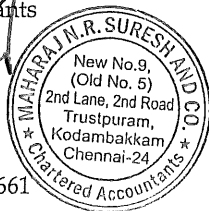
Chartered Accountants

N R Suresh

Partner

Membership No.21661

Date: 24-05-2019



For and On behalf of the Board

*N Gopala Ratnam*

N Gopala Ratnam

Chairman

**Esvi International (Engineers And Exporters) Limited**  
**Statement of Profit and Loss for the year ended 31.03.2019**

(Rs)

S.No	Particulars	Notes	Year Ended 2018-19	Year Ended 2017-18
I	<b>Revenue from Operations</b>			
	Revenue from Operation		2,710,800	3,740,400
	Other Operating Revenues			
II	<b>Other Income</b>	11	597,615	566,928
III	<b>Total Income (I+II)</b>		<b>3,308,415</b>	<b>4,307,328</b>
IV	<b>Expenses:</b>			
	Depreciation and Amortization Expenses	2	336,477	440,947
	Other Expenses	12	2,674,935	2,470,033
	<b>Total Expenses (IV)</b>		<b>3,011,412</b>	<b>2,910,980</b>
V	<b>Profit before Exceptional items and tax (I-IV)</b>		<b>297,003</b>	<b>1,396,348</b>
VI	<b>Exceptional Items</b>		-	-
VII	<b>Profit / (Loss) Before Tax (V-VI)</b>		<b>297,003</b>	<b>1,396,348</b>
VIII	<b>Tax Expenses</b>	13		
	(1) Current Tax		565,000	736,000
	(2) Deferred Tax			
IX	<b>Profit/(Loss) for the period from Continung Operations (VII-VIII)</b>		<b>(267,997)</b>	<b>660,348</b>
X	<b>Profit/(Loss) from discontinued opeartions</b>			
XI	<b>Tax expenses of discontinued opeartions</b>			
XII	<b>Profit/(Loss) from Discontinued operations (after tax) (X-XI)</b>			
XIII	<b>Profit/(Loss) for the period (XI+XII)</b>		<b>(267,997)</b>	<b>660,348</b>
XIV	<b>Other Comprehensive Income</b>			
	A Items that will not be reclassified to Statement of Profit and Loss			
	(i) Remeasurement benefit of the defined benefit plans			
	(ii) Income tax expense on remeasurement benefit of the defined plans			
	(iii) Net fair value gain on investment in equity instruments through OCI		9,274	9,107
	B Items that will be reclassified to Statement of Profit and loss			
	<b>TOTAL OTHER COMPREHENSIVE INCOME (A+B)</b>		<b>9,274</b>	<b>9,107</b>
XV	<b>Total Comprehensive income for the period (Comprising Profit/ (loss) and Other Comprehensive Income for the Period) (XIII+XIV)</b>		<b>(258,723)</b>	<b>669,455</b>
XVI	<b>Earnings per equity shares (face value of Rs 10 /each)</b>			
	Basic & Diluted		(2.07)	5.36

Per our Report of even date annexed

For Maharaj N R Suresh and Co

FRN No. 001931S

Chartered Accountants

**N.R Suresh**

Partner

Membership No.21661

Date: 24-05-2019



For and On behalf of the Board

*N. Gopala Ratnam*

**N Gopala Ratnam**

Chairman

## Statement of Changes in Equity for the year ended 31.03.2019

## A) Equity Share Capital

Rs.

Particulars	As at 31.03.2019	As at 31.03.2018
Balance at the beginning of the reporting year	12,500,000	12,500,000
Changes in Equity Share Capital during the year	-	-
Balance at the end of the reporting year	12,500,000	12,500,000

## B) Other Equity

PARTICULARS	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instruments through OCI	Total
Balance as at 01.04 2017(A)	-	10000000	400000	576544	67335	11043879
Additions during the year:						
Profit for the year				660348		660348
Items of OCI for the year, net of taxes						
Remeasurement benefit of defined benefit plans						
Net fair value gain on Investment in equity instruments through OCI					9107	9107
Total Comprehensive Income for the Year 2017-18 (B)	-	-	-	660348	9107	669455
Reductions during the Year						
Dividend						
Income Tax on dividend						
Transfer to General reserve						
Total (C)	-	-	-	-	-	-

PARTICULARS	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instruments through OCI	Total
Balance as at 31st March 2018 (D) = (A+B-C)	-	10000000	400000	1236892	76442	11713334
<b>Additions during the year:</b>						
Profit for the year				(267997)		(267997)
Items of OCI for the year, net of taxes						
Remeasurement benefit of defined benefit plans						
Net fair value gain on Investment in equity instruments through OCI					9274	9274
<b>Total Comprehensive Income for the Year 2018-19 (E)</b>	-	-	-	(267997)	9274	(258723)
<b>Reductions during the Year</b>						
Dividend						
Income Tax on dividend						
Transfer to General reserve						
<b>Total (F)</b>	-	-	-	-	-	-
Balance as at 31st March 2019=(D+E+F)	-	10000000	400000	968895	85716	11454611

Per our Report of even date annexed  
For Maharaj N R Suresh and Co

FRN No. 001931S

Chartered Accountants

*N R Suresh*  
N R Suresh

Partner

Membership No.21661

Date: 24-05-2019



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For and On behalf of the Board

*N Gopala Ratnam*

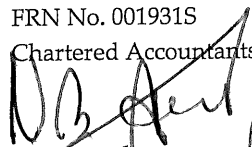
N Gopala Ratnam  
Chairman

Esvi International (Engineers & Exporters) Limited		
Cash Flow Statement for the Year ended 31 st march 2019		
Particulars	Year ended 31.03.2019	Year ended 31.03.2018
Profit/Loss before Tax and Excepitonal Items	297003	1396348
<b>Adjustments For</b>		
Depreciation	336477	440947
Interest Paid	-	-
Dividend	(6542)	(13165)
Interest Received	(591073)	(553763)
Donation	37552	
<b>Operating Profit before working capital changes</b>		
<b>Adjustments For</b>		
Trade and Other Receivables	(67355)	(2050310)
Trade and Other Payables	5115	37962
<b>Cash generated from operations</b>	<b>11177</b>	<b>(741981)</b>
Income tax paid	(567688)	(851777)
<b>Net cash from Operating Activities (A)</b>	<b>(556511)</b>	<b>(1593758)</b>
<b>Investing Activities</b>		
Dividend Received	6542	13165
Interest Received	591073	553763
<b>Net Cash From Investing Activities (B)</b>	<b>597615</b>	<b>566928</b>
<b>Financing Activities</b>		
Interest Paid	-	-
Capital Received	-	-
<b>Net Cash from Financing Activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net increase in Cash and Cash Equivalentents (A+B+C)</b>	<b>41104</b>	<b>(1026830)</b>
Cash and Cash Equivalentents at the beginning	9246100	10272930
<b>Cash and Cash Equivalentents at the end</b>	<b>9287204</b>	<b>9246100</b>

Per our Report of even date annexed  
For Maharaj N R Suresh and Co

FRN No. 001931S

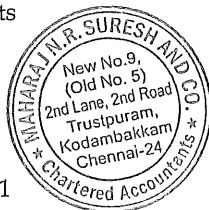
Chartered Accountants

  
N R Suresh

Partner

Membership No.21661

Date: 24-05-2019



For and On behalf of the Board



N Gopala Ratnam  
Chairman

## ESVI INTERNATIONAL (ENGINEERS AND EXPORTERS) LIMITED

### NOTES TO THE FINANCIAL STATEMENTS

#### (1) Significant Accounting Policies:

##### Company's Background:

The company is a public limited company incorporated in India under the Companies Act, 1956. The registered office of the company is located at Esvin House, Seevaram Village, Perungudi, Chennai - 600096. The company is a wholly owned subsidiary of Seshasayee Paper and Boards Limited. The company holds investment property and earns rental income.

##### Statement of Compliance:

Being a subsidiary of a company to which Indian Accounting Standards are applicable, these financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 read with the Companies (Indian Accounting Standards) Rules, 2015.

##### Basis of Preparation and Compliance:

The financial statements are prepared in accordance with the historical cost convention except for certain items that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below. The financial statements are prepared on a "going concern" basis using accrual concept except for the cash flow information.

#### a) Investment Property :

Investment property is property held to earn rentals or for capital appreciation or both.

The company is holding (Land & Building) Investment property which is measured initially at its purchase cost and directly attributable expenditure.

Investment property is stated at cost less depreciation.

##### Depreciation:

Depreciation is recognized so as to write off the cost of assets (other than freehold land and properties under construction) less their residual values over their useful lives, using the straight-line method. The estimated useful lives and residual values are reviewed at the end of each reporting period and changes, if any, are treated as changes in accounting estimate.

#### (i) Estimated useful life of the assets are as follows:

Asset	Years
Buildings(other than factory buildings)	60
Plant and Equipment	15
Furniture and Fixtures	10

During the current year, there has been no change in useful life considered for the assets.



**b) Revenue Recognition :**

Rental income is recognized at a point in time, (i.e.) at the end of each month, in an amount that is expected to be received from the customer in terms of the rental agreement.

**Dividend Income:**

Dividend income from investments is recognized when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

**Interest Income:**

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably.

**c) Financial Instruments:**

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets and financial liabilities are recognized when the company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition.

**i) Investments in equity instruments in associates:**

The Company has elected to carry investment in equity instruments in associates at cost in accordance with Paragraphs 10 of Ind AS-27

**ii) Investments in other Equity Instruments:**

The Company has elected to carry investment in equity instruments as Fair value through other comprehensive income

**iii) Fair value measurement and valuation processes:**

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, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS-2 inventories or value in use in Ind AS 36 — Impairment of Assets.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, as described hereunder:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 - Other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and

Level 3 - Unobservable inputs for the asset or liability

**d) Income Taxes:**

Current tax is the amount of income taxes payable in respect of taxable profit for a period. Current tax is measured using tax rates and tax laws enacted during the reporting period together with any adjustment to tax payable in respect of previous years.

There being no taxable /deductible temporary differences deferred taxes are not recognized

## (2) (A) Investment Property

Rs.

PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION				NET CARRYING AMOUNT		
	As at 01.04.2018	Additions	Deductions	As at 31.03.2019	As at 01.04.2018	Additions during the year	Deductions	As at 31.03.2019	As at 31.03.2019	As at 31.03.2018
Land	524013			524013	-	-		-	524013	524013
Buildings	10244464		37552	10206912	362416	181208		543624	9663288	9882048
Plant & Equipment	1303472			1303472	310538	155269		465807	837665	992934
Furniture & Fixtures	328924			328924	328924	-		328924	-	-
	12400873	-	37,552	12363321	1001878	336477	-	1338355	11024966	11398995

## (2) (B) Investment Property

Rs.

PARTICULARS	GROSS CARRYING AMOUNT			DEPRECIATION				NET CARRYING AMOUNT		
	As at 01.04.2017	Additions	Deductions	As at 31.03.2018	As at 01.04.2017	Additions during the year	Deductions	As at 31.03.2018	As at 31.03.2018	As at 31.03.2017
Land	524013			524013	-	-		-	524013	524013
Buildings	10244464			10244464	181208	181208		362416	9882048	10244464
Plant & Equipment	1303472			1303472	155269	155269		310538	992934	1303472
Furniture & Fixtures	328924			328924	224454	104470		328924	-	328924
	12400873	-	-	12400873	560931	440947	-	1001878	11398995	12400873

## (3) Investments

PARTICULARS	No. of Shares	Face value	As at 31.03.2019	As at 31.03.2018
<b>1.Non Current Investments</b>				
<b>A.Investments in Equity Instruments</b>				
<b>a.Quoted Equity shares</b>				
<b>i) Holding Company( Measured at FVOCI)</b>				
Seshasayee Paper and Boards Limited	116	10	108,965	99,691
<b>ii) Associate( Measured at Cost)</b>				
Ponni Sugars (Erode) Ltd	4,802	10	131,546	131,546
<b>b. Unquoted Equity shares( Measured at FVOCI)</b>				
SPB Projects and Consultancy Ltd	2,250	10	22,500	22,500
Time Square Investments Private Ltd	55,000	10	550,000	550,000
Esvin Advanced Technologies Limited	1,950	10	-	-
<b>Total</b>		40	813,011	803,737

(4) Current Trade Receivables:

PARTICULARS	As at 31.03.2019 Rs	As at 31.03.2018 Rs
Considered Good - Unsecured	4,218,766	4,094,591
<b>Total</b>	<b>4,218,766</b>	<b>4,094,591</b>

(5) Cash and bank Balances

PARTICULARS	As at 31.03.2019 Rs	As at 31.03.2018 Rs
Cash and Cash Equivalent		
- Balances with banks- Current Account	1,091,082	985,481
- Balances with banks-Fixed Deposit	8,187,691	8,259,782
- Cash on hand	8,431	837
<b>Total</b>	<b>9,287,204</b>	<b>9,246,100</b>

(6) Other Current Assets

PARTICULARS	As at 31.03.2019 Rs	As at 31.03.2018 Rs
Tax Pending Adjustments	214,416	211,728
Security Deposits	639,960	696,780
<b>Total</b>	<b>854,376</b>	<b>908,508</b>

**(7) Equity Share Capital:**

Particulars	Par Value Rs.	As at 31.03.2019 Rs.	As at 31.03.2018 Rs.
<b>(a) Authorised:</b> 200000 Equity Shares	100	20,000,000	20,000,000
<b>(b) Issued, Subscribed and Fully Paid-up:</b> 125,000 Equity Shares	100	12,500,000	12,500,000

**(c) Details of Shares held by Holding Company/ultimate holding company and their Subsidiaries and Associates**

Seshasayee Paper and Boards Limited with its nominees hold 100% of the share capital of the Company.

**(d) List of shareholders holding more than 5%:**

Name of Shareholder	As at		As at	
	31.03.2019		31.03.2018	
	Number of Shares	Percentage holding	Number of Shares	Percentage holding
Seshasayee Paper and Boards Ltd and its nominees	125000	100	125000	100

**(e) Reconciliation of number of shares**

Equity Shares	As at		As at	
	31.03.2019		31.03.2018	
	Number of Shares	Value in Rs.	Number of Shares	Value in Rs.
Balance at the beginning of the year	125000	12,500,000	125000	12,500,000
Add: Shares issued during the yer				
Balance at the year end	125000	12,500,000	125000	12,500,000

## (8) Other equity

PARTICULARS	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instruments through OCI	Total
Balance as at 01.04 2017(A)	-	10000000	400000	576544	67335	11043879
<b>Additions during the year:</b>						
Profit for the year				660348		660348
Items of OCI for the year, net of taxes						
Remeasurement benefit of defined benefit plans						
Net fair value gain on Investment in equity instruments through OCI				-	9107	9107
<b>Total Comprehensive Income for the Year 2017-18 (B)</b>	-	-	-	660348	9107	669455
<b>Reductions during the Year</b>						
Dividend						
Income Tax on dividend						
Transfer to General reserve						
<b>Total ( C)</b>	-	-	-	-	-	-
<b>Balance as at 31st March 2018 (D) = (A+B-C)</b>	-	10000000	400000	1236892	76442	11713334
<b>Additions during the year:</b>						
Profit for the year				(267997)		(267997)
Items of OCI for the year, net of taxes						
Remeasurement benefit of defined benefit plans						
Net fair value gain on Investment in equity instruments through OCI				-	9274	9274
<b>Total Comprehensive Income for the Year 2018-19 (E)</b>	-	-	-	(267997)	9274	(258723)
<b>Reductions during the Year</b>						
Dividend						
Income Tax on dividend						
Transfer to General reserve						
<b>Total ( F)</b>	-	-	-	-	-	-
<b>Balance as at 31st March 2019=(D+E+F)</b>	-	10000000	400000	968895	85716	11454611

**(9) TRADE PAYABLES**

PARTICULARS	As at 31.03.2019	As at 31.03.2018
a) Total outstanding dues of micro enterprise and Small enterprise		
b) Total Outstanding dues of creditors other than micro enterprise and small enterprise	113712	108597
<b>Total</b>	<b>113712</b>	<b>108597</b>

9 (i) The classification of the suppliers under Micro, Small and Medium Enterprises Development Act, 2006 is made on the basis of information made available to the Company.

9 (ii) Disclosure requirement as required under Micro, Small, & Medium Enterprises Development Act, 2006 is as follows

PARTICULARS	2018-19	2017-18
i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year	Nil	Nil
ii) Interest paid by the Company in terms of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	Nil	Nil
iii) Interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
iv) Interest accrued and remaining unpaid at the end of each accounting year:	Nil	Nil
v) 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 enterprise	Nil	Nil

**(10) OTHER FINANCIAL LIABILITIES**

PARTICULARS	As at 31.03.2019	As at 31.03.2018
<b>Others</b>		
Security Deposit	2130000	2130000
<b>Total</b>	<b>2130000</b>	<b>2130000</b>



(11) OTHER INCOME	Year ended	Year ended
	31.03.2019	31.03.2018
Interest	591,073	553,763
Dividend Income from Equity Investments	6,542	13,165
<b>Total</b>	<b>597,615</b>	<b>566,928</b>

(12) OTHER EXPENSES:	Year ended	Year ended
	31.03.2019	31.03.2018
Rates and taxes	460,219	452,880
Repairs & Maintenance:		
Building	1,994,897	1,675,940
Plant & Machinery	42,926	212,333
Insurance	12,768	12,769
Audit Fees	50,000	50,000
Miscellaneous Expenses	76,573	66,111
Donation	37,552	-
<b>Total</b>	<b>2,674,935</b>	<b>2,470,033</b>

## \* Additional information:

	31.03.2019	31.03.2018
Audit	30,000	30,000
Taxation Matters	20,000	20,000
<b>Total</b>	<b>50,000</b>	<b>50,000</b>

(13) Tax Expenses	Year ended	Year ended
	31.03.2019	31.03.2018
Current Tax	565,000	736,000
<b>Total</b>	<b>565,000</b>	<b>736,000</b>

(14) Contingent Liabilities and Commitments		
Particulars	As at 31.03.2019	As at 31.03.2018
Contingent Liabilities and Commitments	NIL	NIL

## Note 15 (A) : Category - wise Classification of Financial Instruments

Particulars	Refer Note	Non - Current		Current	
		As on 31.03.2019	As on 31.03.2018	As on 31.03.2019	As on 31.03.2018
<b>Financial Assets measured at Fair Value through Profit or Loss (FVTPL)</b>					
<b>Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)</b>					
Investments in quoted equity shares*		240511	231237		
Investments in Unquoted equity shares		572500	572500		
<b>Financial Assets measured at amortised cost</b>					
Trade Receivables				4,218,766	4094591
Cash and Cash equivalents				9,287,204	9246100
<b>Financial Liabilities measured at Fair Value through Profit and Loss</b>					
<b>Financial Liabilities measured at amortised cost</b>					
Trade Payables				113712	108597
*Investments in these equity shares are not held for trading. Upon the application of IND AS 109-Financial Instruments, the company has chosen to measure these investments in equity instruments at FVTOCI irrevocably as the management believes that presenting fair value gains and losses relating to these investments in the statement of Profit and Loss may not be indicative of the performance of the company					

Note 15 (B) : Fair Value Measurements		Fair Value Hierarchy		
Particulars	Fair Value as at	Quoted price in active markets	Significant observable	Significant unobservable
		Level 1	Level 2	Level 3
<b>As at 31.03.2019</b>				
Financial Assets/Financial Liabilities				
<b>Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)</b>				
Investments in quoted equity shares	240511	240511		
Investments in Unquoted equity shares	572500			572500
<b>Fair Value Hierarchy</b>				
Particulars	Fair Value as at	Quoted price in active markets	Significant observable	Significant unobservable
		Level 1	Level 2	Level 3
<b>As at 31.03.2018</b>				
Financial Assets/Financial Liabilities				
<b>Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)</b>				
Investments in quoted equity shares	231237	231237		
Investments in Unquoted equity shares	572500			572500
1.The fair value of quoted investment in quoted equity shares measured at quoted price				
2.In case of trade receivables,cash and csh equivalents,trade payables,other financial assets and liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments				

**Note 16(A): Disclosures relating to Investment Property**

- i) Fair Value as on 31/03/2019 is Rs.36,30,58,598/-. The Company has not obtained any fair valuation.
- ii) Rental income from Investment Property is Rs.27,10,800/-
- iii) Direct Operating expenses (including Repairs and Maintenance arising from investment property that generated rental income during the year is Rs.20,37,823

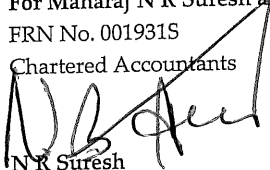
**Note 16(B): Disclosures relating to Income Taxes**

- i) The applicable tax rate for the year is 25%

**Note 17: Approval of Financial Statements**


- i) The Financial Statements were approved for issue by the Board of Directors on 24th May 2019.

Per our Report of even date annexed

For Maharaj N R Suresh and Co  
FRN No. 001931S  
Chartered Accountants  
  
N R Suresh  
Partner  
Membership No.21661  
Date: 24-05-2019



For and On behalf of the Board

  
N Gopala Ratnam  
Chairman