

Maharaj N R Suresh And Co.

Chartered Accountants

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

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INDEPENDENT AUDITOR'S REPORT

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

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind As financial statements of Esvi International (Engineers & Exporters) LIMITED ('the Company'), which comprise the Balance Sheet as at 31st March 2018, the Statement of Profit and Loss (including Other comprehensive income), the Cash Flow Statement, the statement of changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

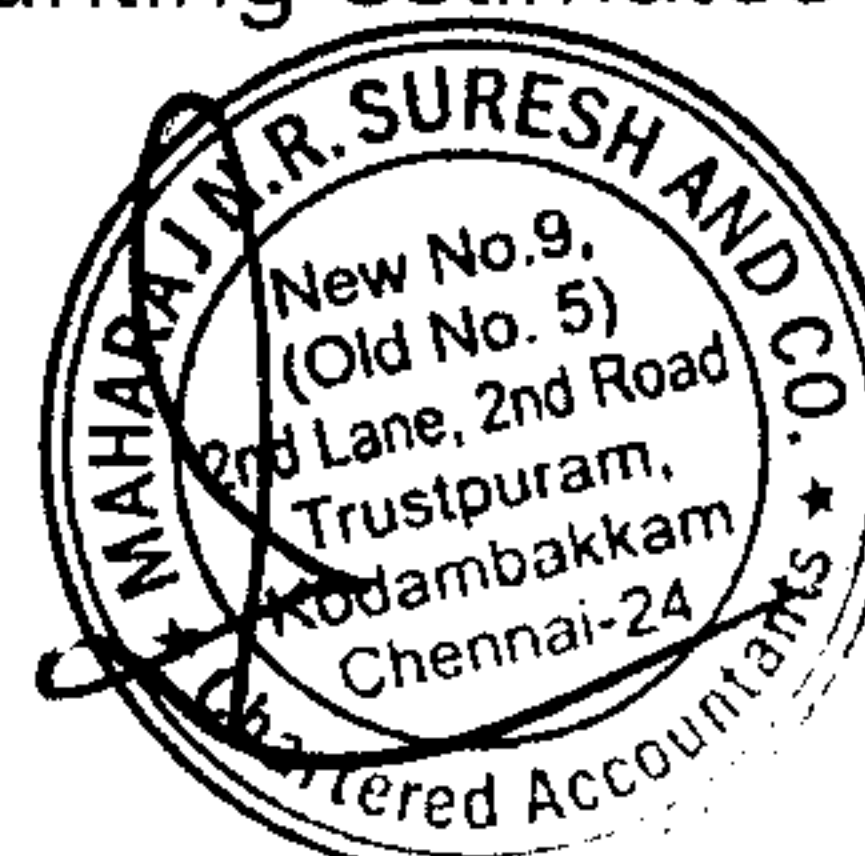
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind As financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 Ind As financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind As financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the standalone Ind As Financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind As financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind As financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind As financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind As financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's



Directors, as well as evaluating the overall presentation of the Standalone Ind As financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind As financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind As financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its Profit, total Comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Other Matters

The comparative financial information of the company for the year ended 31st March 2017 and the transition date opening Balance sheet as at 1st April, 2016 included in these Standalone Ind As Financial Statements, are based on the statutory financial statements prepared in accordance with the companies (Accounting Standards) Rules, 2006, audited by us and report for the year ended 31st March 2017 and 31st March 2016, dated 30th May 2017 and 27th May 2016 respectively, expressed an unmodified opinion on those Standalone Ind As Financial statements as adjusted for the differences in the accounting principles adopted by the company on transition to the Ind As which have been audited by us

Our opinion on the standalone Ind As Financial Statements and our report on other Legal and Regulatory Requirements below is not modified in respect of these matters

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.

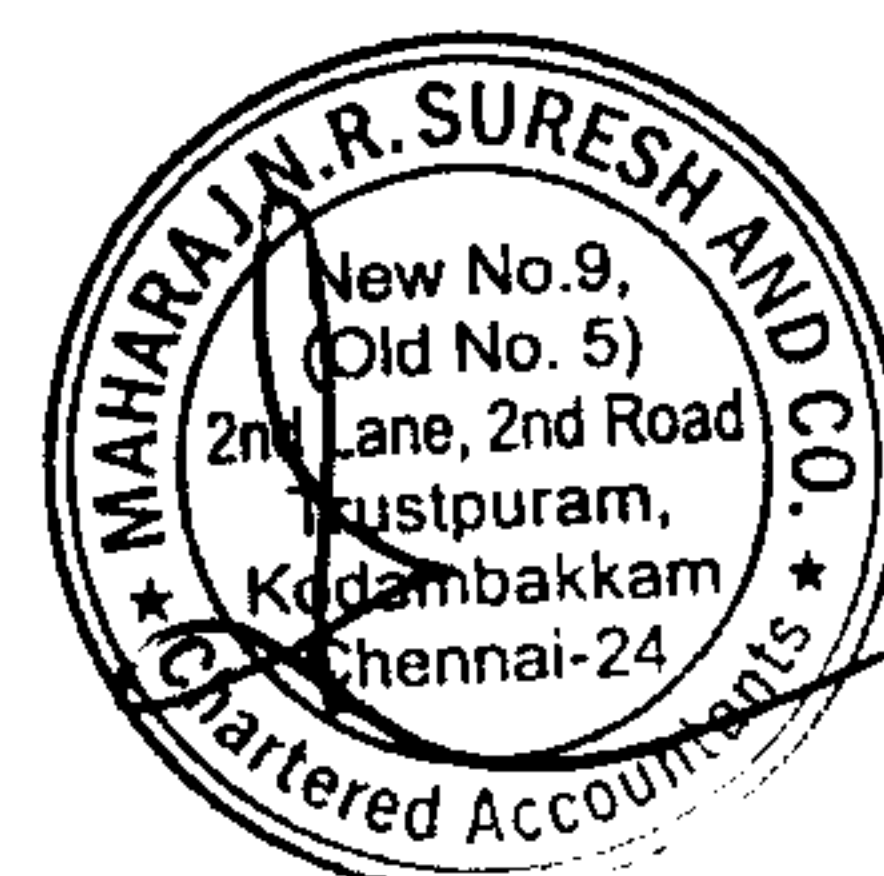
(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books

(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 specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on 31st March, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 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.

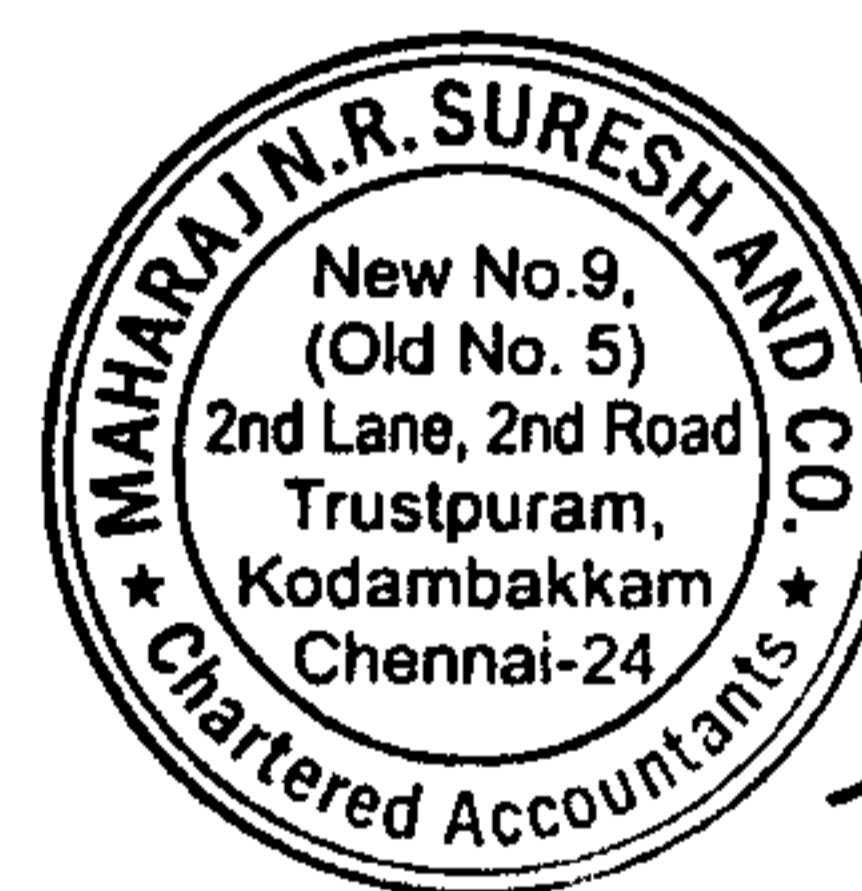


(g) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company has no pending litigation impacting the 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 (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Act, we give in the Annexure "B" a statement on the matters specified in the Paragraphs 3 and 4 of the Order, to the extent applicable.

For Maharaj N R Suresh and Co
FRN001931S
Chartered Accountants



N R Suresh

N R SURESH
Partner
M.No: 021661

Place: Chennai
Date: 25-May-2018

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, 2018 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

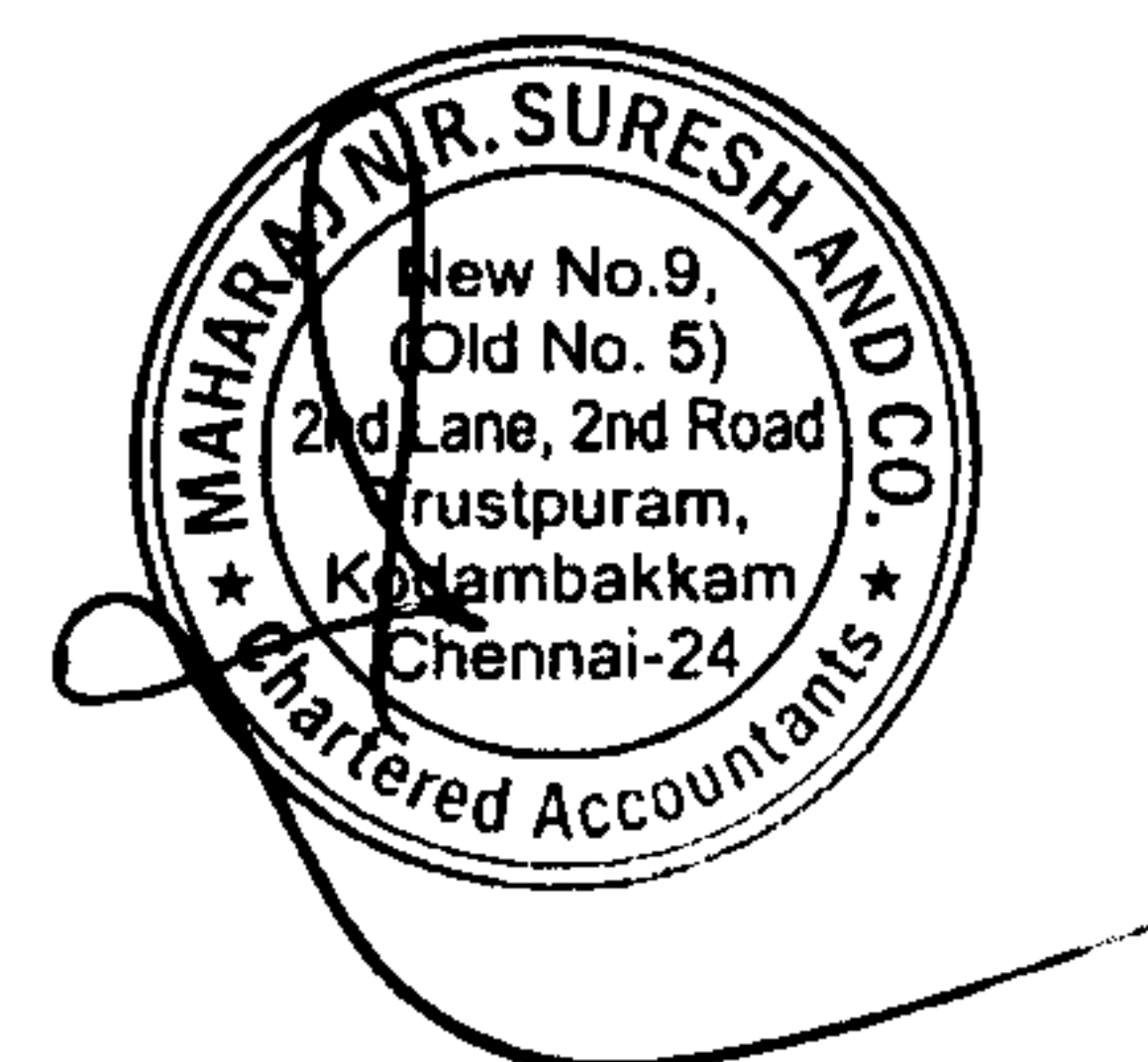
The Company's Management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial 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 the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the Auditor's judgment, 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:

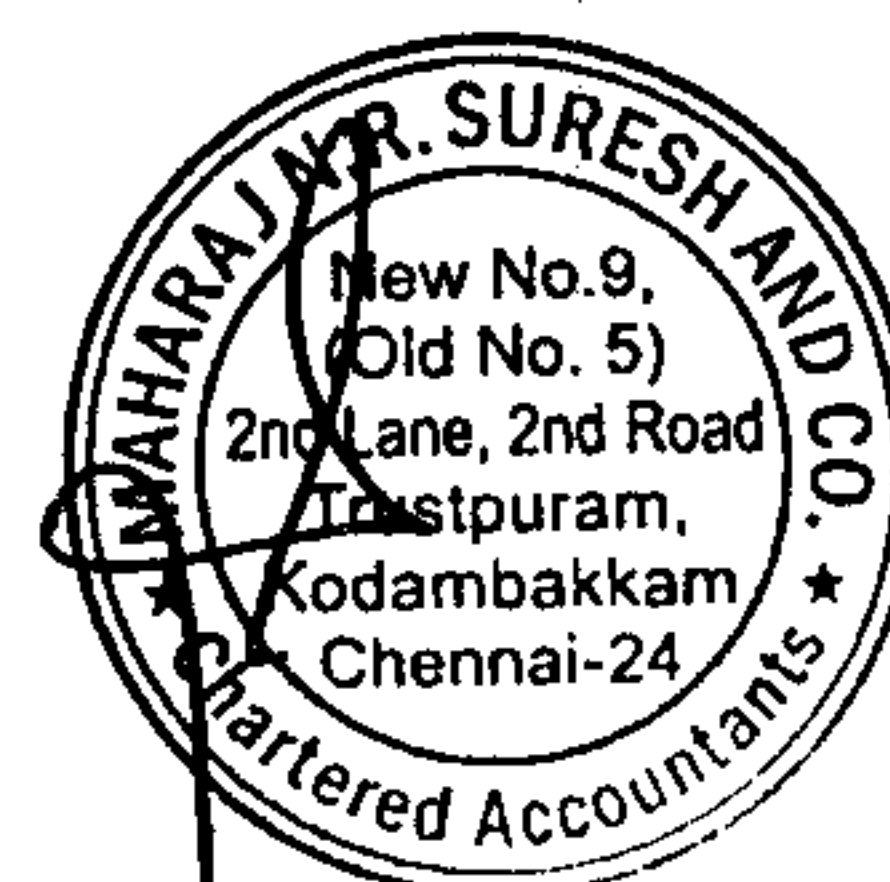
- (i) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance 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, 2018, 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.



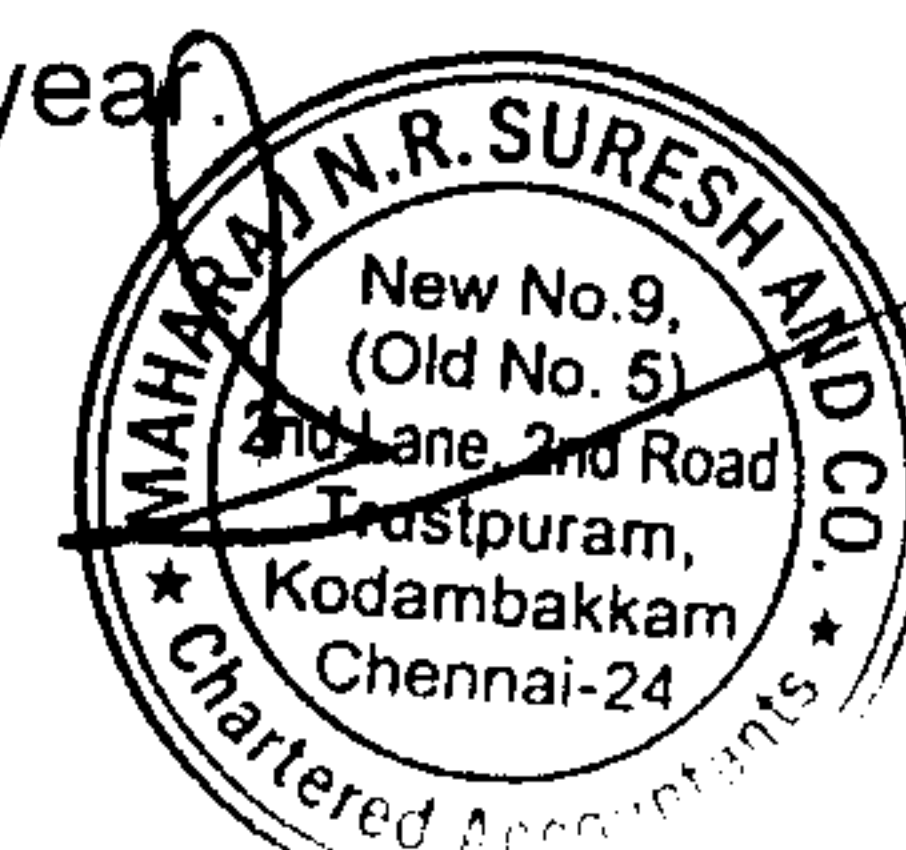
Annexure "B" to the Independent Auditors' Report of even date on the Standalone Ind As Financial Statements of Esvi International (Engineers & Exporters) Limited.

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 property are held in the name of the company
- (ii) The company has no inventories
- (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 Section 185 and 186 of the Companies Act, 1956 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, 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 and Service tax, were in arrears as at 31st March 2018 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanation given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty, Service Tax, Goods and Service Tax and cess, which have not been deposited on account of any dispute :
- (viii) The Company has not availed loans or borrowing from a financial institution, bank, Government or has dues to debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the company has not raised any money by way of initial public offer or further public offer term loans (including debt instruments) during the year.
- (x) According to the information and explanations given to us, 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 section 177 and 188 of Companies Act, 2013, where applicable and the details have been disclosed in the financial statements 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
FRN001931S
Chartered Accountants



N R Suresh
Partner
M.No:021661

Place: Chennai
Date : 25-May-2018

Esvi International (Engineers & Exporters) Limited					
Balance Sheet as on 31.03.2018					
(₹)					
	Particulars	Note No	As At 31.03.2018	As At 31.03.2017	As At 01.04.2016
(1)	ASSETS				
	Non-current assets				
	(a) Investment Property	2	11,398,995	11,839,942	12,400,873
	(b) Financial Assets				
	(i) Investments	3	803,737	794,630	730,494
			12,202,732	12,634,572	13,131,367
(2)	Current assets				
	(a) Financial Assets				
	(i) Trade Receivables	4	4,094,591	2,049,889	746,167
	(ii) Cash and cash equivalents	5	9,246,100	10,272,930	143,229
	(b) Other current assets	6	908,508	787,123	742,414
			14,249,199	13,109,942	1,631,810
	Total Assets		26,451,931	25,744,514	14,763,177
	EQUITY AND LIABILITIES				
	Equity				
	(a) Equity Share capital	7	12,500,000	12,500,000	2,500,000
	(b) Other Equity	8	11,713,334	11,043,879	(690,265)
			24,213,334	23,543,879	1,809,735
(1)	Current liabilities				
	(a) Financial Liabilities				
	(i) Trade Payables	9	108,597	70,635	187,374
	(ii) Other financial liabilities	10	2,130,000	2,130,000	12,766,068
			2,238,597	2,200,635	12,953,442
	Total Equity and Liabilities		26,451,931	25,744,514	14,763,177

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



For and on behalf of the Board



N Gopalaratnam
Chairman

Chennai

25th May 2018

Esvi International (Engineers & Exporters) Limited
Statement of Profit and Loss for the year ended 31.03.2018

(₹)

S.No	Particulars	Note No	Year Ended 2017-18	Year Ended 2016-17
I	Revenue from Operations- Rental income		3,740,400	3,834,000
II	Other Income	11	566,928	344,475
III	Total Income (I+II)		4,307,328	4,178,475
IV	Expenses:			
	Finance Cost	12	-	248,548
	Depreciation and Amortization Expenses	2	440,947	560,931
	Other Expenses	13	2,470,033	953,988
	Total Expenses (IV)		2,910,980	1,763,467
V	Profit before Exceptional items and tax (III - IV)		1,396,348	2,415,008
VI	Exceptional Items		-	-
VII	Profit / (Loss) Before Tax (V-VI)		1,396,348	2,415,008
VIII	Tax Expenses	14		
	(1) Current Tax		736,000	745,000
	(2) Deferred Tax			
IX	Profit / (Loss) for the period from Continuing Operations (VII-VIII)		660,348	1,670,008
X	Profit / (Loss) for the period		660,348	1,670,008
XI	Other Comprehensive Income			
	A Items that will not be reclassified to Statement of Profit and Loss			
	(i) Net fair value gain on investment in equity instruments through OCI		9,107	64,136
	TOTAL OTHER COMPREHENSIVE INCOME		9,107	64,136
XII	Total Comprehensive income for the period (Comprising Profit / (Loss) and Other Comprehensive Income for the Period) (X + XI)		669,455	1,734,144
XIII	Earnings per equity shares (face value of Rs 10 /each)			
	Basic & Diluted		5.36	13.87

Per our Report of even date annexed

For Maharaj N R Suresh And Co

FRN No. 001931S

Chartered Accountants

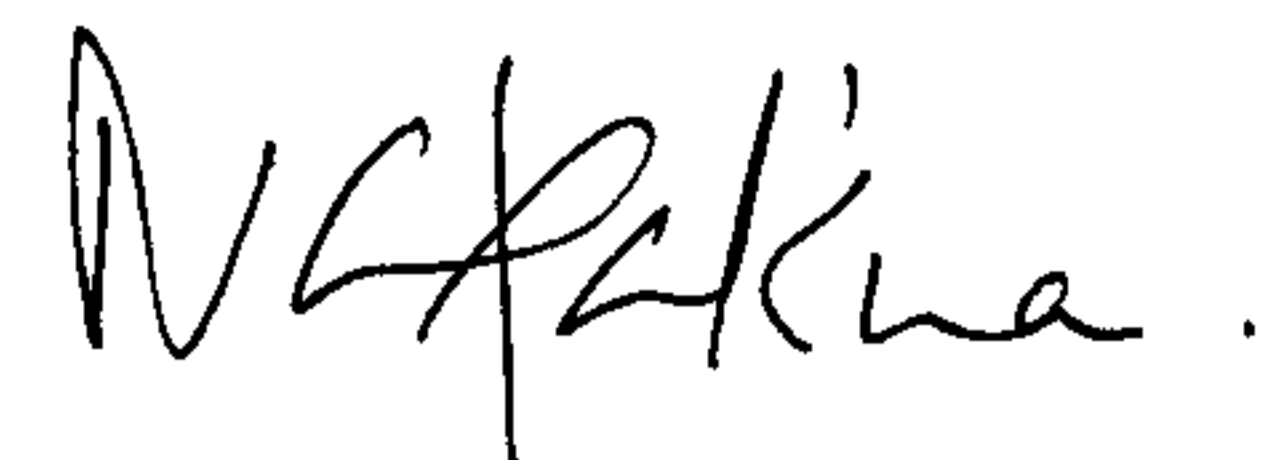

N R Suresh

Partner

Membership No.21661



For and on behalf of the Board



N Gopalratnam

Chairman

Chennai

25th May 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018							
EQUITY SHARE CAPITAL		in lakhs					
A)	Particulars	As at 31.03.2018	As at 31.03.2017	As at 31.03.2016			
	Balance at the beginning of the reporting year	12,500,000	2,500,000	2,500,000			
	Changes in Equity Share capital during the year	-	10,000,000	-			
	Balance at the end of the reporting year	12,500,000	12,500,000	2,500,000			
B) OTHER EQUITY							
	PARTICULARS	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instruments through OCI	Total
	Balance as at 01.04.2016 (A)	-	-	400,000	(1,093,464)	3,199	(690,265)
	Additions during the year:	-	10,000,000	-	-	-	10,000,000
	Profit for the year	-	-	-	1,670,008	-	1,670,008
	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	-	-	-	-	64,136	64,136
	Other IND AS Adjustments	-	-	-	-	-	-
	Total Comprehensive Income for the Year 2016-17 (B)	-	10,000,000	-	1,670,008	64,136	11,734,144
	Reductions during the Year	-	-	-	-	-	-
	Dividend	-	-	-	-	-	-
	Income Tax on dividend	-	-	-	-	-	-
	Transfer to General reserve	-	-	-	-	-	-
	Total (C)	-	-	-	-	-	-
	Balance as at 31st March 2017(D)=(A+B+C)	-	10,000,000	400,000	576,544	67,335	11,043,879

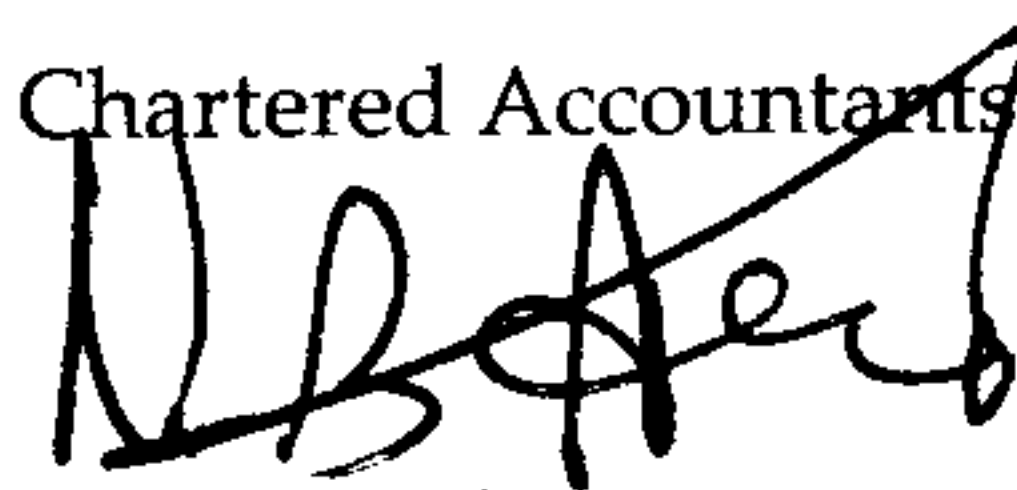
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PARTICULARS	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instruments through OCI	Total
Additions during the year:						
Profit for the year	-	-	-	660,348	-	660,348
Items of OCI for the year, net of taxes	-	-	-	-	-	
Remeasurement benefit of defined benefit plans	-	-	-	-	-	
Net fair value gain on Investment in equity instruments through OCI	-	-	-	-	9,107	9,107
Total Comprehensive Income for the Year 2017-18 (E)	-	-	-	660,348	9,107	669,455
Reductions during the Year	-	-	-	-	-	
Dividend	-	-	-	-	-	
Income Tax on dividend						
Transfer to General reserve						
Total (F)	-	-	-	-	-	-
Balance as at 31st March 2018=(D+E+F)	-	10,000,000	400,000	1,236,892	76,442	11,713,334

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



For and on behalf of the Board



N Gopalratnam

Chairman

Chennai

25th May 2018

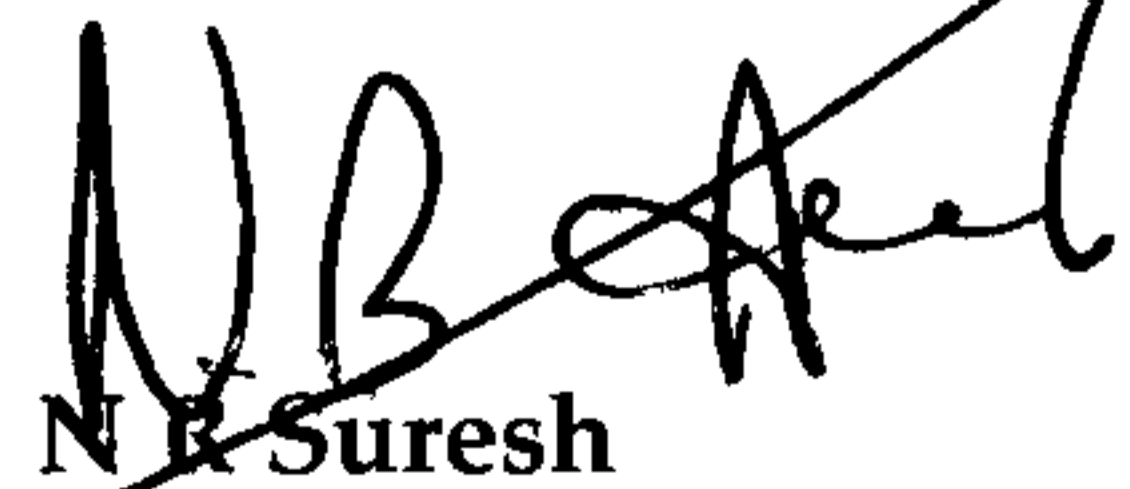
Esvi International (Engineers & Exporters) Limited		
Cash Flow Statement for the year ended 31 st march 2018		
(₹)		
PARTICULARS	YEAR ENDED 31.03.2018	YEAR ENDED 31.03.2017
Profit/Loss before Tax and Exceptional Items	1,396,348	2,415,008
Adjustments For		
Depreciation	440,947	560,931
Interest Paid		248,548
Dividend	(13,165)	(6,342)
Interest Received	(553,763)	(338,133)
Operating profit before working capital changes		
Adjustments For		
Trade and Other Receivables	(2,050,310)	(1,411,398)
Trade and other Payables	37,962	(116,739)
Cash generated from operations	(741,981)	1,351,875
Income tax Paid	(851,777)	(682,033)
Net cash from Operating Activities (A)	(1,593,758)	669,842
Investing Activities		
Dividend received	13,165	6,342
Interest Received	553,763	338,133
Net cash from Investing Activities (B)	566,928	344,475
Financing Activities		
Interest paid	-	(248,548)
Capital Received	-	20,000,000
Repayment of SPBPC loan and Interest	-	(10,636,068)
Net cash from Financing Activities (C)	-	9,115,384
Net increase in Cash and Cash Equivalents (A+B+C)	(1,026,829)	10,129,700
Cash and Cash Equivalents at the beginning	10,272,930	143,229
Cash and Cash equivalents at the end	9,246,100	10,272,930

Per our Report of even date annexed

For Maharaj N R Suresh And Co

FRN No. 001931S

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N R Suresh

Partner

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For and on behalf of the Board



N Gopalaratnam

Chairman

Chennai

25th May 2018

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 under the Companies Act, 1956. The registered office of the company is located at Esvin House, Seewaram 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.

These are the Company's first Ind AS financial statements. The date of transition to Ind AS is 01.04.2016.

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 recognised 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 measured at the fair value of the consideration received or receivable to the extent that the amount recoverable can be measured reliably and it is reasonable to expect ultimate collection.

Dividend Income:

Dividend income from investments is recognised 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 recognised 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

i) 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

FIRST TIME ADOPTION OF Ind AS:

For all periods up to and including the year ended 31st March 2017, the Company had prepared its financial statements in accordance with the accounting standards notified under Section 133 of the Companies Act, 2013, read together with Rule 7 of the Companies (Accounts) Rules, 2014 ("Previous GAAP"). This note explains the principal adjustments made by the Company in restating its financial statements prepared under Previous GAAP for the following:

- a) Balance Sheet as at 1st April 2016 (Transition date);
- b) Balance Sheet as at 31st March 2017 and
- c) Statement of Profit and Loss for the year ended 31st March, 2017
- d) Statement of Cash flows for the year ended 31st March, 2017

EXEMPTIONS AVAILED:

Ind As 101 First –time adoption of Indian Accounting Standards, allows first-time adopters, exemptions from the retrospective application and exemption from application of certain requirements of other Ind AS. The Company has availed the following exemption as per Ind AS 101:

- 1) The Company has elected to consider the carrying value of all its Investment property recognized in the financial statements prepared under Previous GAAP and use the same as deemed cost in the opening Ind AS Balance Sheet.

NOTE TO THE FINANCIAL STATEMENTS

FAIR VALUATION FOR FINANCIAL ASSETS: (EQUITY INSTRUMENTS)

The Company has valued all financial assets, other than investments in associate at fair value as mandated by Ind AS 109 Financial Instruments. Impact of fair value changes as on the date of transition Rs 3,199/- is recognized in Other Equity- Equity Instruments through OCI and changes thereafter are recognized in other Comprehensive Income.

NOTE NO (2) (A) : Investment Property										Rs.
PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION				NET BLOCK		
	As at 01.04.2017	Additions	Deductions	As at 31.03.2018	Upto 31.03.2017	For the year	Withdrawn	Upto 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	10063256
Plant & Equipment	1303472			1303472	155269	155269		310538	992934	1148203
Furniture & Fixtures	328924			328924	224454	104470		328924	0	104470
	12400873	0	0	12400873	560931	440947	0	1001878	11398995	11839942
NOTE NO (2) (B) : Investment Property										Rs.
PARTICULARS	GROSS BLOCK			DEPRECIATION / AMORTISATION				NET BLOCK		
	As at 01.04.2016	Additions	Deductions	As at 31.03.2017	Upto 31.03.2016	For the year	Withdrawn	Upto 31.03.2017	As at 31.03.2017	As at 31.03.2016
Land	524013			524013				-	524013	524013
Buildings	10244464			10244464	0	181208		181208	10063256	10244464
Plant & Equipment	1303472			1303472	0	155269		155269	1148203	1303472
Furniture & Fixtures	328924			328924	0	224454		224454	104470	328924
	12400873	0	0	12400873	0	560931	0	560931	11839942	12400873
i) The Assets are not subject to any charge										
ii) Capital Commitments - NIL										

NOTE NO (3): Investments									
PARTICULARS				No. of Shares	Face value	As at 31.03.2018	As at 31.03.2017	As At 01.04.2016	
1.Non Current Investments									
A.Investments in Equity Instruments									
Investments Measured at Fair Value through Other Comprehensive Income									
a.Quoted Equity shares									
i) Holding Company									
Seshasayee Paper and Boards Limited				116	10	99,691	90,584	26,448	
ii) Associate (Measured at cost)									
Ponni Sugars (Erode) Ltd				4,802	10	131,546	131,546	131,546	
Total Quoted Equity Shares						231,237	222,130	157,994	
b. Unquoted Equity shares									
SPB Projects and Consultancy Ltd				2,250	10	22,500	22,500	22,500	
Time Square Investments Private Ltd				55,000	10	550,000	550,000	550,000	
Esvin Advanced Technologies Limited				1,950	10	-	-	-	
Total						40	803,737	794,630	730,494
Aggregate amount of Quoted Investments-At Cost							133,245	133,245	133,245
Aggregate amount of Quoted Investments-At Market value							786,377	1,090,360	1,044,952
Aggregate amount of Unquoted Investments-At Market value							572,500	572,500	572,500
NOTE NO (4): Trade Receivables:									
				As at	As at	As at			
				31.03.2018	31.03.2017	31.03.2016			
				Rs	Rs	Rs			
Unsecured - Considered Good				4,094,591	2,049,889	746,167			
Total				4,094,591	2,049,889	746,167			

NOTE NO (5) : Cash and Bank Balances							
PARTICULARS	As at		As at		As at		
	31.03.2018		31.03.2017		31.03.2016		
	Rs		Rs		Rs		
Cash and Cash Equivalent							
- Balances with banks- Current Account	985,481		2,504,639		139,012		
- Balances with banks-Fixed Deposit							
Term deposits with original maturity of less than 3 months	-		-		-		
Term deposits with original maturity for more than 3 months but less than 12 Months	8,259,782		7,761,396		-		
- Cash on hand	837	9,246,100	6,895	10,272,930	4,217	143,229	
Total		9,246,100		10,272,930		143,229	
NOTE NO (6) : Other Current Assets							
	As at		As at		As at		
	31.03.2018		31.03.2017		31.03.2016		
	Rs		Rs		Rs		
- Interest Receivable		-		2,760		3,200	
Tax Pending Adjustments		211,728		95,951		158,918	
Security Deposits		696,780		688,412		580,296	
Total		908,508		787,123		742,414	
NOTE NO (7): ^{Equity} Share Capital:							
	Par Value	As at	As at	As at			
	Rs.	31.03.2018	31.03.2017	31.03.2016			
	Rs.	Rs.	Rs.	Rs.			
(a) Authorised:							
200000 Equity Shares	100	20,000,000	20,000,000	5,000,000			
(b) Issued, Subscribed and Fully Paid-up:							
125,000 Equity Shares	100	12,500,000	12,500,000	2,500,000			
(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		As at		
	31.03.2018		31.03.2017		31.03.2016		
	Number of Shares	Percentage holding	Number of Shares	Percentage holding	Number of Shares	Percentage holding	
Seshasayee Paper and Boards Ltd and its nominees	125000	100	125000	100	25000	100	
(e) Reconciliation of number of shares							
Equity Shares	As at		As at		As at		
	31.03.2018		31.03.2017		31.03.2016		
	Number of Shares	Value in Rs.	Number of Shares	Value in Rs.	Number of Shares	Value in Rs.	
Balance at the beginning of the year	125000	12,500,000	25000	2,500,000	25000	2,500,000	
Add: Shares issued during the yer			100000	10,000,000			
Balance at the year end	125000	12,500,000	125000	12,500,000	25000	2,500,000	
NOTE NO (8): Other equity							
PARTICULARS	Capital Reserve	Securities Premium	General Reserve	Retained Earnings	Equity Instruments through OCI	Total	
Balance as at 01.04.2016 (A)			400,000	(1,093,464)	3,199	(690,265)	
Additions during the year:		10,000,000				10,000,000	
Profit for the year				1,670,008		1,670,008	
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					64,136	64,136	
Other IND AS Adjustments							
Total Comprehensive Income for the Year 2016-17 (B)	-	10,000,000	-	1,670,008	64,136	11,734,144	
Reductions during the Year							
Dividend							
Income Tax on dividend							
Transfer to General reserve							
Total (C)	-	-	-	-	-	-	
Balance as at 31st March 2017(D)=(A+B+C)	-	10,000,000	400,000	576,544	67,335	11,043,879	

Additions during the year:							
Profit for the year				660,348		660,348	
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					9,107	9,107	
Total Comprehensive Income for the Year 2017-18 (E)	-	-	-	660,348	9,107	669,455	
Reductions during the Year							
Dividend							
Income Tax on dividend							
Transfer to General reserve							
Total (F)	-	-	-	-	-	-	
Balance as at 31st March 2018=(D+E+F)	-	10,000,000	400,000	1,236,892	76,442	11,713,334	
NOTE NO 09: TRADE PAYABLES							
PARTICULARS		As at 31.03.2018	As at 31.03.2017	As At 01.04.2016			
a) Total outstanding dues of micro enterprise and Small enterprise							
b) Total Outstanding dues of creditors other than micro enterprise and small enterprise		108,597	70,635	187,374			
Total		108,597.00	70,635.00	187,374.00			
09 (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.							
09 (ii) Disclosure requirement as required under Micro, Small, & Medium Enterprises Development Act, 2006 is as follows							
PARTICULARS		2017-18	2016-17	2015-16			
i) Principal amount and the interest due thereon remaining unpaid to each supplier at the end of each accounting year		Nil	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	Nil				
iv) 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	Nil	Nil	Nil				
v) Interest accrued and remaining unpaid at the end of each accounting year:	Nil	Nil	Nil				
vi) 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	Nil				
NOTE NO 10: OTHER FINANCIAL LIABILITIES							
PARTICULARS		As at 31.03.2018	As at 31.03.2017	As At 01.04.2016			
Current maturities of Long term borrowings				6,000,000			
Security Deposit		2,130,000	2,130,000	2,130,000			
Others				4,636,068			
	Total	2130000	2130000	12766068			

NOTE NO (11): Other Income			
Particulars	Year ended	Year ended	Year ended
	31.03.2018	31.03.2017	31.03.2016
Interest	553,763	338,133	43,285
Dividend Income from Equity Investments measured at fair value through OCI	13,165	6,342	2,714
Total	566,928	344,475	45,999
NOTE NO (12) : Finance Costs			
Particulars	Year ended	Year ended	Year ended
	31.03.2018	31.03.2017	31.03.2016
Interest	-	248,548	720,000
Total	-	248,548	720,000
NOTE NO (13) : Other Expenses:			
Particulars	Year ended	Year ended	Year ended
	31.03.2018	31.03.2017	31.03.2016
Rates and taxes	452,880	524,117	621,401
Repairs & Maintenance:			
Building	1,675,940	162,200	901,490
Plant & Machinery	212,333	20,772	141,847
Insurance	12,769	12,444	12,643
Increase in Authorised capital Fees	-	125,000	-
Audit Fees*	50,000	46,000	48,047
Miscellaneous Expenses	66,111	63,455	55,266
Total	2,470,033	953,988	1,780,694
* Additional information:			
	31.03.2018	31.03.2017	31.03.2016
Audit	30,000	28,750	28,750
Taxation Matters	20,000	17,250	17,250
Total	50,000	46,000	46,000
NOTE NO (14) Tax Expenses			
Particulars	Year ended	Year ended	Year ended
	31.03.2018	31.03.2017	31.03.2016
Current Tax	736,000	745,000	472,000
Total	736,000	745,000	472,000
NOTE NO (15): Contingent Liabilities and Commitments			
Particulars	As at 31.03.2018	As at 31.03.2017	
Contingent Liabilities & Commitments	NIL	NIL	

