

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF
ESVI INTERNATIONAL (ENGINEERS & EXPORTERS) LIMITED

Report on the Standalone Financial Statements

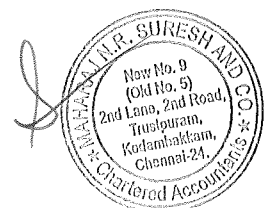
Opinion

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, 2020 the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to financial statements including a summary of the significant 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 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, 2020, the profit / loss (including other comprehensive income), changes in equity and its cash flows for the year then ended.

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 together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules 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 opinion



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 (including other comprehensive income), changes in equity and cash flows of the Company in accordance with other accounting principles generally accepted in India including the Accounting Standard 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 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 statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

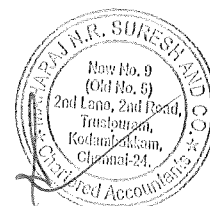
In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or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

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

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

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

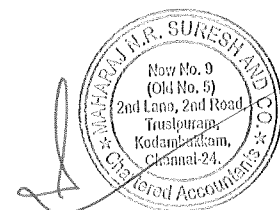
As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.



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 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 Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the 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 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

2. 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.

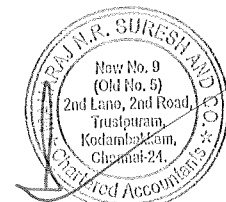
c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income,) the Statement of Changes in Equity and the Cash Flow Statement and dealt with by this Report are in agreement with the relevant books of account.

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, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2020 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".

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.

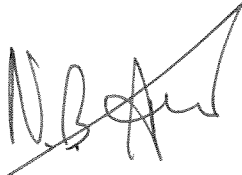
h) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, , in our opinion and to the best of our information and according to the explanations given to us:

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

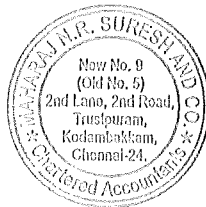
ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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.

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



N.R.SURESH
Partner
(Membership No.021661)
Chennai, July1, 2020
UDIN:20021661AAAABI2272



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").

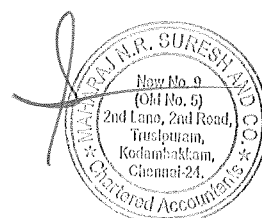
We have audited the Internal Financial Controls over financial reporting of Esvi International (Engineers & Exporters) Limited ("the Company") as of March 31, 2020 in conjunction with our audit of the Standalone Ind AS Financial Statements of the Company for the year ended on that date.

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.



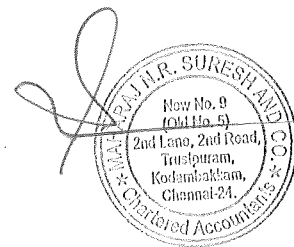
Our audit involves performing procedures to obtain audit evidence about the adequacy of the Internal Financial Controls System over Financial Reporting and their operating effectiveness. Our audit of Internal Financial Controls over Financial Reporting included obtaining an understanding of Internal 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.

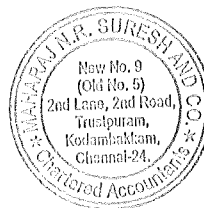
Opinion

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, 2020, 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)



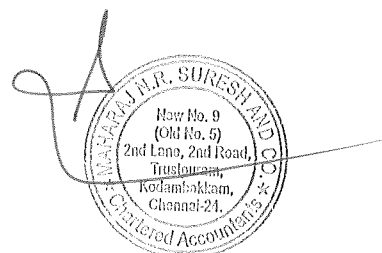
N.R.SURESH
Partner
(Membership No.021661)
Chennai, July 1, 2020
UDIN:20021661AAAABI2272



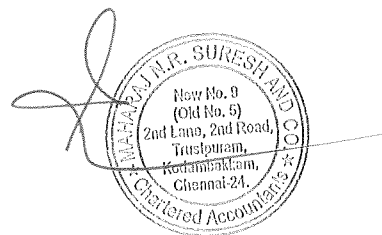
Annexure "B" to the Independent Auditors' Report of even date on the Standalone Ind AS Financial Statements of Esvi International (Engineers & Exporters) Limited

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.

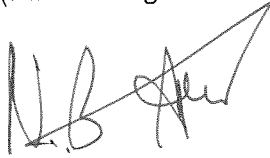


- (vii) According to the information and explanations given to us in respect of Statutory dues :
- (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues, including Income Tax, Wealth Tax, Goods and Service Tax and other material statutory dues applicable to it. There were no undisputed amounts payable in respect of Income Tax, Wealth Tax, Goods and Service Tax were in arrears as at 31st March 2020 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 31st March 2020 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.

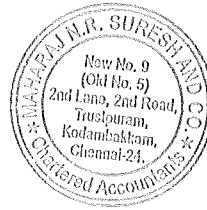


- (xv) The Company has not entered into any non-cash transactions with Directors or persons connected with him.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

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



N.R.SURESH
Partner
(Membership No.021661)
Chennai, July1, 2020
UDIN: 20021661AAAABI2272



Esvi International (Engineers And Exporters) Limited			
Balance Sheet as on 31.03.2020			
Particulars	Note No	As At 31.03.2020	As At 31.03.2019
(1) ASSETS			
Non-current assets			
(a) Investment Property	2	12,915,285	11,024,966
(b) Financial Assets			
(i) Investments	3	764,830	813,011
		13,680,115	11,837,977
(2) Current assets			
(a) Financial Assets			
(i) Trade Receivables	4	1,772,126	4,218,766
(ii) Cash and cash equivalents	5	2,402,074	1,099,513
(iii) Bank Balances other than Cash and Cash Equivalents	6	8,490,008	8,187,691
(b) Other current assets	7	588,516	854,376
		13,252,724	14,360,346
Total Assets		26,932,839	26,198,323
EQUITY AND LIABILITIES			
(1) Equity			
(a) Equity Share capital	8	12,500,000	12,500,000
(b) Other Equity	9	12,184,627	11,454,611
		24,684,627	23,954,611
(2) Current liabilities			
(a) Financial Liabilities			
(i) Trade Payables	10	79,500	75,000
(ii) Other financial liabilities	11	2,130,000	2,130,000
(b) Other Current Liabilities	12	38,712	38,712
		2,248,212	2,243,712
Total Equity and Liabilities		26,932,839	26,198,323

The accompanying notes 1 to 18 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: 28.05.2020

For and On behalf of the Board



N. Gopala Ratnam

Chairman

Esvi International (Engineers And Exporters) Limited
Statement of Profit and Loss for the year ended 31.03.2020

S.No	Particulars	Notes	Year Ended 2019-20	Year Ended 2018-19
I	Revenue from Operations			
	Revenue from Operation		2,710,800	2,710,800
	Other Operating Revenues			
II	Other Income	13	610,816	597,615
III	Total Income (I+II)		3,321,616	3,308,415
IV	Expenses:			
	Depreciation and Amortization Expenses	2	345,327	336,477
	Other Expenses	14	1,696,092	2,674,935
	Total Expenses (IV)		2,041,419	3,011,412
V	Profit before Exceptional items and tax (III-IV)		1,280,197	297,003
VI	Exceptional Items		-	-
VII	Profit / (Loss) Before Tax (V-VI)		1,280,197	297,003
VIII	Tax Expenses			
	(1) Current Tax	15	502,000	565,000
	(2) Deferred Tax			
IX	Profit /(Loss) for the period from Continuing Operations (VII-VIII)		778,197	(267,997)
X	Profit/(Loss) from discontinued operations			
XI	Tax expenses of discontinued operations			
XII	Profit/(Loss) from Discontinued operations (after tax) (X-XI)			
XIII	Profit /(Loss) for the period (IX+XII)		778,197	(267,997)
XIV	Other Comprehensive Income			
	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 benefit plans			
	(iii) Net fair value gain on investment in equity instruments through OCI		(48,181)	9,274
	B Items that will be reclassified to Statement of Profit and loss			
	TOTAL OTHER COMPREHENSIVE INCOME (A+B)		(48,181)	9,274
XV	Total Comprehensive income for the period (Comprising Profit/(loss) and Other Comprehensive Income for the Period) (XIII+XIV)		730,016	(258,723)
XVI	Earnings per equity share (face value of Rs 100 /each)			
	Basic		5.84	(2.07)
	Diluted		5.84	(2.07)

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: 28.05.2020

For and On behalf of the Board



N. Gopala Ratnam

Chairman

Statement of Changes in Equity for the year ended 31.03.2020

A) Equity Share Capital

Rs.

Particulars	As at 31.03.2020	As at 31.03.2019
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 2018(A)	-	10,000,000	400,000	1,236,892	76,442	11,713,334
Additions during the year:						
Profit for the year				(267,997)		(267,997)
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					9,274	9,274
Total Comprehensive Income for the Year 2018-19 (B)				(267,997)	9,274	(258,723)
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 2019 (D) = (A+B-C)	-	10,000,000	400,000	968,895	85,716	11,454,611
Additions during the year:						
Profit for the year				778,197		778,197
Items of OCI for the year, net of taxes						
Remeasurement benefit of defined benefit plans					(48,181)	(48,181)
Net fair value gain on Investment in equity instruments through OCI						
Total Comprehensive Income for the Year 2019-20 (E)				778,197	(48,181)	730,016
Reductions during the Year						
Dividend						
Income Tax on dividend						
Transfer to General reserve						
Total (F)						
Balance as at 31st March 2020=(D+E-F)	-	10,000,000	400,000	1,747,092	37,535	12,184,627

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: 28.05.2020

For and On behalf of the Board



N. Gopala Ratnam

Chairman

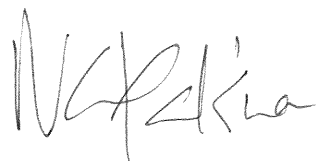
Esvi International (Engineers & Exporters) Limited		
Cash Flow Statement for the Year ended 31st March 2020		
Particulars	Year ended 31.03.2020	Year ended 31.03.2019
Profit/Loss before Tax and Exceptional Items	1,280,197	297,003
Adjustments For		
Depreciation	345,327	336,477
Interest Paid	-	-
Dividend	(11,924)	(6,542)
Interest Received	(598,892)	(591,073)
Donation		37,552
Operating Profit before working capital changes		
Adjustments For		
Trade and Other Receivables	2,603,750	(67,355)
Reclassification of fixed deposits	(302,317)	(8,187,691)
Trade and Other Payables	4,500	5,115
Cash generated from operations	3,320,641	(8,176,514)
Income tax paid	(393,250)	(567,688)
Net cash from Operating Activities (A)	2,927,391	(8,744,202)
Investing Activities		
Purchase/Acquisition of fixed assets	(2,235,646)	
Dividend Received	11,924	6,542
Interest Received	598,892	591,073
Net Cash From Investing Activities (B)	(1,624,830)	597,615
Financing Activities		
Interest Paid	-	-
Capital Received	-	-
Net Cash from Financing Activities (C)	-	-
Net increase in Cash and Cash Equivalents (A+B+C)	1,302,561	(8,146,587)
Cash and Cash Equivalents at the beginning	1,099,513	9,246,100
Cash and Cash Equivalents at the end	2,402,074	1,099,513

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: 28.05.2020

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

Rs.

(2) (A) Investment Property

PARTICULARS	GROSS CARRYING AMOUNT				DEPRECIATION				NET CARRYING AMOUNT	
	As at 01.04.2019	Additions	Deductions	As at 31.03.2020	As at 01.04.2019	Additions during the year	Deductions	As at 31.03.2020	As at 31.03.2020	As at 31.03.2019
Land	524,013			524,013	-	-		-	524,013	524,013
Buildings	10,206,912	2,235,646		12,442,558	543,624	190,058		733,682	11,708,876	9,663,288
Plant & Equipment	1,303,472			1,303,472	465,807	155,269		621,076	682,396	837,665
Furniture & Fixtures	328,924			328,924	328,924	-		328,924	-	-
SS										
	12,363,321	2,235,646	-	14,598,967	1,338,355	345,327	-	1,683,682	12,915,285	11,024,966

Rs.

(2) (B) Investment Property

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	524,013			524,013	-	-		-	524,013	524,013
Buildings	10,244,464		37,552	10,206,912	362,416	181,208		543,624	9,663,288	9,882,048
Plant & Equipment	1,303,472			1,303,472	310,538	155,269		465,807	837,665	992,934
Furniture & Fixtures	328,924			328,924	328,924			328,924	-	-
	12,400,873	-	37,552	12,363,321	1,001,878	336,477	-	1,338,355	11,024,966	11,398,995

i) Fair value as on 31-03-2020 is Rs.36,73,76,290/-

ii) Fair value as on 31-03-2019 is Rs.36,30,58,598/

(3) Investments

PARTICULARS	No. of Shares	Face value	As at	As at
			31.03.2020	31.03.2019
			Rs	Rs
1.Non Current Investments				
A.Investments in Equity Instruments				
a.Quoted Equity shares				
i) Holding Company				
(Measured at FVOCI)				
Seshasayee Paper and Boards Limited	580 (PY 116)	2 10	60,784	108,965
ii) Associate (Measured at Cost)				
Ponni Sugars (Erode) Ltd	4,802	10	131,546	131,546
b. Unquoted Equity shares				
(Measured at FVOCI)				
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	-	-
Total			764,830	813,011

(4) Current Trade Receivables:

PARTICULARS	As at	As at
	31.03.2020	31.03.2019
	Rs	Rs
Considered Good - Unsecured	1,772,126	4,218,766
Total	1,772,126	4,218,766

(5) Cash and bank Balances

PARTICULARS	As at	As at
	31.03.2020	31.03.2019
	Rs	Rs
Cash and Cash Equivalent		
- Balances with banks- Current Account	2,396,497	1,091,082
- Cash on hand	5,577	8,431
Total	2,402,074	1,099,513

Notes forming part of the Financial Statements

(6) Bank Balance Other than Cash and Cash Equivalents

PARTICULARS	As at 31.03.2020 Rs	As at 31.03.2019 Rs
Other Balances with bank	8,490,008	8,187,691
Term deposits with original maturity for more than 3 months but less than 12 months		
Total	8,490,008	8,187,691

(7) Other Current Assets

PARTICULARS	As at 31.03.2020 Rs	As at 31.03.2019 Rs
Tax Pending Adjustments	105,666	214,416
Security Deposits	482,850	639,960
Total	588,516	854,376

Notes forming part of the Financial Statements

(8) Equity Share Capital:

Particulars	Par Value Rs.	As at	As at
		31.03.2020 Rs.	31.03.2019 Rs.
(a) Authorised: 200000 Equity Shares	100	20,000,000	20,000,000
(b) Issued, Subscribed and Fully Paid-up: 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	
	31.03.2020		31.03.2019	
	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	
	31.03.2020		31.03.2019	
	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 year				
Balance at the year end	125000	12,500,000	125000	12,500,000

Rs.

(9) Other equity

PARTICULARS	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instruments through OCI	Total
Balance as at 01.04 2018(A)	-	10,000,000	400,000	1,236,892	76,442	11,713,334
Additions during the year:						
Profit for the year				(267,997)		(267,997)
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				-	9,274	9,274
Total Comprehensive Income for the Year 2018-19 (B)	-	-	-	(267,997)	9,274	(258,723)
Reductions during the Year						
Dividend						
Income Tax on dividend						
Transfer to General reserve						
Total (C)	-	-	-	-	-	-
Balance as at 31st March 2019 (D) = (A+B-C)	-	10,000,000	400,000	968,895	85,716	11,454,611
Additions during the year:						
Profit for the year				778,197		778,197
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				-	(48,181)	(48,181)
Total Comprehensive Income for the Year 2019-2020 (E)	-	-	-	778,197	(48,181)	730,016
Reductions during the Year						
Dividend						
Income Tax on dividend						
Transfer to General reserve						
Total (F)	-	-	-	-	-	-
Balance as at 31st March 2020 (D+E-F)	-	10,000,000	400,000	1,747,092	37,535	12,184,627

(10) TRADE PAYABLES

PARTICULARS	As at	As at
	31.03.2020	31.03.2019
	Rs	Rs
a) Total outstanding dues of micro enterprise and Small enterprise		
b) Total Outstanding dues of creditors other than micro enterprise and small enterprise	79,500	75,000
Total	79,500	75,000

10 (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.

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

PARTICULARS	2019-20	2018-19
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

(11) OTHER FINANCIAL LIABILITIES

PARTICULARS	As at	As at
	31.03.2020	31.03.2019
	Rs	Rs
Others		
Security Deposit	2,130,000	2,130,000
Total	2,130,000	2,130,000

(12) OTHER CURRENT LIABILITIES

PARTICULARS	As at	As at
	31.03.2020	31.03.2019
	Rs	Rs
Others		
Statutory Liabilities	38,712	38,712
Total	38,712	38,712

Schedules to Profit and Loss Account

	Year ended	Year ended
	31.03.2020	31.03.2019
(13) OTHER INCOME		
Interest	598,892	591,073
Dividend Income from Equity Investments	11,924	6,542
Total	610,816	597,615

	Year ended	Year ended
	31.03.2020	31.03.2019
(14) OTHER EXPENSES:		
Rates and taxes	458,588	460,219
Repairs & Maintenance:		
Building	776,044	1,994,897
Plant & Machinery	315,989	42,926
Insurance	15,576	12,768
Audit Fees	50,000	50,000
Miscellaneous Expenses	79,895	76,573
Donation	-	37,552
Total	1,696,092	2,674,935

* Additional information:

	31.03.2020	31.03.2019
Audit	30,000	30,000
Taxation Matters	20,000	20,000
Total	50,000	50,000

	Year ended	Year ended
	31.03.2020	31.03.2019
(15) Tax Expenses		
Current Tax	502,000	565,000
Total	502,000	565,000

(16) Contingent Liabilities and Commitments		
Particulars	As at 31.03.2020	As at 31.03.2019
Contingent Liabilities and Commitments	NIL	NIL

Note 16 (A) : Category - wise Classification of Financial Instruments

Particulars	Refer Note	Non - Current		Current	
		As on 31.03.2020	As on 31.03.2019	As on 31.03.2020	As on 31.03.2019
Financial Assets measured at Fair Value through Profit or Loss (FVTPL)					
Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)					
Investments in quoted equity shares*		192,330	240,511		
Investments in Unquoted equity shares		572,500	572,500		
Financial Assets measured at amortised cost					
Trade Receivables				1,772,126	4,218,766
Cash and Cash equivalents				2,402,074	1,099,513
Bank balances other than Cash And Cash Equivalents				8,490,008	8,187,691
Financial Liabilities measured at Fair Value through Profit and Loss					
Financial Liabilities measured at amortised cost					
Trade Payables				79,500	75,000
Other Financial Liabilities - Security Deposit				2,130,000	2,130,000

*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

Notes forming part of the Financial Statements

Particulars	Fair Value as at	Fair Value Hierarchy		
		Quoted price in active markets	Significant observable	Significant unobservable
Note 16 (B) : Fair Value Measurements				
As at 31.03.2020	31.03.2020	Level 1	Level 2	Level 3
Financial Assets/Financial Liabilities				
Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)				
Investments in quoted equity shares	192330	192330		
Investments in Unquoted equity shares	572500			572500
		Fair Value Hierarchy		
		Quoted price in active markets	Significant observable	Significant unobservable
As at 31.03.2019	31.03.2019	Level 1	Level 2	Level 3
Financial Assets/Financial Liabilities				
Financial Assets measured at Fair Value through Other Comprehensive Income (FVTOCI)				
Investments in quoted equity shares	240,511	240,511		
Investments in Unquoted equity shares	572,500			572,500
1. The fair value of quoted investment in quoted equity shares measured at quoted price				
2. In case of trade receivables, cash and cash 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 17(A): Disclosures relating to Investment Property

- i) Fair Value as on 31/03/2020 is Rs.36,73,76,290/-
- 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.10,92,033

Note 17(B): Disclosures relating to Income Taxes

- i) The applicable tax rate for the year is 22.88%
- ii) There is no deferred tax as there are no temporary differences between balances between tax base and accounting base

Note 18 : Approval of Financial Statements

- i) The Financial Statements were approved for issue by the Board of Directors on 28th May 2020

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: 28.05.2020

For and On behalf of the Board



N. Gopala Ratnam
Chairman