CELLA SPACE LIMITED

(Formerly known as Sree Sakthi Paper Mills Limited)
CIN:L93000KL1991PLC006207
Regd Office : "Sree Kailas",57/2993-94, Paliam Road, Ernakulam, Cochin- 682 016
Phone: (0484) 2382182, E-mail: Secretary@sreekailas.com, Website:- www.sreekailas.com

December 4, 2020

To
The General Manager
Department of Corporate Serivces
The BSE Limited
Phiroze Jeejeeboy Towers
Dalal Street
Mumbai – 400001

Sub:- **Submission of the Annual Report for the FY 2019-20 along with the Notice of 29th Annual General Meeting (AGM) of the Company under Regulation 34(1) and 30 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015**

Ref:- **Scrip Code- 532701, ISIN-INE266H01014**

Dear Sir/Madam,

In terms of Regulation 34(1) and 30 of the SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, please find enclosed herewith the Annual Report for the FY 2019-20 along with the Notice of 29th AGM of the Company scheduled to be held on Monday, December 28, 2020 at 12.30 P.M through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM').

The Notice of 29th AGM and the Annual Report for the FY 2019-20 is being sent to the shareholders of the Company separately through the permitted mode. The same is also uploaded in the website of the Company, www.sreekailas.com.

Requesting to kindly take note of the same into your records.

Yours Faithfully

For Cella Space Limited

CELLA SPACE LIMITED COCHIN 682016.

S Rajkumar
Vice Chairman and Managing Director

CELLA SPACE LIMITED

(Formerly Known as Sree Sakthi Paper Mills Limited)

29th Annual Report

2019-20

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BOARD OF DIRECTORS

Mr. N. Subramanian, Chairman & Non- Executive Independent Director
Mr.S. Rajkumar, Vice Chairman & Managing Director
Mr.Visakh Rajkumar, Whole Time Director
Mrs. Rajee Rajkumar, Non-Executive Promoter Director
Mr. S. Subramoniam, Non- Executive Promoter Director
Mrs. E. Kamalam, Non- Executive Promoter Director
Mr. G. Raghavan, Non- Executive Independent Director
Mr. Akhilesh Agarwal – Non- Executive Independent Director
Mr. U G Bhat -, Erstwhile Chairman & Non- Executive Independent Director *(expired on June 16, 2020)*

CHIEF FINANCIAL OFFICER

Mr. V.N. Sridharan

COMPANY SECRETARY

Mr. R. Ponnambalam

AUDITORS

M/s. KPR & Co.,Chartered Accountants
39/181 C, Anantha, Mahakavi G. Road
Karikkamuri, Cochin - 682 011

BANKERS

Union Bank of India (Formerly Andhra Bank Limited)

REGISTERED OFFICE

57/2993, "Sree Kailas" Paliam Road
Ernakulam, Cochin - 682 016, Kerala
Tel: 0484-3002000 Fax: 0484-2370395
E-mail:secretary@sreekailas.com ,Website: www.sreekailas.com

WAREHOUSE

Industrial Development Area
Muppathadom, Edayar, Aluva - 683 102

REGISTRAR AND SHARE TRANSFER AGENT

Bigshare Services Private Limited,
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,
Makwana Road, Marol, Andheri East, Mumbai,
Maharashtra 400059

FINANCIAL HIGHLIGHTS (8 YEARS)							Rs. In lakhs	
Particulars	**2012-13**	**2013-14**	**2014-15**	**2015-16**	**2016-17**	**2017-18**	**2018-19**	**2019-20**
Sales (Gross)	21,766.94	21,554.41	16,405.45	10,698.82	2,400.67	26.89	-	-
Sales (Net)	20,505.57	20,306.81	15,559.7	10,140.09	2,782.31	27.25	-	-
Total Income	20,565.49	20,443.01	15,660.39	10,212.02	2,894.05	1,156.48	393.34	331.55
Profit before tax	702.9	143.26	-1,528.71	-1,762.8	-4,244.94	-1,039.82	162.93	85.91
Profit after tax	469.12	116.08	-1,178.14	-1,694.95	-3,658.14	-767.43	190.71	85.91
Earnings per Share	2.85	0.071	-7.79	-11.14	-23.08	-5.43	0.99	0.46
Dividend Rate (%)	15	6	-	-	-	-	-	-
Reserves & Retained Earnings	2,749.47	2,750.18	1,509.61	-185.33	-3,843.47	-4,431.65	-4329.82	-4369.74
Share Capital	1,643.62	1,643.62	2,643.62	2,643.62	2,643.62	1,729.62	1820.12	1915.12
Shareholders' Funds	4,393.09	4,393.08	4,253.23	2,458.29	-1,199.85	-2,702.03	-2,509.70	-2,454.62
Fixed Assets(Gross Block)	10,838.2	10,985.32	11,182.37	9,192.51	1,638.70	1,069.51	1,348.21	1373.87
Fixed Assets(Net Block)	7,451.11	7,145.04	5,835.68	5,502.81	965.80	770.11	930.74	916.28

NOTICE

Notice is hereby given that the 29th Annual General Meeting of the Company will be held on Monday, December 28, 2020 at 12:30 pm through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business.

ORDINARY BUSINESS

1. **Adoption of Audited Accounts – Standalone**
   To receive, consider and adopt the Audited Standalone Financial Statements of the Company for the financial year ended on March 31, 2020 and the Report of the Board of Directors and Auditors thereon.

2. **Adoption of Audited Accounts – Consolidated**
   To receive, consider and adopt the Audited Consolidated Financial Statements of the Company for the financial year ended on March 31, 2020 and the Report of Auditors thereon.

3. **Appointment of a Director retiring by rotation**
   To appoint a Director in place Mr. Subramoniam Sivathanu Pillai (DIN:- 01790968) who retires by rotation in accordance with section 152 of the Companies Act, 2013 and the Articles of Association of the Company and being eligible, offers himself for re-appointment.

4. **Authorisation to fix remuneration of Statutory Auditors**
   To authorize the Board of Directors to fix the annual remuneration of M/s. KPR & Co, Chartered Accountants, Cochin (Registration No. 000340S), Statutory Auditors of the Company, for the financial year 2020-21 on the recommendation of Audit Committee.

SPECIAL BUSINESS

5. **Reappointment of Mr. Visakh Rajkumar (DIN: 07079475) as Whole Time Director of the Company**
   To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

   "***RESOLVED THAT*** *pursuant to the provisions of Section 196,197,203 and other applicable provisions of the Companies Act, 2013 (including any statutory modification or re-enactment thereof) read with Relevant Rules made thereunder and Schedule V of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 as amended to date and pursuant to Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 , the consent of the members of the Company be and is hereby accorded for the reappointment of Mr. Visakh Rajkumar (DIN: 07079475) as a Whole Time Director of the Company for a period of 1 (one) year with effect from October 1, 2020 at an annual remuneration of Rs.12 lakhs per annum and that his office shall be liable to retire by rotation."*

6. **Appointment of Mr. Akhilesh Agarwal (DIN: 00918838) as Independent Director**
   To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:-

   "RESOLVED THAT *pursuant to the provisions of Sections 149,150,152 and other applicable provisions, if any, of the Companies Act, 2013("the Act") read with Schedule IV to the Act (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended to date, and Regulations 16(1)(b) and 17 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Regulation") as amended to date and pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors, Mr. Akhilesh Agarwal (DIN: 00918838) who has submitted a declaration that he meets the criteria for independence as provided under Section 149(6) of the Act and Regulation 16(1)(b)*

of the Regulation and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act from a Member, signifying his intention to propose Mr. Akhilesh Agarwal (DIN: 00918838) for the office of Director, be and is hereby appointed as an Independent Director of the Company for his first term of five consecutive years commencing from September 12, 2020 upto September 11, 2025 and that he shall not be liable to retire by rotation."

7. Approval of Related Party Transactions

To consider and if thought fit, to pass, with or without modification the following resolution as an **Special Resolution**:-

***"RESOLVED THAT** pursuant to the provisions of Section 188 of the Companies Act 2013 read with the Companies (Meeting of Board and its Power) Rules 2014 and subject to the applicable provisions of SEBI (Listing Obligations and Disclosure) Requirement Regulations 2015 and in supersession of all the earlier resolutions passed in this behalf, the consent of the members of the Company be and is hereby accorded to enter into Related Party Transactions as enlisted below:-*

Sl. no	***Name of Related Party***	***Nature of Contract***	***Nature of relationship***	***Additional Limit (in lakhs)***	***Total Limit including the earlier limit (in lakhs)***	***Duration***
1.	*Visakh Homes Ltd*	*Construction of warehouse*	*Related Party is a public company with common directors and they, along with relatives, holds more 2 % of paid up capital of the related party*	*1000*	*3500*	*Upto the exercise of specified limit*
2	*Visakh Homes Ltd*	*Commission for marketing of warehouse*	*Related Party is a public company with common directors and they, along with relatives, holds more 2 % of paid up capital of the related party*	*100*	*300*	*Upto the exercise of specified limit."*

8. Approval for striking off subsidiaries

To consider and if thought fit, to pass, with or without modification the following resolution as an **Ordinary Resolution**:-

*"**RESOLVED THAT** pursuant to the applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification or re-enactment thereof for the time being in force), pursuant to the applicable provisions of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 if any and in accordance with the relevant provisions of the Memorandum and Articles of Association of the subsidiaries:- Sree Kailas Palchuram Hydro Power Limited (CIN:-U40100KL2008PLC022145), Sree Adi Sakthi Mukkuttathode Hydro Power Limited (CIN:-U40100KL2008PLC022144) and Jalashaayi Alamparathodu Hydro Power Limited (CIN:-U40100KL2008PLC022143) and subject to the consents, approvals and /or permissions being obtained from appropriate authorities to the extent applicable and necessary, the consent of the members of the Company be and is hereby accorded to the Board of Directors to render consent*

for striking off its subsidiaries enlisted above as per the provisions of Section 248 of the Companies Act 2013 and relevant rules made thereunder."

9. Ratification of Revised Compliance Certificate from Statutory Auditors

To consider and if thought fit, to pass, with or without modification the following resolution as an **Ordinary Resolution**:-

*"**RESOLVED THAT** the consent of the members of the Company be and is hereby accorded to ratify the Compliance Certificate rendered by R Lakshmi Narayanan, Chartered Accountants, Chennai as required under Regulation 163(2) of SEBI (Issue of Capital and Disclosure Requirement) Regulations 2018, for the purpose of making listing application with BSE Limited for 9,50,000 (Nine Lakhs and Fifty Thousand) equity shares of Rs.10/- each allotted at a premium of Rs.1/- each to Mr. S Rajkumar, Vice Chairman & Managing Director, on Preferential basis pursuant to conversion of Convertible Equity Share Warrants allotted to him."*

By order of the Board of Directors
For Cella Space Limited
Sd/-
R Ponnambalam
Company Secretary

Date:- 12/11/2020
Place:- Chennai

1. Considering the extra-ordinary circumstances caused by COVID-19 and in light of the social distancing norms, the Ministry of Corporate Affairs ("MCA") has vide its circulars dated April 8,2020, April 13, 2020 and May 5, 2020 ("MCA Circulars") permitted the holding of the Annual General Meeting of a company through Video Conferencing ("VC") / Other Audio Visual Means("OAVM"). In compliance with the provisions of the Act, MCA Circulars and SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 ("SEBI Listing Regulations"), the Twenty Nine Annual General Meeting of the Company ("AGM") is being held through VC / OAVM on Monday, December 28, 2020 at 12.30 p.m. The procedure for joining the AGM through VC/ OAVM is mentioned in this Notice.

2. Since the AGM is being held through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM. The Proxy Form, Attendance Slip & Route Map are therefore, not annexed to this Notice. . However, in pursuance of Section 112 and Section 113 of the Companies Act, 2013, representatives of the members such as the President of India or the Governor of a State or body corporate can attend the AGM through VC/OAVM and cast their votes through e-voting.

3. Members shall have the option to vote electronically ("e-voting") either before the AGM ("remote e-voting") or during the AGM. In compliance with the provisions of Section 108 of the Act and Rule 20 of the Companies (Management and Administration) Rules, 2014 and any amendments thereto, Secretarial Standard on General Meetings ("SS-2"), Regulation 44 of the SEBI Listing Regulations and MCA Circulars, the facility for remote e-voting and e-voting in respect of the business to be transacted at the AGM is being provided by the Company through Central Depository Services (India) Limited ("CDSL"). Necessary arrangements have been made by the Company with CDSL to facilitate remote e-voting and e-voting during the AGM.

4. The Members can join the AGM in the VC/OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and

Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

5. The Company has appointed Mr. K Vijayaragavan, Advocate, as the scrutinizer for scrutinizing the entire e-voting process i.e. remote e-voting and e-voting during the AGM, to ensure that the process is carried out in a fair and transparent manner.

6. The voting period begins on December 25,2020 at 9.00 AM and ends on December 27,2020 at 5.00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) ie, December 21, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

7. Voting rights shall be reckoned on the paid-up value of the shares registered in the name of the Member/ Beneficial Owner list maintained by the depositories as on the cut -off date i.e. December 21, 2020 ("cut-off date"). A person, whose name is recorded in the Register of members or in the Register of beneficial owners maintained by the depositories as on the cut-off date, only shall be entitled to avail the facility of remote e-voting / Venue Voting. A person who is not a Member as on cut off date should treat this Notice for information purposes only.

8. Unclaimed dividend for the financial year ended 31st March, 2013 is due for transfer to the Investor Education and Protection Fund of the Central Government on November 18, 2020, pursuant to the provisions of Section 124 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016. The Members/Claimants whose unclaimed dividend amount have been transferred to IEPF may apply for refund by making an application to IEPF Authority in Form IEPF 5 (available on www.iepf.gov.in). The Member/Claimant can file only one consolidated claim in a Financial Year as per the IEPF Rules.

9. In conformity with the applicable regulatory requirements, the Notice of this AGM and the Report and Accounts 2020 are being sent only through electronic mode to those Members who have registered their e-mail addresses with the Company or with the Depositories. Members who have not registered their e-mail addresses with the Company or with the Depositories and wish to receive the aforesaid documents are required to send an e-mail to secretary@sreekailas.com for registering their e-mail addresses.

10. Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to Special Business to be transacted at the meeting is annexed to the notice. The relevant details as required pursuant to Regulation 26(4) and 36(3) of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 and Secretarial Standards on General Meetings issued by the Institute of Company Secretaries of India in respect of Directors seeking appointment or reappointment is annexed and forms part of this Notice.

The instructions for shareholders for remote e-voting are as under:

(i) The voting period begins on December 25, 2020 and ends on December 27,2020. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of December 21, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

(iii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iv) Click on “Shareholders” module.

(v) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for CDSL’s EASI/EASIEST e-services, you can log-in at https://www.cdslindia.com from Login - Myeasi using your login credentials. Once you successfully log-in to CDSL’s EASI/EASIEST e-services, click on e-Voting option and proceed directly to cast your vote electronically.

(vi)Next enter the Image Verification as displayed and Click on Login.

(vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.

(viii) If you are a first time user follow the steps given below:

	For Shareholders holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by Company/RTA or contact Company/RTA..
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

(ix) After entering these details appropriately, click on “SUBMIT” tab.

(x)Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(xi)For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL's mobile app "m-Voting". The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

Process for those shareholders whose email addresses are not registered with the depositories for obtaining login credentials for e-voting for the resolutions proposed in this notice:

1. For Physical shareholders - please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id, secretary@sreekailas.com.

2. For Demat shareholders -, please provide Demat account detials (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id. secretary@sreekailas.com.

Instructions for shareholders attending the AGM through VC/OAVM are as under:

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.

3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.

4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.

5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance atleast 7(seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id, secretary@sreekailas.com. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance

7(seven) days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at company email id, secretary@sreekailas.com. These queries will be replied to by the company suitably by email.

6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

Instructions for shareholders for e-voting during the AGM are as under:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.

2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.

3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility , then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

(xx) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the "Corporates" module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; secretary@sreekailas.com(designated email address by company) , if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

General Information

1. There will be one vote for every Client ID / registered folio number irrespective of the number of joint holders.

2. The Results of voting will be declared within 48 hours from the conclusion of the AGM and the Resolutions will be deemed to be passed on the date of the AGM, subject to receipt of requisite number of votes. The declared Results, along with the Scrutinizer's Report, will be available forthwith on the Company's corporate website www.sreekailas.com and on the website of CDSL. Such Results will also be forwarded to the BSE Limited where the Company's shares are listed and will be available in the BSE website.

3. The attendance of the Members joining the AGM through VC / OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Act.

4. Members attending the AGM through VC / OAVM should note that those who are entitled to vote but have not exercised their right to vote by remote e-voting, may vote during the AGM through e-voting for all businesses specified in the Notice. The Members who have exercised their right to vote by remote e-voting may attend the AGM but cannot vote during the AGM.

5. Register of Members and Share Transfer Books will remain closed from Tuesday, December 22, 2020 to Monday, December 28, 2020 (both days inclusive).

6. In case of joint holders, only such joint holder who is higher in the order of names will be entitled to vote during the AGM.

7. Members who still hold share certificate(s) in physical form are advised to dematerialize their shareholding to avail the benefits of dematerialization, which includes easy liquidity since trading is permitted in dematerialized form only. Further, as per Regulation 40 of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015 with effect from April 1, 2019, requests for transfer of securities are not permitted unless the securities are held in a dematerialized form with a depository except in case of transmission or transposition of securities as per SEBI Listing Regulations.

8. Members can avail of the facility of nomination in respect of shares held by them pursuant to the provisions of Section 72 of the Act.

9. Members may note that the Notice of AGM and Annual Report will also be available on the website of the Company at www.sreekailas.com, the website of the Stock Exchanges i.e. BSE Limited at www.bseindia.com . Notice is also disseminated on the website of CDSL (agency providing the remote e-voting facility and e-voting during the AGM) at www.evotingindia.com.

10. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their addresses or bank mandates immediately to the Company at the Company or RTA, M/s. Bigshare Services Pvt Ltd.

11. If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

12. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

By order of the Board
Sd/-
R Ponnambalam
Company Secretary

Explanatory Statement In respect of the Special Business pursuant to Section 102 of the Companies Act, 2013

Item No. 5

Mr. Visakh Rajkumar (DIN: 07079475) was appointed as Whole Time Director of the Company in the last Annual General Meeting of the Company held on September 30, 2019 for a period of 1 year.

Taking into account his expertise and considering the fact that his tenure expires by the end of September 2020, the Nomination and Remuneration Committee has recommended his reappointment as Whole Time Director to the Board of Directors. Mr.Visakh Rajkumar has also intimated his desire to continue as the Whole Time Director of the Company. The Committee has recommended his reappointment for a period of 1 year at an annual remuneration of Rs.12 lakhs. The Board is also of the opinion that continuation of Visakh Rajkumar as Whole Time Director shall be beneficial to the Company. Hence, the Board recommends resolution set out under Item No.5 of the AGM notice for the approval of shareholders.

Mr. Visakh Rajkumar being the proposed candidate, and Mr. S Rajkumar ,Mrs. Rajee Rajkumar, Mrs. E Kamalam, & Mr. S Subramoniam being related to Mr. Visakh Rajkumar are concerned or interested in the resolution.

Item No. 6

Mr. Uliar Gururaja Bhat (DIN:- 00353361), Chairman and Non Executive Independent Director of the Company expired on June 16, 2020. Pursuant to Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013, the Board of Directors should have minimum three (3) Non Executive Independent Directors (IDs). Besides, as per the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 149 of the Companies Act, 2013 read with relevant Rules made thereunder and Schedule IV, any intermittent vacancy of Independent Director shall be filled by the Board within next immediate Board Meeting or within 3 months whichever is later subject to approval in the ensuing General Meeting.

In view of the above, the Board in their meeting held on September 12,2020 has redesignated Mr. Akhilesh Agarwal (DIN:- 00918838) as Non Executive Independent Director for a period of 5 years with effect from September 12, 2020 subject to approval of shareholders in their ensuing General Meeting. Mr. Akhilesh Agarwal has submitted his consent to act as director in DIR-2. Further he has also submitted his declaration of independence as per Companies Act 2013 & Listing Regulations, disclosure of interest in MBP-1 & his declaration in DIR-8. In the opinion of the Board, Mr. Akhilesh Agarwal fulfills the conditions specified in the Companies Act, 2013 and the Listing Regulations for being appointed as Independent Director of the Company. Hence the Board recommends Item no. 6 for the approval of the Members by way of Ordinary Resolution

Except Mr. Akhilesh Agarwal, none of the Directors or Key Managerial Personnel or their relatives, is concerned or interested in this Resolution.

Item No. 7

The Company in its last Annual General Meeting held on September 30, 2019, has taken approval of shareholders for the following transactions with Visakh Homes Limited which are categorised under “Related Party Transactions”:-

a) Construction of warehouse upto a maximum limit of Rs.2500 lakhs
b) Commission for marketing of warehouse upto a maximum limit of Rs.200 lakhs

Considering the business requirements of the Company, the Board of Directors has opined to take an additional limit of Rs.1000 lakhs and 100 lakhs respectively for the items mentioned under point(a) & (b) subject to a maximum limit of 3500 lakhs and 300 lakhs respectively.

Pursuant to Section 188 of the Companies Act 2013 read with the Companies (Meeting of Board and Powers) Rules 2014 and other applicable provisions of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015, the proposed transaction requires approval of shareholders by way of Special Resolution. Hence the Board of Directors recommend the resolution set out under item no.7 for approval of your shareholders by way of Special Resolution. Mr. S Rajkumar & Mr. Viskah Rajkumar, being common directors, are interested in the above resolution.

Item No. 8

The Company has following 3(three) subsidiaries as on date by virtue of Section 2(87)(ii) of the Companies Act, 2013:-

- Sree Kailas Palchuram Hydro Power Limited (CIN:-U40100KL2008PLC022145)
- Sree Adi Sakthi Mukkuttathode Hydro Power Limited (CIN:-U40100KL2008PLC022144)
- Jalashaayi Alamparathodu Hydro Power Limited (CIN:- U40100KL2008PLC022143)

Our Company holds 47% of shares in the above 3 subsidiaries.

Pursuant to Regulation 16(1)(c) of SEBI (Listing Obligations and Disclosure) Requirement Regulations, “material subsidiary” shall mean a subsidiary, whose income or net worth exceeds ten percent of the consolidated income or net worth respectively, of the listed entity and its subsidiaries in the immediately preceding accounting year. Taking into account the networth criteria, all the 3 (three) subsidiaries qualifies as material subsidiaries of the Company.

All the above mentioned subsidiaries were unable to commence business operations since its incorporation and hence are eligible to apply for strike off to the Registrar of Companies, Kerala as per Section 248(1) of the Companies Act 2013. Approval of shareholders is needed for applying for strike off as per Section 248(2) of the Companies Act 2013. In light of the above and as part of good Corporate Governance Practices, the Board of Directors is of the opinion that since our Company being the holding Company, it would be prudent to obtain consent of our shareholders to render the consent of the Company to its subsidiaries for filing application under Strike Off as per Section 248 of the Companies Act 2013 and relevant rules made thereunder.

Accordingly the Board of Directors recommend item no.8 as set out in the AGM Notice for the approval of shareholders. Mr. S Rajkumar & Mr. Subramoniam Sivathanu Pillai being common directors, and they together with Mrs. E Kamalam, Mrs. Rajee Rajkumar Mr. S Rajkumar & Mr. Subramoniam Sivathanu Pillai, being common shareholders, are interested in the above resolution.

Item No. 9

The Board of Directors in their meeting held on February 12, 2018 has decided to issue 30,00,000 (Thirty Lakhs) Convertible Equity Share Warrants (hereinafter referred to as ”Warrants”) to Mr. S Rajkumar, Vice Chairman and Managing Director. Subsequently, the same was approved by the shareholders vide Postal Ballot on March 29, 2018. As per Regulation of 162 of SEBI (Issue of Capital and Disclosure Requirement) Regulations 2018, the tenure of Warrants is 18(eighteen) months from the date of allotment and hence the entire Warrants has to be converted into equity shares on or before September 30, 2019. Subsequently, the Board in its meeting held on August 30, 2019 has approved the conversion of 9,50,000 (Nine Lakhs and Fifty Thousand) Warrants into equity shares. Pursuant to SEBI Circular SEBI/HO/CFD/DIL2/CIR/P/2019/94 dated August 19, 2019, the company has to make listing application to BSE within 20 days from the date of allotment. Accordingly, the Company has submitted the listing application and BSE, while granting listing approval vide its letter dated December 27, 2019 has advised the Company to get the revised compliance certificate dated November 19, 2019 rendered by R Lakshmi Narayanan, Chartered Accountants, for submitting listing application to, BSE ratified by shareholders in the ensuing General Meeting of the Company. The Compliance Certificate is available for inspection in electronic form upon specific request of shareholders. The Board hence recommends item no.9 for ratification to the shareholders. None of the Directors or Key Managerial Personnel or their relatives are in any way concerned or interested in this Resolution.

Information for reappointment/ appointment of Directors as required under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 and as per Secretarial Standards-2

Name of Director	**Subramoniam Sivathanu Pillai**	**Visakh Rajkumar**	**Akhilesh Agarwal**
Date of Birth	28.05.1957	19.04.1993	21.10.1972
Age	63 Years	27 Years	48 Years
Qualification	Matriculation	Master of Commerce	Bachelor of Commerce
Original date of appointment	03.08.1995	13.02.2019	24.06.2017
Experience	25 Years	Nearly 2 Years	Has been serving as Director in Boards of various Companies since 1994
Terms & conditions of appointment/reappointment	Reappointed on retirement by rotation	Reappointed as Whole Time Director for a period of 1 year with effect from October 1, 2020 subject to retirement by rotation	Appointed as Non Executive Independent Director for a period of 5 years with effect from September 12, 2020 and not liable to retire by rotation
Remuneration last drawn	NIL	12 lakhs	NIL
Proposed Remuneration	NIL	12 lakhs	NIL
Share holding in the Co. (Nos.)	67176 shares	NIL	13169
Details of Directorship in other companies	NIL	Whole Time Director in Visakh Homes Ltd and Director in Shri Kailash Logistics (Chennai) Limited	Managing Director in Acumen Commodities (India) Ltd & Grand Finance and Estates Private Limited. Director in Acumen Capital Market (India) Limited, Acumen Realtors and Projects Private Limited, PCML Properties Private Limited & Accudata Tech Solutions Private Limited
No of meeting of Board of Directors attended during the FY 2019-20	1(One)	7(Seven)	2(Two)
Status in other Board Committees of the company	NIL	NIL	Chairman of Risk Management Committee & Stakeholders Relationship Committee. Member of Audit Committee & Corporate Social Responsibility Committee.

Relationships between directors inter-se	Brother of Mr. S Rajkumar, Promoter and Managing Director, son of Mrs. E Kamalam, Non Executive Promoter Director and Paternal Uncle of Mr. Visakh Rajkumar, Whole Time Director of the Company.	Son of Mr. S Rajkumar**,** Promoter and Managing Director & Rajee Rajkumar, Non Executive Promoter Director. Grandson of E Kamalam, Non Executive Promoter Director and nephew of Mr. S Subramonian, Non Executive Promoter Director	NIL

By order of the Board of Directors
For Cella Space Limited
Sd/-
R Ponnambalam
Company Secretary

DIRECTORS' REPORT

Your Directors have pleasure in presenting their 29th Annual Report and the Audited Financial Statements of the Company for the year ended March 31, 2020.

FINANCIAL PERFORMANCE
Brief Financial Highlights with comparison of previous financial year are as follows:

Particulars	**For the year ended 31.03.2020 (Rs. In lacs)**	**For the year ended 31.03.2019 (Rs. In lacs)**
Revenue from Operations	268.86	-
Other Income	62.69	393.34
Profit/loss before Depreciation, Finance Costs, Exceptional Items and Tax Expense	84.29	63.57
Less:- Depreciation/ Amortisation/Impairment	43.01	216.46
Profit/loss before Finance Costs, Exceptional Items and Tax Expense	41.28	(152.89)
Less:- Finance Costs	159.21	8.16
Profit/loss before Exceptional Items and Tax Expense	(117.93)	(161.05)
Add/less;- Exceptional Items	(203.84)	(323.98)
Profit/loss before Tax Expense	**85.91**	**162.93**
Less:- Tax Expense (Current & Deferred)	0.00	(27.78)
Profit/Loss for the year (1)	**85.91**	**190.71**
Total Comprehensive Income/Loss (2)	0.50	1.64
Total (1+2)	86.41	192.35
Balance of profit/loss for earlier years	**(6625.23)**	**(6711.14)**
Less:- Transfer to Debenture Redemption Reserve	**0.00**	**0.00**
Less:- Transfer to Reserves	**0.00**	**0.00**
Less:- Dividend paid on Equity Shares	**0.00**	**0.00**
Less:- Dividend paid on Preference Shares	**0.00**	**0.00**
Less:- Dividend Distribution Tax	**0.00**	**0.00**
Balance carried forward	**(6625.23)**	**(6711.14)**

OPERATIONAL PERFORMANCE

During the FY 2019-20, the Company has realised monthly rental income of Rs.10.38 lakhs from Qwik Supply Chain Pvt Ltd (Formely Finetech Corporation Pvt Ltd) starting from May 24, 2019 with a yearly compounding annual escalation of 5% per year. The Company was further able to enter into lease agreement with LG Electronics India Ltd for leasing out 1,02,547 sq.ft warehouse area for a rental income of Rs.24 per sq.ft per month for 7 years starting from 01.10.2020 with a yearly compounding annual escalation of 5% per year. Besides, the Company also entered into lease agreement for a period of 9 years with VIP Industries Ltd for renting out 22,245 sq.ft warehouse area for a rental income of Rs.15 per sq.ft for the first twelve months starting from 25.06.2020 and Rs. 16 per sq.ft after the expiry of 12 months, after that with a yearly compounding annual escalation of 5% per year.

DIVIDEND & RESERVES

As the Company is in the process of revival, your Directors decided not to recommend payment of dividend on the equity shares and Non-Convertible Cumulative Redeemable Preference Shares for the financial year under review. Your Company has not transferred any amount to reserves during the financial year under review.

INVESTOR EDUCATION AND PROTECTION FUND

The Company has Rs. 2,35,187/- (Rupees Two Lakhs Thirty Five Thousand One Hundred and Eighty Seven), being the unpaid dividend amount pertaining to the financial year 2011-12, due to be transferred to Investor Education and Protection Fund (IEPF) on expiry of seven years during the FY 2019-20 . Even though the Company has tried several times to transfer the amount to IEPF, it was unable to complete the same due to some technical issue persisting in the MCA website. In spite of registering several complaints in MCA website and sending emails to IEPF authorities times, the issue was unresolved. However the Company is constantly taking every effort to transfer the amount to IEPF.

The Company has Rs.1,68,195/- (Rupees One Lakhs Sixty Eight Thousand One Hundred and Ninety Five only) being the unpaid dividend amount pertaining to the financial year 2012-13, due to be transferred to Investor Education and Protection Fund (IEPF) on expiry of seven years during the FY 2020-21.

INDUSTRIAL RELATIONS

The industrial relations remained cordial and satisfactory during the year under review.

CHANGES IN NATURE OF BUSINESS

There has not been any change in the nature of business of the Company from the end of financial year (31.03.2020) till the date of report (12.11.2020).

CHANGES IN SHARE CAPITAL DURING THE FINANCIAL YEAR, IF ANY

As on date of this report, the Authorized Share Capital of the Company is Rs. 50,00,00,000/- (Rupees Fifty Crores Only) divided into 3,80,00,000 (Three Crores and Eighty lakhs) equity shares of Rs. 10/- (Rupees Ten only) each and 1,20,00,000 (One Crores and Twenty lakhs) Preference Shares of Rs. 10/- (Rupees Ten only) each. The Company in the last Annual General Meeting held on September 30, 2019 has reclassified the Authorised Share Capital as given above.

The total Issued, Subscribed and Paid up Share Capital of the Company as on the date of the report is Rs. 29,15,12,170/- (Rupees Twenty Nine Crores Fifteen Lakhs Twelve Thousand One Hundred and Seventy Only) divided into 1,91,51,217 (One Crores Ninety One Lakhs Fifty One Thousand Two Hundred and Seventeen) equity shares of Rs. 10/- (Rupees Ten only) each and 1,00,00,000 (One Crores) Preference shares of Rs. 10/- (Rupees Ten only) each .

During the year under review, the Company has converted 9,50,000 (Nine Lakhs and Fifty Thousand) Convertible Equity Share Warrants allotted to Mr. S Rajkumar into 9,50,000 (Nine Lakhs and Fifty Thousand) equity shares of Rs.10/- each at a premium of Rs.1 per share on August 30, 2019 with the approval of Board of Directors.

Further, the Company in the last Annual General Meeting held on September 30, 2019 has forfeited 2,85,000 (Two Lakhs and Eighty Five Thousand) Convertible Equity Share Warrants allotted to Mr.S.Rajkumar as the time limit of 18 months available for conversion of Warrants into equity shares was expired as per SEBI ICDR Regulations 2018.

MATERIAL CHANGES AND COMMITMENTS OCCURRED BETWEEN THE DATE OF BALANCE SHEET AND THE DATE OF REPORT

There were no material changes/events occurred between financial year end date (31.03.2020) and date of the Board's report (12.11.2020)

MEETING OF INDEPENDENT DIRECTORS

During the year under review, the Independent Directors met on February 14, 2020, inter alia to:

i) Review the performance of Non-Independent Directors and the Board as a whole

ii) Review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors

iii) Assess the quality, quantity and timeliness of flow of information between the Company's Management and the Board that is necessary for the Board to effectively and reasonably perform their duties

FINANCE

A). Deposits

The Company has not accepted deposits falling within the ambit of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 from public.

B) Particulars of Loans, Guarantees or Investments

The particulars of loans and advances given by the Company is detailed under Note no.7. The Company has not rendered any guarantee to any parties. Details of Investment is given in note no.6A of financial statement

C) Commitments

The company has availed a short term loan amounting to Rs.20.80 Crores from Union Bank Ltd (Formerly Andhra Bank Ltd) during the financial year under review. All the repayment and interest commitments were met as per terms of arrangement with the Banks.

INTERNAL FINANCIAL CONTROL SYSTEM AND ITS ADEQUACY

Your Company has adequate internal control and internal check system commensurate with size of the organization. Audit Committee periodically reviews the Internal Financial Control and Risk Assessment System of the Company. During the year, Internal Financial Controls were tested and no material weaknesses in the design or operating effectiveness were observed.

BOARD OF DIRECTORS

The Board of the Company at March 31, 2020 consisted of 9 Directors. The Board Composition is as follows:-

- ✓ 1 Managing Director
- ✓ 1 Whole Time Director
- ✓ 3 Independent Directors
- ✓ 3 Promoter Non Executive Directors and
- ✓ 1 Non Executive Director

The detailed list of the Board of Directors is enclosed in the Corporate Governance Report.

During the financial year under review, the following changes occurred in the Board of Directors of the Company:-

a) Mr. Visakh Rajkumar (DIN:- 07079475) was appointed as a Whole Time Director of the Company for a period of 1 year in the last Annual General Meeting held on September 30, 2019 for an annual remuneration of 12 lakhs.

b) The Company in the last Annual General Meeting held on September 30, 2019 has taken the approval of shareholders to continue the directorship of Mrs. Iasaki Kamalam (DIN:- 01791001) as per Regulation 17(1A) of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015

c) Mr.S Rajkumar (DIN:-01790870) was appointed as the Managing Director of the Company for a period of 2 years for an annual remuneration of 12 lakhs till August 12, 2021.

The following changes occurred in the Board of Directors between the financial year end date (31.03.2020) and the date of Report (12.11.2019):-

a) Mr. U Gururaja Bhat (DIN:- 00353361) ,Chairman and Non Executive Independent Director, expired on June 16, 2020

b) Mr. Narayanaswamy Subramanian (DIN:- 03602858) was appointed as Chairman of the Board in the meeting of the Board of Directors held on September 12, 2020

c) Mr. Akhilesh Agarwal (DIN:- 00918838) was redesignated as Non Executive Independent Director for a period of 5 (five) years with effect from September 12, 2020 subject to approval of members in the ensuing Annual General Meeting.

d) Mr.Visakh Rajkumar (DIN:- 07079475) was appointed as Whole Time Director for a period of 1(one) year with effect from October 1, 2020 at an annual remuneration of 12 lakhs subject to approval of members in the ensuing Annual General Meeting.

The following recommendations were made by the Board of Directors in the ensuing General Meeting for approval by the shareholders:-

a) Appointment of Mr.Visakh Rajkumar (DIN:- 07079475) as Whole Time Director for a period of 1(one) year with effect from October 1, 2020 at an annual remuneration of 12 lakhs

b) Appointment of Mr. Akhilesh Agarwal (DIN:- 00918838) as Non Executive Independent Director for a period of five (5) years with effect from September 12, 2020

BOARD DIVERSITY

The Company recognizes that building a Board of diverse and inclusive culture is integral to its success. The Board considers that its diversity, including gender diversity, is a vital asset to the business.

DECLARATION OF INDEPENDENCE

All independent directors have given declarations that they meet the criteria of independence as laid down under section 149 of the companies act 2013 and Regulation 16 of SEBI(LODR) Regulations, 2015, which have been relied on by Company and were placed at the Board meeting. In the opinion of the Board, the independent directors fulfill the necessary criteria for independence as stipulated under the statutes.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The details of meeting of Board of Directors and the attendance of Directors are elaborated in the Corporate Governance Report.

The provisions of Companies Act, 2013 and Listing Regulations were adhered to while considering the time gap of 120 days between two meetings.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Regulations) Regulation 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Committee. The manner in which the evaluation has been carried out has been explained in the Governance Report.

FAMILIARIZATION PROGRAM FOR INDEPENDENT DIRECTORS

The Company has practice of conducting familiarization program of the independent directors.

REMUNERATION TO DIRECTORS

The Remuneration paid to the Executive Directors and the Sitting Fees paid to the Non-Executive and Independent Directors are disclosed in the Extract to the Annual Return , MGT -9 (**Annexure II**) to the Board's Report.

POLICY OF DIRECTOR APPOINTMENT AND REMUNERATION:

Preamble

The Nomination and Remuneration policy is in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and as per the Listing Regulations.

The Remuneration Policy provides a framework for remuneration paid to the members of the Board of Directors ("Board"), Key Managerial Personnel ("KMP") and the Senior Management Personnel ("SMP") of the Company (collectively referred to as "Executives"). The expression ''Senior management'' means personnel of the Company who are members of its core management team excluding Board of Directors comprising all members of management one level below the Executive Directors, including the functional heads. The policy would be reviewed every year by the Nomination and Remuneration Committee of the Board of Directors.

1. Aims & Objectives

The aims and objectives of this remuneration policy may be summarized as follows:

The Remuneration Policy aims to enable the Company to attract, retain and motivate highly qualified members for the Board and Executive level. The Remuneration Policy seeks to enable the Company to provide a well balanced and performance- related compensation package, taking into account shareholder interests, industry standards and relevant Indian corporate regulations.

The Remuneration Policy will ensure that the interests of Board Members & Executives are aligned with the business strategy and risk tolerance, objectives, values and long-term interests of the Company and will be consistent with the "pay-for-performance" principle.

The Remuneration Policy will ensure that remuneration to Directors and Executives involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

2. Principles of Remuneration

Support for Strategic Objectives: Remuneration and reward frameworks and decisions shall be developed in a manner that is consistent with, supports and reinforces the achievement of the Company's vision and strategy.

Transparency: The process of remuneration management shall be transparent, conducted in good faith and in accordance with appropriate levels of confidentiality.

Internal equity: The Company shall remunerate the Board Members and the Executives in terms of their roles within the organisation. Positions shall be formally evaluated to determine their relative weight in relation to other positions within the Company.

External equity: The Company strives to pay an equitable remuneration, capable of attracting and retaining high quality personnel. Therefore the Company will remain logically mindful of the ongoing need to attract and retain high quality people and the influence of external remuneration pressures.

Flexibility: Remuneration and reward offerings shall be sufficiently flexible to meet both the needs of individuals and those of the Company whilst complying with relevant tax and other legislation.

Performance-Driven Remuneration: The Company shall entrench a culture of performance driven remuneration through the implementation of the Performance Incentive System.

Affordability and Sustainability: The Company shall ensure that remuneration is affordable on a sustainable basis.

3. Nomination and Remuneration Committee

The earlier Remuneration Committee of the Board of Directors now re-named as Nomination and Remuneration Committee. Members of the Committee shall be appointed by the Board and shall comprise of three or more Non-Executive Directors out of which not less than one-half shall be Independent Directors.

The Committee shall be responsible for:

Formulating framework and/or policy for remuneration, terms of employment including service contracts, policy for and scope of pension arrangements, etc for Executives and reviewing it on a periodic basis;

formulating the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Director.

Identifying persons who are qualified to become Directors and who may be appointed as Executives in accordance with the criteria laid down in this policy, recommend to the Board their appointment and removal and carry out their evaluation.

Formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the Company, that failure is not rewarded and that the duty to mitigate loss is fully recognised;

The Committee shall review the ongoing appropriateness and relevance of the Remuneration Policy; ensure that all provisions regarding disclosure of remuneration, including pensions, are fulfilled; obtain reliable, up-to-date information about remuneration in other companies; ensure that no Director or Executive is involved in any decisions as to their own remuneration.

Without prejudice to the generality of the terms of reference to the Nomination and Remuneration Committee set out above, the Committee shall operate the Company's share option schemes (if any) or other incentives schemes (if any) as they apply to. It shall recommend to the Board the total aggregate amount of any grants to employees (with the specific grants to individuals to be at the discretion of the Board) and make amendments to the terms of such schemes (subject to the provisions of the schemes relating to amendment); liaise with the trustee / custodian of any employee share scheme which is created by the Company for the benefit of employees or Directors and review the terms of Executive Directors' service contracts from time to time.

4. Procedure for selection and appointment of the Board Members

Board membership criteria

• The Committee, along with the Board, reviews on an annual basis, appropriate skills, characteristics and experience required of the Board as a whole and its individual members. The objective is to have

a Board with diverse background and experience in business, government, academics, technology and in areas that are relevant for the Company's global operations.

• In evaluating the suitability of individual Board Members, the Committee takes into account many factors, including general understanding of the Company's business dynamics, global business and social perspective, educational and professional background and personal achievements.

• In addition, Directors must be willing to devote sufficient time and energy in carrying out their duties and responsibilities effectively. They must have the aptitude to critically evaluate management's working as part of a team in an environment of collegiality and trust.

• The Committee evaluates each individual with the objective of having a group that best enables the success of the Company's business.

Selection of Board Members/ extending invitation to a potential Director to join the Board

One of the roles of the Committee is to periodically identify competency gaps in the Board, evaluate potential candidates as per the criteria laid above, ascertain their availability and make suitable recommendations to the Board.

The objective is to ensure that the Company's Board is appropriate at all points of time to be able to take decisions commensurate with the size and scale of operations of the Company. The Committee also identifies suitable candidates in the event of a vacancy being created on the Board on account of retirement, resignation or demise of an existing Board member. Based on the recommendations of the Committee, the Board evaluates the candidate(s) and decides on the selection of the appropriate member.

The Board then makes an invitation (verbal / written) to the new member to join the Board as a Director. On acceptance of the same, the new Director is appointed by the Board.

5. Procedure for selection and appointment of Executives other than Board Members

The Committee shall actively liaise with the relevant departments of the Company to study the requirement for management personnel, and produce a written document thereon; The Committee may conduct a wide-ranging search for candidates for the positions of Employees within the Company, within enterprises controlled by the Company or within enterprises in which the Company holds equity, if any, and on the human resources market; The professional, academic qualifications, professional titles, detailed work experience and all concurrently held positions of the initial candidates shall be compiled as a written document; A meeting of the Committee shall be convened, and the qualifications of the initial candidates shall be examined on the basis of the conditions for appointment of the Employees; Before the selection of Employee, the recommendations of and relevant information on the relevant candidate(s) shall be submitted to the Board of Directors; The Committee shall carry out other follow-up tasks based on the decisions of and feedback from the Board of Directors.

6. Compensation Structure

(a) Remuneration to Non-Executive Directors:

The Non-executive Directors of the Company are paid remuneration by way of sitting fees only for attending the Meetings of the Board of Directors and its Committees. The sitting fees paid to the Non-executive Directors for attending Meetings of Board of Directors, is Rs. 10,000/- per meeting and for Audit Committee is Rs.5,000/- per meeting. Beside the sitting fees, they are also entitled to reimbursement of expenses. The Non-Executive Directors of the Company are not paid any other remuneration or commission.

The sitting fees of the Non-Executive Directors for attending meetings of Board of Directors and the Committees of Board of Directors may be modified or implemented from time to time only with the approval of the Board in due compliance of the provisions of Companies Act, 2013.

(b) Remuneration to Executive Directors, Key Managerial Personnel(s) (KMPs) & Senior Management Personnel (s) (SMPs):

- The remuneration/compensation/ commission etc. to the Managing Director/ Whole-Time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/compensation/commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required. The remuneration determined for MD/WTDs, KMPs and SMPs are subjected to the approval of the Board of Directors in due compliance of the provisions of Companies Act, 2013. The remuneration for the KMP and the SMP at the time of the appointment has to be approved by the Board.
- If in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managing Director / Whole-Time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.
- As a policy, the Executive Directors are neither paid sitting fee nor any commission.

7. Role of Independent Directors

The Committee shall, in consultation with the Independent Directors of the Company, prepare and submit this policy to the Board for its approval. The Independent Directors shall have power and authority to determine appropriate levels of remuneration of Executive Directors and Employees and have a prime role in appointing and where necessary recommend removal of Executive Directors and Employees.

The Independent Directors shall submit its recommendations/ proposals/ decisions to the Committee which the Committee shall consult and take to the Board of Directors.

8. Approval and publication

This Remuneration Policy as framed by the Committee shall be recommended to the Board of Directors for its approval. This policy shall be hosted on the Company's website.

The policy shall form part of Director's report to be issued by the Board of Directors in terms of Companies Act, 2013

9. Supplementary provisions

This Policy shall be amended in a timely manner and submitted to the Board of Directors for review and adoption. The right to interpret this Policy vests in the Board of Directors of the Company.

BOARD COMMITTEES

Board Committees plays a vital role in improving the Board effectiveness in areas where more focused and discussions are required. Board has constituted the following Committees in accordance with the provisions of Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board consists of the following committees and their compositions and attendance of members are detailed in the Corporate Governance Report.

(i) Audit Committee
(ii) Nomination and Remuneration Committee
(iii) Shareholders Relationship Committee
(iv) Corporate Social Responsibility Committee
(v) Risk Management Committee
(vi) Share Allotment /Transfer Committee

CORPORATE SOCIAL RESPONSIBILITY (CSR) POLICY

The Company already have a Corporate Social Responsibility Committee whose constitution is already detailed under Corporate Governance Report. Since as per Section 135(5) of the Companies Act 2013, the Company is not required to spend any expenditure on CSR for current year, annual report on CSR is not annexed with this report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION:-

The Company is in practice of following energy conservative techniques.

FOREIGN EXCHANGE INFLOW & OUTFLOW

During the year under review, the Company has no foreign exchange inflows or outflows.

CORPORATE GOVERNANCE

Your Company is committed to good corporate governance aligned with the best corporate practices. A separate Report on Corporate Governance in ***Annexure-I*** along with Auditor's Certificate on Compliance with the conditions of Corporate Governance is provided as a part of this Annual Report, besides the report on Management Discussion and Analysis.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return in Form MGT 9, of the Company is annexed as ***Annexure II*** to this Report.

RELATED PARTY TRANSACTIONS

All related party transactions entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large.

All Related Party Transactions are placed before the Audit Committee for approval.

Particulars of contract or arrangements with related parties are annexed in Form AOC 2 as ***Annexure III*****.**

SUBSIDIARY COMPANIES

As of 31st March 2020, your Company has 3 subsidiaries viz. Sree Kailas Palchuram Hydro Power Limited, Sree Adisakthi Mukkuttathode Hydro Power Limited and Jalashaayi Alamparathode Hydro Power Limited by virtue of the Company having control on the Board of these companies. Pursuant to the provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of your Company's Subsidiaries in Form AOC-1 is annexed as ***Annexure IV.***

AUDITORS

At the AGM held on 29th December, 2017, M/s. KPR & Co. (FRN: 005326S), Chartered Accountants, Cochin, Kerala was appointed as the Statutory Auditors of the Company to hold office for a period of five years commencing from the conclusion of 26th Annual General Meeting till the conclusion of 31st Annual General Meeting subject to ratification by every members every year. However, the Companies (Amendment) Act 2017, has done away with the annual ratification of Auditors and hence the same is not included in the AGM Notice.

The Statutory Auditor has given their eligibility certificate to be appointed as the Auditors as per Rule 4 of the Companies (Audit and Auditors) Rules 2014. Hence the Board recommends the fixation of the annual remuneration of Auditors for the financial year 2020-21 to the shareholders

AUDITOR'S REPORT AND MANAGEMENT REPLY

The Auditors Report rendered by the Statutory Auditors for the financial year 2019-20 does not contain any qualification.

During the year under review, neither the Statutory Auditors nor the Secretarial Auditor has reported to the Audit Committee any instances of fraud committed against the Company by its officers or employees under Section 143 (12) of the Companies Act, 2013.

SECRETARIAL AUDITOR

The Board, in its meeting held on February 14, 2020 has appointed Mrs.CS Narasimhan Srividhya, Practising Company Secretary, as the Secretarial Auditor to conduct Secretarial Audit of the Company for 3(three) consecutive financial years till Financial Year 2021-22.

SECRETARIAL AUDIT REPORT AND MANAGEMENTS REPLY:

The Secretarial Audit Report rendered by Mrs.CS Narasimhan Sreevidhya, Practising Company Secretary is enclosed as ***Annexure - V,*** does not contain any qualification.

INTERNAL AUDITOR

Pursuant to Section 138(1) of the Companies Act 2013, Mr. Venkitesh Parasuram, Chartered Accountant was appointed as the Internal Auditor of the Company for a period of 5 (five) consecutive years with effect financial year 2019-2020 till 2023-24 in the Board Meeting of the Company held on February 14, 2020.

WHISTLE BLOWER POLICY/ VIGIL MECHANISM

In accordance with Section 177 of the Companies Act, 2013 and Regulation 22 of SEBI(LODR) Regulation
2015, the Company has constituted a Whistle Blower Policy/ Vigil Mechanism to establish a vigil mec hanism for the directors and employees to report genuine concerns in such manner as may be prescribed and to report to the managementinstances of unethical behavior, actual or suspected fr aud or violation of the Company's code of conduct.
The detail of the Whistle Blower Policy has been posted on the website of the Company.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company has in place an Anti-Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee ("ICC") has been set up to redress the complaints received regarding sexual harassment. All employees are covered under this policy.

During the financial year 2019-20, there were no cases reported under Sexual Harassment of Women at Workplace (Prevention Prohibition and Redressal) Act, 2013.

COST AUDITORS

The provisions of Cost Auditor as mentioned under Section 148 of the Companies Act, 2013 is not applicable to the Company.

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under 134(3) (c) of the Companies Act, 2013, Directors report that:

1. In the preparation of the annual accounts for the financial year ended March 31 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures.

2. The directors had selected such accounting policies and applied them consistently and made judgment and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the company for the year under review.

3. The Directors had taken proper and sufficient care for the 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 fraud and other irregularities.

4. Directors had prepared the Annual Accounts for the financial year ended 31st March, 2020 on a 'going concern' basis.

5. That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

6. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

CODE OF CONDUCT

All the Board Members and Senior Management Personnel have affirmed compliance with the applicable Code of Conduct for the Financial Year 2019-20. A declaration to this effect signed by the Managing Director & CEO forms part of this Report.

ACKNOWLEDGEMENT

The Board places on record, its appreciation for the co-operation and support received from shareholders, customers, suppliers, employees , government authorities and banks.

shareholders, customers, suppliers, employees, government authorities and banks.

For and on behalf of Board of Directors

Sd/-	**Sd/-**
S Rajkumar	**Visakh Rajkumar**
Vice Chairman and Managing Director	**Whole Time Director**
DIN:- 01790870	**DIN:- 07079475**

Annexure I

REPORT ON CORPORATE GOVERNANCE

1. Corporate Governance Philosophy

The Management believes that corporate growth, goals, transparency and enhanced stakeholder value are to be achieved only through good Corporate Governance.

2. Board of Directors

The Board of Directors of the Company as on 31 March, 2020 comprises of:

Sl. No	Name	Designation	DIN	Executive/ Non Executive Director	Promoter/ Independent Director	No. of other Companies in which he/she is a Director	Committees In Listed Companies in which he is a Member /Chairman
1	Mr.. S. Rajkumar	Vice Chairman & Managing Director	01790870	Executive	Promoter	6	0
2	Mrs. Rajee Rajkumar	Director	00363280	Non Executive	Non Independent	1	0
3	Mr.S.Subramoniam	Director	01790968	Non Executive	Non-Independent	4	0
4	Mrs.E.Kamalam	Director	01791001	Non Executive	Non-Independent	0	0
5	Mr.U.Gururaja Bhat *	Chairman	00353361	Non Executive	Independent	1	0
6	Mr. G. Raghavan	Director	01661856	Non Executive	Independent	2	Chairman of, Nomination & Remuneration Committee & Risk Management Committee & member of Audit Committee in Cella Space Ltd
7	Mr. N. Subramanian	Director	03602858	Non Executive	Independent	2	Chairman of Audit Committee, Nomination & Remuneration Committee & Stakeholders Relationship Committee of Kingfa Science & Technology Ltd. Chairman of Audit Committee & Member of Nomination & Remuneration Committee , Stakeholders Relationship, CSR Committee & Risk Management Committee in Cella Space Ltd
8	Mr.Akhilesh Agarwal^	Director	00918838	Non Executive	Non-Independent	6	Member of CSR Committee in Cella Space Ltd
9	Mr. Visakh Rajkumar$	Director	07079475	Executive	Non-Independent	2	0

** Mr.U.Gururaja Bhat expired on June 16, 2020*
^ Mr.Akhilesh Agarwal was appointed as Non Executive Independent Director for a period of 5 years from September 12,2020
$ Mr. Visakh Rajkumar was reappointed as Whole Time Director for a period of 1 year since October 1, 2020

3. Board Meetings and Annual General Meeting & Directors' Attendance

During the Financial Year 2019-20, the Board of Directors of the Company met 7 times on April 17, 2019, May 28, 2019, August 12, 2019, August 30, 2019, September 30, 2019, November 14, 2019 and February 14, 2020.

The Annual General Meeting of the Company for the financial year 2018-19 was held on September 30, 2019.

Attendance of each director, at the Board Meetings held during the year 2019-20 and at the last Annual General Meeting is as follows:

Sl. No.	Name	Board Meetings		Last AGM
		Entitled to attend	Attended	Attended
1	Dr. S. Rajkumar	7	7	Yes
2	Mr.S.Subramoniam	7	1	No
3	Mrs.E.Kamalam	7	1	No
4	Mr.U.Gururaja Bhat*	7	3	Yes
5	Mr. G Raghavan	7	7	Yes
6	Mr. N. Subramanian	7	7	Yes
7	Mrs. Rajee Rajkumar	7	5	Yes
8	Mr. Akhilesh Agarwal	7	2	Yes
9	Visakh Rajkumar	7	7	Yes

* *Mr. U.Gururaja Bhat expired on June 16, 2020*

4. Audit Committee

By constituting an independent and qualified Audit Committee, the Company has complied with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015 relating to the composition of the Audit Committee. The Committee reviews:

a. the financial reporting by ensuring compliance with Accounting Standards and review Financial Policies of the Company;
b. review and monitor the auditor's independence and performance, and effectiveness of audit process; recommend the appointment of Statutory Auditors/ internal auditors and fix their remuneration;
c. approval or any subsequent modification of transactions of the company with related parties;
d. scrutiny of inter-corporate loans and investments; valuation of undertakings or assets of the company, wherever it is necessary;
e. evaluation of internal financial controls and risk management systems and monitoring the end use of funds raised through public offers and related matters.

The Audit Committee consists of the following members:

Sl. No.	Name	Designation	Independent / Non Independent	No. of Meeting Attended
1	Mr. N. Subramanian	Chairman	Independent	5
2	Mr. U. Gururaja Bhat*	Member	Independent	3
3	Mr. G Raghavan	Member	Independent	5

**expired on June 16, 2020 and the Committee was reconstituted in the Board Meeting held on September 12, 2020.*

During the year 2019-20, Five Audit Committee Meetings were held on May 28, 2019, August 12, 2019, August 30, 2019, November 14, 2019 and February 14, 2020.

5a) Remuneration to Directors

Managing Director & Whole-time Director of the Company are given remuneration at a rate of 12 lakhs per annum after seeking approval of shareholders in general meetings. They are not entitled to any remuneration by way of sitting fees for attending Board/Committee Meetings.

The Non-Executive directors are remunerated by way of sitting fees as decided by the Board of Directors of

the Company from time to time for attending Board/ Committee meetings.

The Company has not granted any stock option to any of its Directors. Details of remuneration paid to the Directors are given in Extract of Annual Return in Form MGT – 9 at Annexure I.

6. Shareholders Relationship Committee

The Shareholders Relationship Committee's composition and the terms of reference meet with the requirements of provisions of the Companies Act, 2013 as well as the SEBI (Listing obligations and Disclosure Requirement) Regulations 2015.

The Committee is primarily responsible to consider and review all matters connected with the Company's transfer of securities and redressal of shareholders/ investors/ security holders' complaints and to resolve

the grievances of security holders of the Company.

The Shareholders Relationship Committee consists of the following members:

Sl. No.	Name	Designation	Independent / Non Independent
1	Mr. U. Gururaja Bhat*	Chairman	Independent
2	Dr S. Rajkumar	Member	Non-Independent
3	Mr. N Subramanian	Member	Independent

**expired on June 16, 2020 and the Committee was reconstituted in the Board Meeting held on September 12, 2020.*

During the year 2019-20, Stakeholders Relationship Committee Meeting was held twice August 30, 2019 and February 14, 2020.

7. Status of Investor Grievances

Name & designation of compliance officer	**Mr.R. Ponnambalam, Company Secretary**
Number of pending complaints as on 01.04.2019	0
Number of shareholders complaints received during 2019-20	0
Number of complaints resolved to the satisfaction of shareholders	0
Number of pending complaints as on 31.03.2020	0

8. Risk Management Committee.

Our Risk Management Committee comprises of the following Members:

Sl. No.	**Name**	**Designation**	**Independent / Non Independent**
1	Mr. U. Gururaja Bhat*	Chairman	Independent
2	Mr. G Raghavan	Member	Independent
3	Mr. N Subramanian	Member	Independent

**expired on June 16, 2020 and the Committee was reconstituted in the Board Meeting held on September 12, 2020.*

The purpose of the committee is to assist the Board in fulfilling its corporate governance duties by overseeing the responsibilities with regard to the identification, evaluation and mitigation of operational, strategic and environmental risks. The committee has the overall responsibility of monitoring and approving the risk policies and associated practices of the Company.

As the Company does not meet the requirement of Risk Management Committee as per SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, no meetings of Risk Management Committee was convened.

9. Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee consists of the following members:

Sl. No.	**Name**	**Designation**	**Independent / Non Independent**
1	Dr. S Rajkumar	Chairman	Non Independent
2	Mr. Akhilesh Agarwal	Member	Non Independent
3	Mr. N Subramanian	Member	Independent

As per the provisions of Companies Act 2013, the company is not required to spend money on CSR activities. Hence no meetings of Corporate Social Responsibility Committee was convened during the financial year under review..

10. Share Allotment / Transfer Committee

The Share Allotment/Transfer committee meeting consists of the following members:

Sl. No.	Name	Designation	Independent / Non Independent
1	Dr S. Rajkumar	Chairman	Non-Independent
2	Mr. G Raghavan	Member	Independent
3	Mr.N Subramanian	Member	Independent

During the financial year, 1 meeting of Share Allotment/Transfer Committee was convened on August 30 2019.

12. Code of Conduct

The code of Conduct for all the members of the Board and senior management of the Company has been posted on the website of the Company: www.sreekailas.com. All Board members and senior management personnel (as per Regulation 26(3) of the Listing Regulations) have affirmed compliance with the applicable Code of Conduct. A declaration to this effect forms part of this Report.

13a. Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature with its promoters, the directors or the management, their relatives, etc. that have potential conflict with the interest of the Company at large.

None of the transactions with any of the related on parties were in conflict with the interest of the Company. Attention of the members is drawn to the disclosures of transactions with the related parties set out in Notes Accounts forming part of the Annual Report. All related party transactions are negotiated on arms length basis and are only intended to further the interests of the Company. Companies Policy on Related Party is uploaded in the Company Website www.sreekailas.com.

13b. Details of non-compliance by the Company, penalties, strictures imposed on the Company by the Stock Exchange or SEBI or any other statutory authority, on any matter related to the capital markets, during the last three years.

a) Penalty imposed by BSE for delay in submitting application for listing of 9,05,000 (Nine Lakhs Fifty Thousand) equity shares of Rs.10/- (Rupees Ten only) each

The Company has been levied a penalty of Rs. 9,80,000/- (Rupees Nine Lakhs and Eighty Thousand) with an additional penalty of Rs.17,296/- (Rupees Seventeen Thousand Two Hundred and Ninety Six only) by Bombay Stock Exchange on the ground that the Company has made a delay of 49 days in submitting application for listing of 9,05,000 (Nine Lakhs Fifty Thousand) equity shares of Rs.10/- (Rupees Ten only) each allotted vide conversion of 9,05,000 (Nine Lakhs Fifty Thousand) Listed Convertible Equity Share Warrants. The Company has made an appeal to Securities Appellate Tribunal (SAT) for setting aside the penalty and SAT vide its order dated April 30, 2019 has directed the Company to make an application to Securities and Exchange Board of India (SEBI) for relief. The Company has submitted its application to SEBI and SEBI vide its letter CFD/DIL/24978/2019 dated September 23, 2019 has condoned the delay and has waived off the penalty.

b) Penalty imposed by BSE for delay in submitting trading application of 9,05,000 (Nine Lakhs Fifty Thousand) equity shares of Rs.10/- (Rupees Ten only) each

The Company has been levied a penalty of Rs. 6,60,000/- (Rupees Six Lakhs and Sixty Thousand) along with applicable fees by Bombay Stock Exchange on the ground that the Company has committed 33 days delay in submitting trading application of 9,05,000 (Nine Lakhs Fifty Thousand) equity shares of Rs.10/- (Rupees Ten only) each allotted vide conversion of 9,05,000 (Nine Lakhs Fifty Thousand) Listed Convertible Equity Share Warrants. The Company has submitted an application to Securities and Exchange Board of India (SEBI) on March 5, 2020 for waiver of penalty and SEBI vide its letter SEBI/HO/CFD/DIL1/OW/14609/P/2020 dated September 9, 2020 has directed the Company to pay the penalty amount.

13c. Disclosures on Accounting Treatment

Disclosures of accounting treatment wherever applicable have been made in the Audited Financial Accounts for the year ended March 31, 2020.

13d. Board Disclosures – Risk Management

The Company has laid down procedures to inform the Board Members about the risk assessment and minimization procedures and they are being reviewed periodically. The Risk Management Policy is uploaded in the Company Website www.sreekailas.com.

14. CEO /CFO Certification

A Certificate from CEO and CFO has been placed before the Board confirming that:

(a) They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are, to the best of their knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violation of the company's code of conduct.

(c) They accept responsibility for establishing and maintaining internal controls and that they have evaluated the effectiveness of the internal control systems of the company and they have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or proposed to rectify these deficiencies.

(d) They have indicated to the auditors and the Audit Committee:

(i) Significant changes in internal control during the year;
(ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
(iii) They have not come across any instances of significant fraud and involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Particulars of Employees

None of the employees of the company fall under the provisions of section 197(12) of the Companies Act, 2103, read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Information pursuant to Section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel), Rules 2014 is as follows:-

Sl.No	Particulars	
1	Percentage of increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer and Company Secretary	NIL
2	Median remuneration of all the employees of the Company for the Financial Year 2019-20	Rs. 4,50,000
3	Percentage increase in the median remuneration of the employees in the Financial year 2019-20	NIL
4	Number of permanent employees on the rolls of the Company as on March 31, 2020	9
5	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:	There were no change in the salary of both employees and KMP during the FY 2019-20
7	The remuneration is as per the remuneration policy of the Company	

8) Top Ten Employees in terms of remuneration drawn:-

Sr. No	Name	Designation	Remuneration Received (Per annum)	Nature of employment - whether contractual or otherwise	Qualification	Experience (No. of Years)	Date of commencement of employment	Age (in years)	Last Employment and Designation	% of equity shares held by the employee in the company
1	Vinod Kumar	Deputy General Manager	687000	Contractual	BA, LLB	22	02-02-1996	57	Employment started in Sree sakthi paper Mills Ltd	NIL
2	Jiju George	Assistant Company Secretary	585000	Permanent	B Com, ACS	6	01-07-2019	31	Employed as company Secretary in ESAF Microfinance and Investments Pvt Ltd (Currently known as ESAF Financial Holdings Pvt Ltd)	NIL
3	Ratheesh K Pai	Deputy General Manager	480000	Permanent	Diploma Electrical)	22	01-03-1993	56	Employment started in Sree sakthi paper Mills Ltd	NIL
4	Jayakumar . M	Deputy .General Manager	465000	Permanent	Bcom	26	18-03-1993	55	Employment started in Sree sakthi paper Mills Ltd	NIL
5	Ayyappan Pillai S	General Manager Commerical officer	450000	Contractual	BA	3	10-01-2017	66	Sreegiri Packaging Ltd, Manager	NIL
6	Manoj G Parat	Manager (Personnel & Adminstration)	360000	Permanent	M com	23	01-06-2006	56	Wyeth Limited –Junior Accountant	NIL
7	Sridharan V N	CFO	360000	Permanent	Chartered Accountant	41	01-10-2016	68	Hindustan Newsprint Ltd, Director and CEO	NIL
8	Parvathy P	Sr.Manager-Finance & Accounts	330000	Permanent	M Com	26	04-01-1993	57	Employment started in Sree sakthi paper Mills Ltd	NIL
9	Latheef K K	Security Officer	240000	Permanent	BA	7	07-02-2011	49	Employment started in Sree sakthi paper Mills Ltd	NIL

15. Annual General Meetings

The details of the last 3 Annual General Meetings and Special Resolutions passed by the Company are noted below:

Year	Location	Date	Time	Special Resolution
2017	Hotel Abad Plaza M.G.Road, Ernakulam Cochin – 35	Friday 29.12.2017	2.00 PM	1. Change in name of the Company
2018	Hotel Abad Plaza M.G.Road, Ernakulam Cochin – 35	Saturday 29.09.2018	2.00 P.M	1. Change in name of the Company 2. Appointment of Mr. Uliar Gururaja Bhat as an Independent Director
2019	Hotel Abad Plaza M.G.Road, Ernakulam Cochin – 35	Monday 30.09.2019	2.00 P.M	1. Appointment of Mr. Visakh Rajkumar as Executive Director for 1 year with effect from September 30, 2020 for an annual remuneration of Rs.12 lakhs 2. Continuation of appointment of Mrs. Iasaki Kamali as Non Executive Director 3. Approval of Related Party Transactions with Visakh Homes Ltd 4.Appointment of Dr. S Rajkumar as Managing Director till August 12, 2021 for an annual remuneration of 12 lakhs 5. Increase of borrowing power of the Company upto Rs. 300 Crores over and above the aggregate of paid up capital and free reserves. 6. Fixing of limit of Rs. 100 Crores over and above the higher of 60 % aggregate of paid up capital and free reserves and Securities Premium Account or 100% of free reserves and Securities Premium for the purpose of rendering loans, guarantees or making investments 7. Forfeiture of 2,85,000 Convertible Equity Share Warrants allotted to Mr. S Rajkumar 6. Issue of Equity Shares for an amount not exceeding Rs.18 Crores on Rights basis 8. Reclassification of Authorised Share Capital

16. Means of Communication

The Company's corporate website, www.sreekailas.com provides comprehensive information to the Shareholders. The Financial Results are generally published in 'Financial Express, the English Daily Newspaper and in 'Deepika, the Malayalam Daily Newspaper.

17. General Shareholder Information

AGM: Date, time & venue	:	Date :- December 28, 2020 Time :- 12:30 p.m	
Financial Year	:	April 01 to March 31	
Financial Calender (tentative and subject to change)	:	30.07.2020	Audited results for 2019-20
		12.09.2020	First Quarter Results for 2020-21
		12.11.2020	Second Quarter Results for 2020-21
		28.12.2020	Annual General Meeting for FY 19-20
		February 2021	Third Quarter Results for 2020-21
		May 2021	Audited results for 2020-21
		September 2021	Annual General Meeting for 2020-21
Date of Book closure	:	22.12.2020 to 28.12.2020 (both days inclusive)	
Dividend Payment Date	:	No Dividend Declared during the financial year under review	
Listing on Stock Exchanges	:	The Equity Shares of the Company are listed on BSE	
Payment of Annual Listing Fees to the Stock Exchange	:	Listing Fee upto March 31, 2020 has been paid to the BSE	
Stock Code	:	Under Demat System, the ISIN allotted to the Company's Equity Shares is : INE266H01014.TheCompany's Stock Code is 532701	

Market Price Data (BSE)

Month	**Open**	**High**	**Low**	**Close**	*** Spread**	
					H-L	**C-O**
Apr-19	5.65	5.98	5.00	5.11	0.98	-0.54
May-19	5.11	4.86	3.30	3.99	1.56	-1.12
Jun-19	3.99	5.05	3.98	4.98	1.07	0.99
Jul-19	4.98	5.19	4.40	4.40	0.79	-0.58
Aug-19	4.40	4.35	3.89	4.10	0.46	-0.30

Sep-19	4.10	4.30	3.33	3.55	0.97	-0.55
Oct-19	3.55	5.89	3.72	5.85	2.17	2.30
Nov-19	5.85	5.95	5.41	5.59	0.54	-0.26
Dec-19	5.59	5.35	4.28	4.60	1.07	-0.99
Jan-20	4.60	4.81	3.71	4.09	1.10	-0.51
Feb-20	4.09	4.48	3.58	4.07	0.90	-0.02
Mar-20	4.07	4.00	3.07	3.07	0.93	-1.00

Registrar and Transfer Agents and Share transfer System	:	M/s. Bigshare Services Pvt Ltd, 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai 400059, India, Tel: 022-62638268, Fax 022-62638299. The shares of the Company are under compulsory demat mode.

Distribution of Equity Shareholding as March 31, 2020 :

Distribution	No. of share Holder	% of shareholders	No. of shares	% of share holding
1 – 500	6568	80.80	1235511	6.45
501-10000	787	9.68	611179	3.19
10001-20000	335	4.12	532698	2.78
20001-30000	103	1.27	265751	1.39
30001-40000	71	0.87	253279	1.32
40001-50000	56	0.69	265189	1.38
50001-100000	88	1.08	616620	3.22
100001 & above	121	1.49	15370990	80.27
TOTAL	**8129**	**100.00**	**19151217**	**100.00**

Equity Shareholding pattern as on March 31, 2020	:	**Category No. of share Holder**			**No. of shares held**	**% of share holding**
		A. Promoters Holdings				
		Promoter & promoter group			10393053	54.27
		B. Non Promoters Holding			7171946	
		Individuals			431544	37.45
		Corporate Bodies			0	2.25
		NBFCs			846480	0.00
		NRI			49152	4.42
		Clearing Member			150	0.26
		Director's Relatives			258892	1.35
		Others				
		Grand Total			**19151217**	**100.00**
Name and number of shares held and percentage share holding of entities / persons holding more than 1% shares of the Company as on March 31, 2020		**Name**	**No. of shares held**	**% of share holding**	**Category**	
		S Rajkumar	9461205	49.40	Promoters - Resident Indians	
		Rajaram	717689	3.75	Public - Non Resident Indian (Non-Repatriable)	
		Anand Mohan	336591	1.76	Public - Resident Indians	
		Rajee Rajkumar	310406	1.62	Promoters - Resident Indians	
		Vignesh R	276705	1.44	Promoters - Resident Indians	
		Sivakala Ganesh	223039	1.23	Public - Resident Indians	
		Balram Bharwani	200000	1.04	Public - Resident Indians	
		Total	**11525635**	**60.18**		

Dematerialization of shares and liquidity	:	Break up of Shares as on 31/03/2020 a) In dematerialized mode NSDL - 12982600 CDSL - 4302559 b) In Physical mode 11058 **Total - 17296271*** **The balance 1855000 shares allotted to Mr. S Rajkumar was dematerialised but is in await of listing approval from BSE* 100% of Shares of Promotor and Promoters group were dematerialized pursuant to SEBI Circular No: ISD /3/2011 dt. 17.06.2011.
Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity	:	12,35,000 (Twelve Lakhs Thirty Five Thousand) Listed Convertible Equity Share Warrant allotted to Mr. S Rajkumar was forfeited pursuant to approval taken from shareholders in the last General Meeting of the Company held on September 30, 2019.
Address for correspondence	:	**Cella Space Limited** 57/2993, "Sree Kailas", Paliam Road, Ernakulam, Cochin - 682 016, Kerala Tel: 0484 -2373230, 2382182, Fax: 0484-2370395 Email: secretary@sreekailas.com, Web: www.sreekailas.com

For and on behalf of Board of Directors

Sd/- **Sd/-**

S Rajkumar **Visakh Rajkumar**
Vice Chairman & Managing Director **Whole Time Director**
DIN:- 01790870 **DIN:- 07079475**

Annexure II

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2020

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L93000KL1991PLC006207
2.	Registration Date	03 October 1991
3.	Name of the Company	Cella Space Limited
4.	Category/Sub-category of the Company	Company Limited by Shares/ Non-Government Company
5.	Address of the Registered office & contact details	Sree Kailas 57/2993/94 Paliam Road Ernakulam, Cochin - 682 016
6.	Whether listed company	Yes/~~No~~
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Pvt Ltd 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai 400059, India. Tel No. 02262638268 E-mail : shwetas@bigshareonline.com

II. **PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (**All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Rental or leasing services of warehouses	99721121	81.09%

III. **Particulars of Holding, Subsidiary and Associate Companies**

Sl No	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
1	Sree Kailas Palchuram Hydro Power Limited 57/2993, Sree Kailas,	U40100KL2008PLC022145	Subsidiary	47.00	2(87)(i)

	Paliam Road, Kochi, Ernakulam – 682016				
2	Sree Adi Sakthi Mukkuttathode Hydro Power Limited 57/2993, Sree Kailas Paliam Road, Kochi,Ernakulam- 682016	U40100KL2008PLC022144	Subsidiary	47.00	2(87)(i)
3	Jalashaayi Alamparathodu Hydro Power Limited 57/2993, Sree Kailas, Paliam Road, Kochi Ernakulam -682016	U40100KL2008PLC022143	Subsidiary	47.00	2(87)(i)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category-wise Share Holding

		No. of Shares held at the beginning of the year (01/04/2019)				No. of Shares held at the end of the year (31/03/2020)				
	Category of Shareholder	Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	% Change
(A) Shareholding of Promoter and Promoter Group										
Indian										
(a)	Individual / HUF	9418191	0	9418191	51.74	10393053	0	10393053	54.27	2.53
(b)	Central / State Government(S)	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Financial Institutions / Banks	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Others (Specify)									
(i)	Group Companies	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	Trusts	0	0	0	0.00	0	0	0	0.00	0.00
(iii)	Directors Relatives	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (A)(1) :	**9418191**	**0**	**9418191**	**51.74**	**10393053**	**0**	**10393053**	**54.27**	**2.53**
Foreign										
(a)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Individual	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Others	0	0	0	0.00	0	0	0	0.00	0.00

	(Specify)									
	Sub Total (A)(2) :	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Total holding for promoters									
	(A)=(A)(1) + (A)(2)	**9418191**	**0**	**9418191**	**51.74**	**10393053**	**0**	**10393053**	**54.27**	**2.53**
(B) Public shareholding										
Institutions										
(a)	Central / State government(s)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Financial Institutions / Banks	0	0	0	0.00	51	0	51	0.00	0.00
(c)	Mutual Funds / UTI	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(f)	FII's	0	0	0	0.00	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0	0	0	0.00	0.00
(h)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(i)	Any Others (Specify)									
(j)	Foreign Portfolio Investor	0	0	0	0.00	0	0	0	0.00	0.00
(k)	Alternate Investment Fund	0	0	0	0.00	0	0	0	0.00	0.00
		0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (B)(1) :	**0**	**0**	**0**	**0.00**	**51**	**0**	**51**	**0.00**	**0.00**
Non-institutions										
(a)	Bodies Corporate	500080	0	500080	2.75	431544	0	431544	2.25	(0.5)
(b)	Individual									
(i)	(Capital Upto To Rs. 1 Lakh)	3787349	10958	3798307	20.87	3459026	10958	3469984	18.12	(2.75)
(ii)	(Capital Greater Than Rs. 1 Lakh)	3471319	0	3471319	19.07	3701962	0	3701962	19.33	(0.26)
(c)	Any Others (Specify)									
(i)	Trusts	0	0	0	0.00	0	0	0	0.00	0.00
(ii)	Clearing Member	136924	0	136924	0.75	49152	0	49152	0.26	(0.49)
(iii)	Non Resident Indians (NRI)	0	0	0	0.00	0	0	0	0.00	0.00
(iv)	Non Resident Indians (Repat)	129264	0	129264	0.71	130764	0	130764	0.68	(0.03)

(v)	Non Resident Indians (Non Repat)	730916	0	730916	4.02	715716	0	715716	3.74	(0.28)
(vi)	Directors Relatives	15916	100	16016	0.09	50	100	150	0.00	(0.09)
(vii)	Employee	0	0	0	0.00	0	0	0	0.00	0.00
(viii)	Overseas Bodies Corporates	0	0	0	0.00	0	0	0	0.00	0.00
(ix)	Unclaimed Suspense Account	0	0	0	0.00	0	0	0	0.00	0.00
(x)	IEPF	0	0	0	0.00	0	0	0	0.00	0.00
(xi)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(xii)	NBFCs	200	0	200	0.00	0	0	0	0.00	0.00
(xiii)	Hindu Undivided Family	0	0	0	0.00	258841	0	258841	1.35	1.35
	Sub Total (B)(2) :	**8771968**	**11058**	**8783026**	**48.26**	**8747055**	**11058**	**8758113**	**45.73**	**(2.53)**
	Total Public Shareholding									
	(B)=(B)(1) + (B)(2)	**8771968**	**11058**	**8783026**	**48.26**	**8747106**	**11058**	**8758164**	**45.73**	**(2.53)**
(C) Shares held by Custodians and against which Depository Receipts have been issued										
(A)	Shares Held By Custodians	0	0	0	0.00	0	0	0	0.00	0.00
(I)	Promoter And Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
(Ii)	Public	0	0	0	0.00	0	0	0	0.00	0.00
	Sub Total (C)(1) : (C)=(C)(1)	**0**	**0**	**0**	**0.00**	**0**	**0**	**0**	**0.00**	**0.00**
	Grand Total (A) + (B) + (C)	**18190159**	**11058**	**18201217**	**100.00**	**19140159**	**11058**	**19151217**	**100.00**	**0.00**

B) Shareholding of Promoter

		Shareholding at the beginning of the year (31/03/2019)			**Shareholding at the end of the year (31/03/2020)**			
Sr. No	**NAME**	**Number of Shares**	**% Shares of the Company**	**% of Shares Pledged/ encumbered to total shares**	**Number of Shares**	**% Shares of the Company**	**% of Shares Pledged/ encumbered to total shares**	**% Change in shareholding during the year**
1.	S Rajkumar .	8511205	46.76	0.00	9461205	49.40	0.00	2.64

2.	N Subramanian	12738	0.07	0.00	12738	0.07	0.00	0.00
3.	E Kamalam	174630	0.96	0.00	174630	0.91	0.00	(0.05)
4.	A Ganesh	89940	0.49	0.00	89940	0.47	0.00	(0.02)
5.	Vignesh R	276705	1.52	0.00	276705	1.44	0.00	(0.08)
6.	Rajee Rajkumar	285544	1.57	0.00	310406	1.62	0.00	0.05
7.	Subramoniam Sivathanu Pillai	67429	0.37	0.00	67429	0.35	0.00	(0.02)
		9418191	**51.74**	**0.00**	**10393053**	**54.27**	**0.00**	**2.53**

C) Change in Promoters' Shareholding (please specify, if there is no change)

Sr. No.	**Name**	**Shareholding**		**Date**	**Increase / Decrease in shareholding**	**Reason**	**Cumulative Shareholding during the year**	
		No. of shares at the beginning (01/04/2019)	**% of total shares of the company**				**No of Shares**	**Percentage of total shares of the company**
1	S Rajkumar .	8511205	46.76	01/04/2019				
				30/08/2019	950000	Allotment	9461205	
				31/03/2020			9461205	49.40
2	N Subramanian	12738	0.07	01/04/2019				
				31/03/2020			12738	0.07
3	E Kamalam	174630	0.96	01/04/2019				
				31/03/2020			174630	0.91
4	A Ganesh	89940	0.49	01/04/2019				
				31/03/2020			89940	0.47
5	Vignesh R	276705	1.52	01/04/2019				
				31/03/2020			276705	1.44

6	Rajee Rajkumar	285544	1.57	01/04/2019				
				12/04/2019	590	Buy	286134	
				21/06/2019	22772	Buy	308906	
				28/06/2019	1500	Buy	310406	
				31/03/2020			310406	1.62
8	Subramoniam Sivathanu Pillai	67429	0.39	01/04/2019				
				31/03/2020	0		67429	0.35

D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No	NAME	No. of Shares at the begining/End of the year	Date	Increase/Decrease in share-holding	Reason	Number of Shares	Percentage of total shares of the company
1	Raja Ram	717689	01/04/2019			717689	4.37
			21/02/2020	(15000)	Sale	702689	3.67
			31/03/2020			702689	3.67
2.	Anand Mohan	345402	01/04/2019	0	-	345402	1.90
			24/01/2020	(8811)	Sale	336591	
			31/03/2020			336591	1.76
3	Sivakala Ganesh	223039	01/04/2019				1.22
			31/03/2020			223039	1.16
4	Balram Bharwani	200000	01/04/2019			200000	1.10
			31/03/2020		-	200000	1.04
5	Acumen Capital Market India Limited	135083	01/04/2019	0		135083	0.74
			07/06/2019	10000	Buy	145083	
			14/06/2019	(10000)	Sale	135083	
			21/06/2019	100	Buy	145083	
			28/06/2019	(100)	Sale	135083	
			20/09/2019	2283	Buy	137366	
			27/09/2019	259	Buy	137625	

			30/09/2019	90	Buy	137715	
			04/10/2019	3671	Buy	141386	
			11/10/2019	(3471)	Sale	137915	
			31/03/2020			137915	0.72
6	Chirayush Pravin Vakil	133484	01/04/2019			133484	0.73
			17/05/2019	380	Buy	133864	
			31/03/2020			133864	0.70
7	A Mohanan	2000	01/04/2019	2000		2000	0.10
			30/08/2019	6224	Buy	8224	
			27/10/2019	10	Buy	8234	
			11/10/2019	200	Buy	8434	
			18/10/2019	500	Buy	8934	
			25/10/2019	7006	Buy	15940	
			01/11/2019	17247	Buy	33187	
			08/11/2019	31655	Buy	64842	
			15/11/2019	29565	Buy	94407	
			22/11/2019	953	Buy	95360	
			29/11/2019	1645	Buy	97005	
			06/12/2019	36821	Buy	133826	
			31/03/2020			133826	0.70
8	Abhishek Singhvi	135000	01/04/2019			135000	0.74
			03/01/2020	(1100)	Sale	133900	
			17/01/2020	(8900)	Sale	125000	
			31/03/2020	125000		125000	0.65
9	M Kaveri	1,19,919	01/04/2019			1,19,919	0.66
			31/03/2020			119919	0.63
10	Bosco Armando Menezes	1,16,000	01/04/2019	0	-	116000	0.64
			31/03/2020	2500	Buy	118500	0.62

E) Shareholding of Directors and Key Managerial Personnel:

S.No	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	S Rajkumar	8511205	46.76	9461205	49.40
2	Subramaniam Sivathanu Pillai	67429	0.39	67429	0.35
3	E Kamalam	174630	0.96	174630	0.91
4	U Gururaja Bhat. *	50	0.00	50	0.00
5	N Subramanian	0	0.00	0	0.00
6	Akhilesh Agarwal	9365	0.05	13169	0.07
7	G Raghavan	0	0.00	0	0.00
8.	Rajee Rajkumar	285544	1.57	310406	1.62
9.	Visakh Rajkumar	0	0.00	0	0.00
	Total	**9060961**	**49.78**	**10026889**	**52.36**

Mr. U Gururaja Bhat expired on June 16, 2020

F) INDEBTEDNESS - Indebtedness of the Company including interest outstanding/accrued but not due for payment. (In lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	1,305.64	1,351.55	0.00	2657.19
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	**1,305.64**	**1,351.55**	**0.00**	**2657.19**

Change in Indebtedness during the financial year				
* Addition	1,790.51	6.53	0.00	1,797.04
* Reduction	321.27	263.23	0.00	584.50
Net Change	**1,469.24**	**-256.70**	0.00	**1,212.54**
Indebtedness at the end of the financial year				
i) Principal Amount	2,774.88	1,094.85	0.00	3,869.73
ii) Interest due but not paid	0.00	0.00	0.00	0.00
iii) Interest accrued but not due	0.00	0.00	0.00	0.00
Total (i+ii+iii)	**2,774.88**	**1,094.85**	**0.00**	**3,869.7**

XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-
A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount (Rs. In lakhs)
1	**Gross salary**	**Managing Director (Mr. S Rajkumar)**	**Whole Time Director (Mr. Visakh Rajkumar)**	**Manager**	
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	7.61	6.00	NA	13.61
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00	0.00	NA	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0.00	0.00	NA	0.00
2	Stock Option	0.00	0.00	NA	0.00
3	Sweat Equity	0.00	0.00	NA	0.00
4	Commission - as % of profit - others, specify…	0.00	0.00	NA	0.00
5	Others, medical expense	0.00	0.00	NA	-
	Total	**7.61**	**6.00**	**NA**	**13.61**

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors				Total amount
1	Independent Directors	**Mr. U G Bhat**	**Akhilesh Agarwal**	**Mr. N. Subramnian**	**Mr. G Raghavan**	
	Fee for attending board committee meetings	40,000	20,000	80,000	80,000	**2,20,000**
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (1)	**40,000**	**20,000**	**80,000**	**80,000**	**2,20,000**
2	Nominee Directors		-	-	-	-
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	**-**	**-**	**-**	**-**	**-**
3	Other Non-Executive Directors	**Mr. S. Subramaniam**	**Mrs. E. Kamalam**	**Mrs. Rajee Rajkumar**		
	Fee for attending board committee meetings	-	-	50,000		
	Commission	-	-	-		-
	Others, please specify	-	-	-		-
	Total (3)	**-**	**-**	**50,000**		**50,000**
	Total (B)=(1+2+3)	**-**	**-**		**-**	**2,70,0000**

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

S.No	Particulars of Remuneration	Key Managerial Personnel			
		CEO	**CFO**	**CS**	**Total**
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NA	3,60,000	0.00	3,60,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NA	0.00	0.00	0.00
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NA	0.00	0.00	0.00
2	Stock Option	NA	0.00	0.00	0.00
3	Sweat Equity	NA	0.00	0.00	0.00
4	Commission				
	- as % of profit	NA	0.00	0.00	0.00
	others, specify…	NA	0.00	0.00	0.00
5	Others, please specify	NA	0.00	0.00	0.00
	Total	**NA**	**3,60,000**	**0.00**	**3,60,000**

II. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

For and on behalf of Board of Directors

Sd/-	**Sd/-**
S Rajkumar	**Visakh Rajkumar**
Vice Chairman and Managing Director	**Whole Time Director**
DIN:- 01790870	**DIN:- 07079475**

Annexure III

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

Financial Year 2019-20

a) Details of contracts or arrangements or transactions not at Arm's length basis – NIL

b) Details of contracts or arrangements or transactions at Arm's length basis

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	Name:- Visakh Homes Limited Nature of relationship :- Related Party is a Public Company with common directors and these common directors along with their relatives holds more than 2 % of the paid up share capital
	Nature of contracts/arrangements/transaction	a) Contract for construction of warehouse b) Contract for rendering commission for marketing of warehouse
	Duration of the contracts/arrangements/transaction	a) Upto exercise of limit b) Upto exercise of limit
	Salient terms of the contracts or arrangements or transaction including the value, if any	a) Additional limit of Rs.1000 lakhs aggregating to a maximum limit of 3500 lakhs (Earlier limit :- 2500 lakhs) b) Additional limit of Rs.100 lakhs aggregating to a maximum limit of 300 lakhs (Earlier limit :- 200 lakhs)
	Date of approval by the Board	a) November 12, 2020 b) November 12, 2020
	Amount paid as advances if any	NIL
	Date on which special resolution was passed in the general meeting	Ordinary Resolution was passed in the last AGM held on September 30,2019 with earlier limits. Board of Directors in their meeting held on November 12, 2020 has decided to exercise additional limits as given above and the same is recommended for approval of shareholders in the ensuing AGM

For and on behalf of Board of Directors

Sd/-	**Sd/-**
S Rajkumar	**Visakh Rajkumar**
Vice Chairman and Managing Director	**Whole Time Director**
DIN:- 01790870	**DIN:- 07079475**

Annexure IV

Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

Part A Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in Rs.)

1.	Name of the subsidiary	Sree Kailas Palchuram Hydro Power Limited	Sree Adi Sakthi Mukkuttathode Hydro Power Limited	Jalashaayi Alamparathodu Hydro Power Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period.	For the FY ended on March 31, 2020	For the FY ended on March 31, 2020	For the FY ended on March 31, 2020
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	NA	NA
4.	Share capital	10,00,000	10,00,000	10,00,000
5.	Reserves and surplus	(8,67,928)	(1,32,951)	(6,588)
6.	Total assets	10,31,449	9,48,855	10,59,635
7.	Total Liabilities	10,31,449	9,48,855	10,59,635
8.	Investments	-	-	-
9.	Turnover	-	-	-
10.	Profit before taxation	(4,39,548)	(2,90,062)	(2,70,087)
11.	Provision for taxation	-	-	-
12.	Profit after taxation	(4,39,548)	(2,90,062)	(2,70,087)
13.	Proposed Dividend	-	-	-
14.	Extent of shareholding (in percentage)	47	47	47

Notes: The following information shall be furnished at the end of the statement

1. Names of subsidiaries which are yet to commence operations:-
   a) Sree Kailas Palchuram Hydro Power Limited (CIN:-U40100KL2008PLC022145)
   b) Sree Adi Sakthi Mukkuttathode Hydro Power Limited (CIN:-U40100KL2008PLC022144)
   c) Jalashaayi Alamparathodu Hydro Power Limited (CIN:- U40100KL2008PLC022143)

2. Names of subsidiaries which have been liquidated or sold during the year :- **NIL**

As the Company does not have any associate or joint venture, Part B of AOC-1 pertaining to information regarding associates and joint ventures is not applicable.

Sd/-
S Rajkumar
Vice Chairman and Managing Director

Sd/-
Visakh Rajkumar
Whole Time Director

Sd/-
V N Sridharan
Chief Financial Officer

Sd/-
R Ponnambalam
Company Secretary

Annexure V

Form No. MR-3

Secretarial Audit Report for the financial year ended 31.03.2020

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members

Cella Space Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Cella Space Limited (hereinafter called the company). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have also examined the following with respect to the new amendment issued vide SEBI Circular number CIR/CFD/CMD1/27/2019 dated 8th February, 2019 (Regulation 24A of SEBI(LODR)).

(a) all the documents and records made available to us and explanation provided by the Company,
(b) the filings/submissions made by the Listed Entity to the Stock Exchanges,
(c) website of the listed entity,
(d) books, papers, minute books, forms and returns filed with the Ministry of Corporate Affairs and other records maintained by the Company for the financial year ended on 31st March, 2020 according to the provisions as applicable to the Company during the period of audit and subject to the reporting made hereinafter and in respect of all statutory provisions listed hereunder:

i. The Companies Act, 2013 (the Act) and the Rules made there under;
ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
iv. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
    (a) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time ;
    (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 as amended from time to time ;

(c) The Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, 2015 as amended from time to time;

(d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 as amended from time to time;

I hereby report that

a. The Listed Entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except mentioned in this report.
b. The Listed Entity has maintained proper records under the provisions of the above Regulations and circulars/guidelines issued thereunder in so far as it appears from our examination of those records.
c. There were no actions taken against the listed entity/its promoters/directors either by SEBI or by Stock Exchanges (including under the Standard Operation Procedures issued by SEBI through various circulars) under the aforesaid Acts/Regulations and circulars/guidelines issued thereunder.

I have also examined the compliance with the applicable clauses of the following:

(i) The Listing Agreements entered into by the Company with the Stock Exchanges, where the Securities of the Company are listed and the uniform listing agreement with the said stock exchanges pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

(ii) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India as amended from time to time.

- In our opinion The Warehousing (Development and Regulation) Act, 2007 is applicable

It is reported that during the period under review, the Company has been regular in complying with the provisions of the Act, Rules, Regulations and Guidelines, as mentioned above except

- The Company has received Show Cause Notice dated 16th July, 2019 under Section 124 and 125 of the Companies Act, 2013 from IEPF Authorities, Ministry of Corporate Affairs for non-transfer of shares to Investor Education and protection Fund. The Company has clarified that the number of shares to be transferred to Investor Education and protection Fund is NIL and requested to withdraw the Show Cause notice initiated against the Company.
- The Company could not upload E-Form IEPF-1 due to technical issues in the IEPF Website.

I further report that there were no actions/events in the pursuance of

1. The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014 and the Employees Stock Option Scheme, 2007 approved under the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;

2. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
3. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
4. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
5. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; requiring compliance thereof by the Company during the Financial Year under review.

I further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, in our opinion, adequate systems and control mechanism exist in the Company to monitor and ensure compliance with other general laws.

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by Statutory financial auditor and other designated professionals.

I further report that

The company is well constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were changes in the composition of the Board of Directors during the period under review and the same was carried out in compliance with the provisions of the Act.

Notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were delivered and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings are carried out unanimously. However certain records in the minutes of the meetings of the Board of Directors or Committee of the Board to this extent need to be further improved.

I further report that during the audit period the following events which have a major bearing on the Company`s affairs have occurred:

1. The Company had re-designated Mr.Visakh Rajkumar as Whole Time Director of the Company and reappointed Dr.S.Rajkumar as Managing Director in the Annual General Meeting held on 30th September, 2019

2. The Company has continued the Directorship of Mrs. Iasaki Kamalam on receipt of shareholders approval in the Annual General Meeting held on 30th September, 2019 as per Regulation 17A of SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015.

3. The Company has entered into Related Party transaction which is material in Nature for Construction of Warehouse and Commissioning for marketing of warehouse with Viskah Homes Limited for a value of Rs.27,00,00,000/- (Rupees Twenty Seven Crores) on approval of Shareholders in the Annual General Meeting held on 30th September, 2019.

4. In the Annual General Meeting held on 30th September,2019, the Company has forfeited 2,85,000 Convertible Equity Share warrants out of 30,00,000 Convertible Equity Share warrants which was allotted to Mr.S.Rajkumar, since the conversion of Warrants is permissible only upto a maximum cap of 5 % of voting rights in a financial year as per Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011

5. The Company has obtained shareholders' approval to raise funds from existing shareholders of the Company through rights issue as per Section 62 of the Companies Act, 2013 read with Chapter III of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirement) Regulations, 2018. However the Company is yet to initiate the process for Rights issue

6. The Company had reclassified the Authorized Share capital of the Company of Rs.50,00,00,000/- (Rupees Fifty Crores only), post approval of Shareholders in the Annual General Meeting

7. The Company on 30th August, 2019 has allotted 9,50,000 (Nine Lakhs and Fifty Thousand) Equity Shares of Rs. 10 /- (Rupees Ten only) each at a premium of Rs.1/- per share to Mr. S Rajkumar, Promoter & Managing Director, by way of conversion of 9,50,000 (Nine Lakhs and Fifty Thousand) Convertible Equity Share Warrants

8. The Company has filed representation before Securities Exchange Board of India under Regulation 300 of SEBI (Issue of Capital and Disclosure Requirements) Regulation,2018 for the waiver of penalty levied by BSE Limited for contravention of Regulation 297 of SEBI (Issue of Capital and Disclosure Requirements) Regulation,2018.

9. In accordance with Section 47 of the Companies Act, 2013, the Company has been providing voting rights to KSIDC due to Non-Payment of Dividend on Redeemable Preference Shares. The Company has not declared any dividend on the Preference Shares on account of inadequacy of profits or accumulated reserves

Events reported after the end of financial year and before signing of this report:

1. Mr.Uliar Gururaja Bhat, Chairman and Non Executive Independent Director of the Company deceased on 16th June, 2020.

Sd/-
N Srividhya
Membership No. 34428
C.P.No. 14058
UDIN:-A034428B000659910

Place: Chennai
Date: 03/09/2020

ANNEXURE – A

To,
The Members
Cella Space Limited

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed provide a reasonable basis for my opinion.

3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.,

5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination is limited to the verification of procedures on a random test basis.

6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
N Srividhya
Membership No. 34428
C.P.No. 14058
UDIN:-A034428B000659910

Place: Chennai
Date: 03/09/2020

DECLARATION BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL REGARDING COMPLIANCE WITH THE COMPANY'S CODE OF CONDUCT

In terms of the Listing Regulations, I hereby confirm that all the Board members and Senior Management Personnel of the Company have affirmed compliance with the respective Codes of Conduct, as applicable to them for the year ended March 31, 2020.

For Cella Space Limited

Sd/-
S Rajkumar
Vice Chairman &Managing Director

Date: November 12, 2020
Place: Chennai

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Industry

The Indian Warehousing Market is expected to be an estimated $ 12.2 billion in 2020, growing to $19.50 billion by 2025.

The warehousing market is driven by the country's flourishing manufacturing, retail, FMCG and logistics sectors. Furthermore, supportive government policies such as establishment of logistic parks and free trade warehouse zones is expected to spur the market growth through 2025. Also, introduction of GST has led to reduction in inventory and turnaround time, which has led to the removal of check points thereby diminishing state boundaries.

Besides, technological advancements such as advent of Artificial Intelligence, 3D Printing, among others, in the warehousing industry is further expected to create lucrative opportunities over the next few years. Moreover, the emergence of third party logistics and super grid logistics is further expected to fuel the market growth during the forecast period.

Further, the sudden outbreak and spread of COVID-19 will have short-term impact on warehousing demand due to lockdown and reduced manufacturing activities. Further, it will help in strengthening the warehousing industry in India on account of the shifting consumer preference from offline mode of shopping to online in order to adhere to the social distancing norms.

The Indian Warehousing Market is segmented based on type, ownership, sector, usage pattern, infrastructure, end-user industry, company and region. Based on type, the market can be segmented into general, specialty and refrigerated. The refrigerated segment is expected to witness significant growth owing to the rising demand for such warehouses for storing perishable food items and ensuring food security & safety. Based on ownership, the market can be categorized into public, private and bonded. The public ownership segment is expected to dominate the market during the forecast period. These warehouses are owned by government and semi-government agencies and are rented by them. Such warehouses aid the small traders who don't have their own warehouses.

Based on usage pattern, the market can be split into single and co-warehousing segments. The co-warehousing segment is expected to witness significant growth in the market through 2025. This can be ascribed to the increasing demand for last mile distribution and growing preference for co-warehousing among manufacturers, suppliers, logistic companies as well as startups. Additionally, co-warehousing provides flexible storage that can help businesses meet their needs and give them a better control over their budgets. Co-warehousing provides scalability and helps in reducing overall operational costs.

Opportunities and Threats

Logistics business today is not mere warehousing. It is an end to end solution for making the goods available from the manufacturing point to the end user. The gambit of logistics involves today various activities such as Storage, Just in time inventory maintenance, Assembling, Import, Finishing, Billing, Delivery, Post clearance shipping / airlifting services. It is very evident that the development of logistics industry is utmost important for the industrial growth of a region.

Our facility is situated close to ICT terminal in Cochin and located on the fringes of the seaport- airport road with a high potential to be a big player in the logistic industry providing local employment and generate sufficient revenue for the state.

Compliance Certificate of the Auditors

To

The Members of Cella Space Limited (Formerly called Sree Sakthi Paper Mills Limited),

We have examined the Compliance of conditions of Corporate Governance by Cella Space Limited (the "company") (formerly called Sree Sakthi Paper Mills Limited for the year ended March 31st, 2020 as stipulated in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the Listing Agreement of the said Company with stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, subject to the following:

(i) No Independent Director on Board has been appointed as a Director on Board of Unlisted Material subsidiaries.
(ii) No internal audit was conducted during the year

We certify that the company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to Listing Agreement of the said Company with stock exchanges.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For KPR & Co
Chartered Accountants
FRN: 5326S

Sd/-
Deepa Praveen, FCA
Memb No:232410
UDIN: 20232410AAAAAX3522

Kochi -11
25.11.2020

Certificate on Non-Disqualification of Directors
(Pursuant to Regulation 34(3) and Schedule V Para C clause (10) (i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

Cella Space Limited
Sree Kailas57/2993 /94 Paliam Road Ernakulam-682016

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Cella Space Limited CIN L93000KL1991PLC006207 having its registered office at Sree Kailas 57/2993 /94 Paliam Road Ernakulam-682016(hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company and its officers and para No.(d) point No.1. in Secretarial Compliance Report for the year ended 31st March, 2020 issued by us, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

SL.No	Name of Director	DIN	Date of Original Appointment in Company
1	RAJEE RAJKUMAR	00363280	02/02/2018
2	AKHILESH AGARWAL	00918838	24/06/2017
3	RAGHAVAN GOPALASWAMI	01661856	23/02/2017
4	RAJKUMAR SIVATHANU PILLAI	01790870	11/07/2011
5	SUBRAMONIAM SIVATHANU PILLAI	01790968	03/08/1995
6	IASAKI KAMALAM	01791001	03/08/1995
7	NARAYANASWAMY SUBRAMANIAN	03602858	23/02/2017
8	VISAKH RAJKUMAR	07079475	13/02/2019

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-
N Srividhya
Membership No. 34428
C.P.No. 14058
UDIN:-A034428B001338478

Place: Chennai
Date: 28/11/2020

Independent Auditor's Report

To the Members of M/s. Cella Space Limited, Kochi (Formerly Sree Sakthi Paper Mills Limited).

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying financial statements of M/s. Cella Space Limited, Kochi (Formerly Sree Sakthi Paper Mills Limited), which comprises of the Balance Sheet as at 31st March, 2020,the Statement of Profit and Loss (including other comprehensive income) for the year ended 31st March 2020,the Statement of Changes in Equity for the year ended 31st March, 2020,the Cash Flow Statement for the year ended 31st March 2020, and a Summary of Significant Accounting Policies and other explanatory information (herein after 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 financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('the Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020; and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended 31st March 2020.

Emphasis of Matter

We Invite the attention of users to –

(a) Based on our review conducted as above we draw attention to Note No. 27 of the financial statements regarding recognition of income by writing back of statutory dues, long outstanding liabilities and creditors standing due in the books of accounts.

(b) Our Report is not qualified on the above matters.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence 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 audit opinion on the standalone financial statements.

Key Audit Matters

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

The Key Audit Matters	How our audit addressed the key audit matter
Adoption of Ind AS 115 – Revenue from Contracts with Customers	
The Company has adopted Ind AS 115,Revenue from Contracts with Customers ('Ind AS 115')which is the new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit. The revenue standard establishes a comprehensive framework for determining	Our audit procedures on adoption of Ind AS 115, Revenuefrom contracts with Customers ('Ind AS 115'), which is the new revenue accounting standard, included – • Evaluation of the design and implementation of the processes and internal controls relating to implementation of the new revenue

whether, how much and when revenue is recognized. This involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. The Company adopted Ind AS 115 and applied the available exemption provided therein, to not restate the comparative periods.	accounting standard; • Evaluation of the detailed analysis performed by management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams; • Evaluation of the cumulative effect adjustments as at 1 April 2018 for compliance with the new revenue standard; and • Evaluation of the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures.
Evaluation of uncertain tax positions	
The company has material uncertain tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes.	Our audit procedures included – • Detailed analysis of the pending disputes on account of taxes at various forums; • Obtaining internal expert opinion on the merit and sustainability of the disputes and litigations; • Evaluating the legal precedences in evaluating the management judgements on these uncertain tax positions.
Recoverability of receivables and advances	
As at March 31, 2020, the position of assets included – • Trade receivables (Note 8A): Rs.697.58 lakhs • Security Deposits (Note 6B):Rs.44.57 lakhs • Other Non-Current Assets (Note 7) Rs.84.57 lakhs • Security Deposits (EMD) (Note 8C) : Rs.27.6 lakhs Out of the above, most of the balances were outstanding for long and hence it was necessary to ascertain the recoverability and realisability of such receivables and advances.	Our audit procedures included – • Detailed analysis of the long outstanding receivables and advances; • Obtaining management analysis on the realisability of such assets; • Obtaining confirmation of balances for major balances outstanding; • Evaluating the adequacy of provision made by the management for doubtful assets included therein.

Other information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are 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 state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. 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 control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with respect to the standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on other legal and regulatory requirements

1. 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 a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable attached as Annexure 1.
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 a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable attached as Annexure 1.

3. As required by section 143(3) of the Act, we report that:

    a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
    b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
    c) The Balance Sheet, Statement of Profit and Loss, including other comprehensive income, Statement of changes in Equity, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
    d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act;
    e) On the basis of written representations received from the directors and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2020 from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013 except for Mr. Subramoniam Sivathanu Pillai. We are informed that the order of disqualification of Mr. Rajkumar Sivathanu Pillai has been stayed by Honorable High Court of Madras vide writ petition no. 29141/2017 dated 15-11-2017
    f) With respect to other matters to be included in the Auditors Report in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
        (i) The company has disclosed the impact of pending litigations on its financial position in its financial statements.
        (ii) The company has no long term contracts including derivative contracts and hence no provision on account of material foreseeable losses is required.
        (iii) There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Place:Kochi-11
Date:30.07.2020

For KPR&Co
Chartered Accountants
FRN:5326S

Sd/-
Deepa Praveen, FCA
Mem No:232410
Partner
UDIN:20232410AAAAAM6343

Ref: M/s.Cella Space Limited, Kochi (Formerly Sree Sakthi Paper Mills Limited) (2019-'2020)

Annexure A: Referred to in paragraph 5 (1) of report on other Legal and Regulatory requirements of our report of even date-

(i) In respect of the fixed assets –
   a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
   b) The fixed assets have been physically verified by the management at reasonable intervals and the discrepancies noticed have been properly dealt with in the books of accounts.
   c) According to the information and explanation given to us, the title deeds of immovable properties of the Company are held in the name of the Company.

(ii)The Company does not have any inventory during the year .Hence the clause 3(ii) of the order is not applicable to the company.

(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) In our opinion and according to the explanations given to us, the Company has complied with the provisions of the Sections 185 and 186 of the Act in respect of the grant of loans, making investments and providing guarantees and securities made by it. The company had granted loans/advances to subsidiary companies as given in iii (a) above, which we were informed by the company that the provisions of section 185 and 186 are not applicable as they were made before 12th September 2013 being the effective date of Sec 185 of Companies Act 2013.

(v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits during the year. Therefore, the provisions of clause 3 (v) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.

(vi) We have broadly reviewed the books and records maintained by the company pursuant to the order of the Central Government 148 (1) of the Companies Act 2013 and are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have however not made a detailed examination of the records with a view to determining whether these records are accurate or complete.

(vii) (a) According to the information given to us and on the basis of the checks conducted by us we report that the company has not been regular in depositing undisputed statutory dues including Provident fund, Employees state insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value added tax, Cess and other statutory dues with appropriate authorities. The extend of arrears of Statutory dues as at the last day of the financial year concerned outstanding for a period of more than six months as at 31.3.2020, from the date they became payable are as under –

- Income tax payable: Rs. 60.55 lakhs,
- TDS deducted but not remitted to Government Rs 0.81 lakhs,
- TCS payable Rs 0.03 lakhs

(b) According to the information and explanations given to us, and based on the records of the company examined by us, the particulars of dues towards income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax and cess as at 31st March 2020, which have not been deposited on account of any dispute are furnished as under -

Sl. No.	**Name of the statute**	**Nature of Dues**	**Amount of tax disputed (Rs. In lakhs)**	**Period to which the dispute relates.**	**Forum where the Dispute is pending.**
1	Income Tax Act	Income Tax	22.18	AY 2014-15	CIT(Appeals), Kochi
2	Income Tax Act	Income Tax	27.42	AY 2018-19	CPC
3	Central Sales	Central Sales	15.48	A.Y 2007-08	Deputy Commissioner

	Tax Act	tax			(Appeals), Kochi
4	Central Excise Act 1944	Excise Duty	350.79	AY 2010-11	Excise Tribunal, Bangalore
5	Customs Act 1962	Customs Duty	58.79	AY 2010-11	Directorate General of Foreign Trade

(viii) In our opinion and according to the information and explanation given to us, the Company has not defaulted in repayment of loans or borrowings to financial institutions, banks and Government except for temporary delays occurred in the repayment.

There were no debenture holders at any time during the year.

(ix) The company has not made any initial public offer or further public offer in the year under audit. The proceeds of the term loans availed by the company have been applied for the purpose for which they are raised.

(x) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud by the Company or any fraud on the company by its officers or employees during the year was noticed or reported, nor we were informed of such case by the management.

(xi)In our opinion, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 19 read with Schedule V to the Companies Act 2013.

(xii)In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 3 (xii) of the Companies (Auditor's Report) Order, 2016, are not applicable to the Company.

(xiii)In our opinion, 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 etc. as required by the applicable accounting standards.

(xiv) According to the information and explanations given to us, the Company has made preferential allotment of shares during the year under review in accordance with the requirements of Section 42 of the Companies Act 2013 and the amount raised has been used for the purposes for which the funds were raised.
(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non cash transactions with directors or persons connected with him for which provisions of section 192 are applicable.

(xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45–IA of the Reserve Bank of India Act, 1934.

Place:Kochi-11
Date:30.07.2020

For KPR&Co
Chartered Accountants
FRN:5326S

Sd/-
Deepa Praveen, FCA
Mem No:232410
Partner
UDIN:20232410AAAAAM6343

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON the FINANCIAL STATEMENTS OF M/S. CELLA SPACE LIMITED, KOCHI (FORMERLY SREE SAKTHI PAPER MILLS 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 M/s. Cella Space Limited, Kochi (Formerly Sree Sakthi Paper Mills Limited)(the company) as of 31st March, 2020 in conjunction with our audit of the 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. 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 accounting records and the timely preparation of reliable financial information as required under the Companies Act, 2013.

Auditor's 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 Notes 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 controls based on the assessed risk. The procedures selected depend on the auditor's judgment including the assessment of 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 control systems over financial reporting.

Meaning of internal financial controls over financial reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of the records that, in reasonable detail, accurately and fairy reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that the transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that the receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding the prevention or timely deduction of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 of 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 the 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

According to the information and explanations given to us and based on our audit, the following material weaknesses have been revealed as at March 31, 2020:

The internal control system established by the company for recording of financial transactions in time was not operating effectively due to which there was considerable delay in recording, reconciling and reporting the financial information on a timely basis. Further no internal audit was conducted during the year.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2020, based on the internal control over the financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of internal Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2020 financial statements of the Company, and these material weaknesses does not affect our opinion on the financial statements of the Company.

Place:Kochi-11
Date:30.07.2020

For KPR&Co
Chartered Accountants
FRN:5326S

Sd/-
Deepa Praveen, FCA
Mem No:232410
Partner
UDIN:20232410AAAAAM6343

Balance Sheet as at March 31, 2020 (Figs in ₹ in Lakh)

Particulars	Note No	As at March 31, 2020	As at March 31, 2019
I. Assets			
1 Non-current assets			
Property, plant & equipment	**4A**	916.28	930.74
Capital work-in progress	**4B**	901.54	-
Investment property	**4C**	8.53	8.53
Intangible assets	**5**	-	-
Financial assets			
Investments	**6A**	15.10	15.10
Deposits	**6B**	20.58	-
Deferred tax assets (net)			
Other non-current assets	**7**	1.45	15.36
2 Current Assets			
Inventories		-	-
Financial assets			
Trade receivables	**8A**	15.11	51.00
Cash and cash equivalents	**8B**	69.51	0.91
Loans	**8C**	-	-
Tax Assets (Net)			
Other current assets	**9**	33.33	42.79
Assets held for sale		-	-
TOTAL		**1,981.43**	**1,064.43**
II. Equity & Liabilities			
1 Equity			
Equity share capital	**10**	1,915.12	1,820.12
Other equity	**11**	(4,369.74)	(4,329.82)
2 Liabilities			
Non-Current Liabilities			
Financial liabilities			
Non Current Borrowings	**14A**	1,828.23	1,055.64
Provisions	**15**	9.65	8.56
Deferred tax liabilities (Net)	**16**	-	-
Other non-current liabilities	**17**	164.73	42.87
3 Current Liabilities			
Financial liabilities			
Current Borrowings	**14B**	2,041.50	1,601.55
Trade payables	**18**	203.27	496.80
Other current financial liabilities	**19**	43.45	4.92
Other current liabilities	**20**	145.22	292.08
Provisions	**15**	-	71.71
TOTAL		**1,981.43**	**1,064.43**

Summary of significant accounting policies **1,2,3**

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

As per our report of even date attached,
For KPR & Co.,
Chartered Accountants
FRN: 05326S

Sd/-
Deepa Praveen, FCA
Partner (M No. 232410)

Cochin - 11
Date : 30/07/2020

For and on behalf of the Board,

Sd/-
S Rajkumar
Vice Chairman &
Managing Director

Sd/-
V N Sridharan
Chief Financial Officer

Sd/-
Visakh Rajkumar
Director

Sd/-
R Ponnambalam
Company Secretary

Chennai-17
Date : 30/07/2020

Statement of profit and loss for the period ended March 31, 2020

(Figs in ₹ in Lakh)

	Particulars	Note	For the year ended March 31, 2020	For the year ended March 31, 2019
I	**Revenue from operations**	**21**	268.86	-
II	**Other income**	**22**	62.69	393.34
III	**Total Income (I + II)**		**331.55**	**393.34**
IV	**Expenses**			
	- Cost of materials		59.59	
	- Changes In Inventory		-	-
	- Employee Benefit Expenses	**23**	62.57	69.89
	- Finance costs	**24**	159.21	8.16
	- Depreciation and amortisation expenses	**25**	43.01	57.49
	- Impairment loss Property,Plant & Equipment		-	158.97
	- Other Expenses	**26**	125.10	259.88
	Total expenses (IV)		**449.48**	**554.39**
V	**Profit/(Loss) before, exceptional items and tax (III - IV)**		(117.93)	(161.05)
VI	**Exceptional items- Expenses/(Income)**	**27**	(203.84)	(323.98)
VII	**Profit/(Loss) before tax (V - VI)**		**85.91**	**162.93**
VIII	**Tax expense**			
	- Current income tax	**28**	-	-
	- Deffered Tax	**28**	-	(27.78)
			-	**(27.78)**
IX	**Profit / (Loss) for the period from continuing operations. (VII-VIII)**		**85.91**	**190.71**
X	**Other comprehensive income**			
	- Items that will not be reclassified to Profit or Loss	**29**	0.50	1.64
	- Income tax relating to items that will not be reclassified to P	**29**	-	-
XI	**Total comprehensive income for the period (IX + X)**		**86.41**	**192.35**
XII	**Earnings per Equity shares (of continuing operations) of Rs. 10/- each**			
	- Basic	**13**	0.46	1.03
	- Diluted	**13**	0.46	0.99

Summary of significant accounting policies **1,2,3**

The accompanying notes form an integral part of the financial statements

As per our report of even date attached,
For KPR & Co.,
Chartered Accountants
FRN: 05326S

Sd/-
Deepa Praveen, FCA
Partner (M No. 232410)

Cochin - 11
Date : 30/07/2020

For and on behalf of the Board,

Sd/-
S Rajkumar
Vice Chairman &
Managing Director

Sd/-
Visakh Rajkumar
Director

Sd/-
V N Sridharan
Chief Financial Officer

Sd/-
R Ponnambalam
Company Secretary

Chennai-17
Date : 30/07/2020

Statement of Cash Flow for the period ended March 31, 2020 (Figs in ₹ in Lakh)

In Terms of Indian Accounting Standard (Ind AS) 7 Statement of Cash Flows Under Indirect Method

Particulars	For period ended March 31, 2020	For period ended March 31, 2019
Year ended 31 March 2020		
A CASH FLOW FROM OPERATING ACTIVITIES		
Total Comprehensive Income	**86.41**	**192.35**
Adjustments for :		
Provision for Income-tax		(27.78)
Provision for Gratuity	1.09	0.12
Provision for Projects written back	(8.67)	
Depreciation, amortisation and impairment	43.01	216.46
Interest Income	(0.43)	(1.53)
(Profit)/Loss on write off/ sale of Fixed Assets	(4.36)	-
(Profit)/Loss on write off/ sale of investment		0.38
Fair value change in investment through OCI		(0.21)
Finance Cost	159.21	8.16
Operating Profit before working capital changes	276.27	387.95
Decrease(Increase) in Trade receivable	-	128.15
Decrease(Increase) in Loans and Advances	-	0.06
Decrease(Increase) in Deposits	-	-
Decrease(Increase) in other non current assets	-	(1.77)
Decrease(Increase) in other current assets & assets held for sale	10.61	653.51
Increase(Decrease) in Trade payable	0.01	116.46
Increase(Decrease) in Provisions	-	
Increase(Decrease) in Current Liabilities	-	(263.11)
Increase(Decrease) in Other Non Current Liabilities	-	41.44
Cash from Operations	**286.89**	**1,062.69**
Income Tax paid	(10.62)	(0.02)
Cash from Operating before exceptional Items	**276.28**	**1,062.67**
Exceptional Items	8.67	-
Cash from Operating Activities	**284.95**	**1,062.67**
B CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds on Sale of Fixed Assets	3.35	-
Purchase of Fixed Assets	(29.01)	(378.12)
Purchase of Investment property	-	(7.50)
Proceeds on Sale of investment	-	1.12
Profit on sale of car	4.36	
Capital work in progress	-	
Reversal of Depreciation reserve	2.88	
Interest Income	0.42	1.53
Net Cash from Investing Activities	**(17.99)**	**(382.97)**
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds from		
- Issue of shares	104.50	99.55
- Issue of shares warrants	(104.50)	(99.55)
- Borrowings	(215.05)	(233.72)
- Increase in other financial Liabilities	0.31	
Interest paid	(159.21)	(8.16)
Net Cash from Financing Activities	**(373.95)**	**(241.88)**
D TOTAL INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR (A+B+C)	**(107.00)**	**437.82**
Cash and cash equivalents at the beginning of the year	(249.09)	**(686.91)**
Cash and cash equivalents at the end of the year	**(356.09)**	**(249.09)**
Components of cash and cash equivalents		
Balance with Banks		
In Current Accounts	1.69	0.14
In Deposit Accounts	67.74	0.69
Cash in Hand	0.08	0.08
Short Term Loan	(946.65)	(250.00)
Long Term Loan	(730.95)	
Total cash and cash equivalents	**(1,608.09)**	**(249.09)**

For KPR & Co.,
Chartered Accountants
FRN: 05326S

Sd/-
Deepa Praveen, FCA
Partner (M No. 232410)

Cochin - 11
Date : 30/07/2020

For and on behalf of the Board,

Sd/-
S Rajkumar
Vice Chairman &
Managing Director

Sd/-
Visakh Rajkumar
Director

Sd/-
V N Sridharan
Chief Financial Officer

Sd/-
R Ponnambalam
Company Secretary

Chennai-17
Date : 30/07/2020

Annexure to Notes on Standalone Financial Statements for the Year ended March 31, 2020

1 – Reporting Entity

M/s. Cella Space Limited (formerly known as Sree Sakthi Paper Mills Limited) (the 'Company') is a company incorporated in India as a Limited Company on 3rd October, 1991, under the provisions of Companies Act 1956, with the main objective of manufacturing of paper and paperboards ('the paper operations'). However, the paper operations were closed down in June 2016. Further, the company amended its main object to deal in the business of logistics, Industrial Parks, Logistics Parks, ('the logistics operation'). Accordingly, the company converted its factory building at Edayar, Kochi into a warehouse which has been let out to commercial parties in March, 2019.

2 – Basis of Preparation of Standalone Financial Statements

a) Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the 'Act') and the relevant provisions of the Act.

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortised cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle.

Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realisation in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under indirect method.

b) Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

c) Basis of Measurement

The financial statements have been prepared on the historical cost basis as a going concern on accrual basis except for the following items:

Item	Measurement Basis
Certain financial assets and liabilities	At fair value or amortised cost
Net defined benefit liability	At the Present Value of the defined benefit obligations.

d) Basis Of accounting

Revenue from Operations

The company has earned Lease Rent from the properties rented out as a part of logistics operations.

Apart from Logistics operations , the company has also generated turnover from trading of Kraft paper during the year.

e) Use of Estimates and Judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Appropriateness of Going Concern

The Pollution Control Board (PCB) required the paper operations of the company to make drastic changes / modification to the existing waste / effluent water disposal system installed by the company at its Kraft Paper Units I & II at Edayar. The company discussed the financial and commercial viability of the requirements proposed by the PCB and found it to be financially as well as commercially 'non- viable' considering the present productivity and profitability of the operation. Consequently, PCB issued closure notice [Notice No. (PCB / ESC / CO – 99 /07)] to both the Kraft Paper on 05.05.2016. Even though the company approached the Hon. High Court of Kerala for staying the order issued by the PCB, it restrained from interfering / staying the order issued by the PCB.

The company was required to close down both the units at Edayar with effect from 27.06.2016 and the entire paper operations were discontinued. As a result of it, the entire business were terminated for the subsequent periods, except for selling and realizing the remaining inventory of raw materials and finished goods, stock, stores and spares and fixed assets.

As a part of revival plans proposed for the company, the Board of Directors decided to venture into the 'Logistics Business' by making use of the existing infrastructure consisting 9.75 acres of land and building at Edayar. Accordingly, after analysing the financial and commercial viability and feasibility of such a plan, the management amended the Memorandum of Association (MoA) of the company to insert necessary object clause for the logistics operations.

At the first phase of the logistics operations, the company modified and converted the existing factory building at Edayar into a commercial warehouse. The project was completed in March, 2019 and the warehouse has been handed over to tenant in the same month itself and the company started to earn revenue ('Lease Rentals') from 27th May 2019 onwards.

In the current scenario, the company has successfully completed the first phase of the logistics operations and will continue with the construction of other logistics warehouses and thereby generate revenue in the upcoming financial years. Accordingly, the going concern assumption is very much valid and appropriate.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the concerned notes.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2020 is included in the concerned notes.

a) Measurement of Fair Values

A number of the company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is required, the Company assesses the evidence obtained by the third parties to support the conclusions that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3 – Accounting Policies

1) Revenue Recognition

The revenue of the company is recognized on accrual basis in accordance with the applicable Indian Accounting Standards (Ind AS) and other Generally Accepted Accounting Principles in India.

The revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Transitional provisions of Ind AS 115 "Revenue from Contracts with the Customers"

The company has recognized income from contracts as per Ind AS 115 "Revenue from Contracts with customers" which has been made mandatory w.e.f 01.04.2018. The effect of transition to the Ind AS has

been provided, wherever applicable, under the Modified Retrospective Approach wherein the cumulative effect of the transition to Ind AS 115, if any, has been presented as an adjustment to opening balance of equity at the date of initial application. The comparative figures are not restated and are presented using existing revenue standards.

2) Foreign currency

Foreign Currency Transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

3) Income tax

a) Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

b) **Current Tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

c) **Deferred Tax**

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

4) Borrowing Cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of fund. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

5) Cash flow statement

Cash flow statements are prepared under Indirect Method whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. Cash and cash equivalents comprise of cash in hand, current and other accounts (including fixed deposits) held with banks.

6) Events occurring after the balance sheet date

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

7) Property, Plant and equipment

a) Recognition and Measurement
Land is capitalized on the basis of actual cost of acquisition, including establishment charges of land acquisition agency and legal expenses incurred for acquisition.

b) Capitalization of Assets and Charging of Depreciation
Fixed Assets are stated at cost. The cost of acquisition of Fixed Assets is inclusive of freight, duties, taxes, incidental expenses and the cost of installation/erection as applicable.
Depreciation is in accordance with the provisions of Schedule II to the Companies Act, 2013. In the case of assets added /sold/discarded/transferred depreciation is changed on pro-rata basis.

c) Impairment of Property, Plant and Equipment (PPE)
The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the PPE.

d) Determination of the estimated useful lives

Useful lives of all PPE are based on the estimation done by the Management which is in line with the useful lives as prescribed in Part 'C' of Schedule II to the Act. In cases, where the useful lives are different from those prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

e) Fixed Assets identified for disposal are stated at Net Block Value or Net Realizable value whichever is lower and are shown separately in the financial statements as asset held for sale.

f) Cost of Machinery Spares which can be used only in connection with an item of fixed asset and the use of which is expected to be irregular is allocated to the fixed assets and depreciated to the extent of 95% within a period not exceeding the useful life of the respective fixed asset. Individual spare parts having significant values are capitalized.

g) Borrowing cost relating to the acquisition/construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. The qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

h) Subsequent Expenditures are capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

8) Intangible Assets - Recognition, Measurement and Amortization:

Intangible Assets are amortized over the useful life of the respective assets. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

9) Valuation of investments:

(i) Financial instruments

a) Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b) Classification and subsequent measurement

Financial assets: On initial recognition, a financial asset is classified as measured at –

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by- investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

c) De-recognition

Financial assets

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

10) Valuation of Current Assets:

a) Stores, Spares, Materials under Inspection, Materials in Transit, Materials Issued on Loan and Raw Materials are accounted for at lower of the cost on Weighted Average Method or Net Realizable Value.

b) Finished Goods are accounted for at lower of the cost on FIFO Method or Net Realizable Value.

c) Semi-finished Goods (Work-in-Process) are valued at variable cost on Weighted Average Method.

11) Non-current assets held for sale

Non-current assets comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in profit or loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortized or depreciated.

12) Retirement/Terminal Benefits/Bonus/Leave encashment

a) Company's liability towards employee benefits such as gratuity and leave encashment are provided for on the basis of actuarial valuation.

b) Expenditure incurred on short term employee benefits including bonus, production incentive, medical benefits and other perquisites etc. are charged to the Profit and Loss Account at un-discounted amounts in the year in which services are rendered.

c) Expenditure on employee benefits in the nature of contributions to Provident Fund, Employees

State Insurance, Labour Welfare Fund etc. are charged to the Profit and Loss Account as and when contributions to the respective funds are due.

d) Liability for bonus is provided for as per the provisions of the Payment of Bonus Act 1965.

e) Actuarial gains or losses, as the case may be, in respect of valuation of employee benefits are charged to the Profit and Loss Account.

f) Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized in OCI.

13) Provisions, Contingent Liabilities and Contingent Assets

a) Provisions (other than trade payables and accruals) as mentioned in the Ind AS 37 issued by the Institute of Chartered Accountants of India are accounted for and disclosed to the extent practicable in the manner laid down in the said Accounting Standard.
b) Contingent Liabilities disclosed in the Notes forming part of the Accounts comply with Ind AS-37 to the extent practicable.
c) Company has not recognized any Contingent Asset.

14) Investment Property

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed out as and when it is incurred. When a part of the Investment property is replaced, the carrying amount of the replaced asset is de-recognized.

Fixed assets re-classified as investment properties are accounted at the carrying amount of such fixed assets as on the date of such conversion.

Investment properties are depreciated using the straight line method over the estimated useful lives. The useful life of the investment properties are estimated at 25 - 30 years based on the technical evaluation performed by the management.

15) Leases

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for a consideration.

Ind AS 116 ‘Leases’ requires the lessor to classify each of it’s leases as either an operating lease or a finance lease. A lease is classified as a finance lease if it transfers substantially all the risks and rewards incidental to ownership of an underlying asset. A lease is classified as an operating lease if it does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset.

The Company has classified it’s lease as ‘Operating Lease’ at the inception date and is reassessed only if there is a lease modification. Changes in estimates, or changes in circumstances of the economic life or of the residual value of the underlying asset, do not give rise to a new classification of a lease for accounting purpose.

The Company has recognized lease payments from operating lease as income on a straight-line basis, unless another systematic basis is more representative of the pattern in which benefit from the use of the underlying asset is diminished.

The company has also recognized costs, including depreciation, incurred in earning the lease income as an expense. Any initial direct costs incurred in obtaining an operating lease is added to the carrying amount of the underlying asset and recognize those costs as an expense over the lease term on the same basis as the lease income. The company has also applied Ind AS 36 to determine whether the underlying asset subject to an operating lease is impaired and accounted for the impairment losses identified, if any.

Statement of changes in equity for the period ended March 31, 2020

A. Equity share capital

(Figs in ₹ in Lakh)

Particulars	Opening balance as at 1 Apr 2018	Changes in equity share capital during the year	Closing balance as at 31 Mar 2019	Changes in equity share capital during the year	Closing balance as at 31 Mar 2020
Equity shares of Rs.10 each	1,729.62	90.50	1,820.12	95.00	1,915.12
Total	**1,729.62**	**90.50**	**1,820.12**	**95.00**	**1,915.12**

Year ended 31 March 2020

Year ended 31 March 2020 **(₹ in Lakh)**

Particulars	Opening balance as at 1 Apr 2019	Changes in accounting policy/ prior period errors	Restated balance as at 1 Apr 2019	Current Year Transactions	Closing balance as at 31 Mar 2020
Capital Reserve	36.68	-	36.68	0.00	**36.68**
General Reserve	533.00	-	533.00	-	**533.00**
Retained earnings	(6,711.14)	-	(6,711.14)	85.92	**(6,625.22)**
Securities premium	1,684.89	-	1,684.89	9.50	**1,694.39**
Money received against share warrants	135.85	-	135.85	(135.85)	**-**
Other comperhensive income	-		-		**-**
- Actuarial gain/(loss) on defined benefit obligation	(7.24)	-	(7.24)	0.50	**(6.74)**
- Equity instrunment through other comperhensive income	(1.85)	-	(1.85)		**(1.85)**
Total reserves	**(4,329.82)**	**-**	**(4,329.82)**	**(39.93)**	**(4,369.74)**

For KPR & Co.,
Chartered Accountants
FRN: 05326S

For and on behalf of the Board,

Sd-
S Rajkumar
Vice Chairman & Managing Director

Sd/-
Visakh Rajkumar
Director

Sd/-
Deepa Praveen, FCA
Partner (M No. 232410)

Sd/-
V N Sridharan
Chief Financial Officer

Sd/-
R Ponnambalam
Company Secretary

Cochin - 11
Date : 30/07/2020

Chennai -17
Date : 30/07/2020

Notes forming part of the Financial Statements

(Figs in ₹ in Lakh)

Note 4A: Plant, Property & Equipments	Property,Plant & Equipment						
Particulars	**Land**	**Building**	**Furniture & fixtures**	**Plant & machinery**	**Vehicle**	**Office equipments**	**Total**
Year ended 31 March, 2019							
Gross Carrying Amount							
Opening Gross carrying amont	198.52	744.12	18.20	86.60	11.10	10.97	1,069.51
Exchange differences	-	-	-	-	-	-	-
Additions	-	378.12	-	-	-	-	378.12
Disposals	1.03	60.89		35.40		2.10	99.42
Closing Gross Carrying Amount	**197.49**	**1,061.35**	**18.20**	**51.20**	**11.10**	**8.87**	**1,348.21**
Accumulated Depreciation and Impairment							
Opening accumulated depreciation	-	207.98	8.69	64.65	10.45	7.61	299.39
Depreciation charge during the year	-	42.22	1.37	13.26	-	0.64	57.49
Impairment Loss		152.81	-	5.60	-	0.56	158.97
Exchange differences	-	-	-	-	-	-	-
Reversal of depreciation reserve(including imapirment on assets disposed)	-	(60.88)	-	(35.39)	-	(2.10)	(98.37)
Closing Accumulated Depreciation	**-**	**342.13**	**10.06**	**48.12**	**10.45**	**6.71**	**417.47**
Net Carrying Amount	**197.49**	**719.22**	**8.14**	**3.08**	**0.65**	**2.16**	**930.74**
Yea Profit / (Loss) for the period from continuing operations. (VII-VIII)							
Gross Carrying Amount							
Opening Gross carrying amont	197.49	1,061.35	18.20	51.20	11.10	8.87	1,348.21
Exchange differences							-
Additions		24.81			4.20		29.01
Disposals					3.35		3.35
Closing Gross Carrying Amount	**197.49**	**1,086.17**	**18.20**	**51.20**	**11.95**	**8.87**	**1,373.87**
Accumulated Depreciation and Impairment							
Opening accumulated depreciation	-	342.13	10.06	48.12	10.45	6.71	417.47
Depreciation charge during the year	-	41.07	1.80	0.09	0.05		43.01
Impairment Loss	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-
Reversal of depreciation reserve(including imapirment on assets disposed)	-	-	-	-	2.89		- 2.89
Closing Accumulated Depreciation	**-**	**383.20**	**11.86**	**48.21**	**7.61**	**6.71**	**457.59**
Net Carrying Amount	**197.49**	**702.96**	**6.34**	**2.99**	**4.34**	**2.16**	**916.28**

Note 4B: Capital Work In Progress

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Opening carrying amount	-	-
Expenditure recognised in the carrying amount in the course of construction of warehouse building during the year	901.54	-
Closing carrying amount	**901.54**	**-**

(i) Borrowing cost capitalised during the year - ₹ 66.37 lakhs (Previous Year : ₹ 18.78 Lakhs)

(ii) The company has taken the complete possession of 1.76 acres of industrial land at Edayar, Kerala by paying the entire consideration to the buyer. The company has been using the said property entirely since 2013 onwards. However, the final clearance from the respective Governmental authorities for effecting the transfer of the legal ownership has not been received and is awaiting by the company. In view of the above facts, and in accordance with the substance and economic reality, the cost of purchase of the said land has been included in the block of Land as above.

Note 4C: Investment Property

Particulars		**As at March 31, 2020**	**As at March 31, 2019**
Gross Carrying amount			
Opening Gross Carrying amount		8.53	-
Additions		-	8.53
Closing Gross Carrying amount	(A)	8.53	8.53
Accumulated Depreciation			
Opening Accumulated Depreciation		-	-
Depreciation charged		-	-
Closing Accumulated Depreciation	(B)	-	-
		-	-
Net Carrying Amount	**(A - B)**	**8.53**	**8.53**

(i) Amounts recognised in Profit or Loss for investment in property		
Rental Income	-	-
Direct Operating Expenses from the property that generated rental income	-	-
Direct Operating Expenses from the property that did not generate rental income	-	-
Profit from Investment Properties before depreciation	-	-
Depreciation	-	-
Profit from Investment Property	**-**	**-**

(ii) There are no restrictions on the realisability of investment property or on the remittance of income and proceeds of disposal therefrom.

(iii) There are no contractual obligations to purchase, cosntruct or develop investment properties or for repairs, maintenance or enhancements.

(iv) The company has not estimated the fair value of the investment properties as at the year end; and therefore the fair value has not been disclosed.

Notes forming part of the Financial Statements

NOTE 5 - Intangible Assets **(₹ in Lakh)**

Particulars	Computer Software	Total
Year ended 31 March 2019		
Gross Carrying Amount		
Opening Gross Carrying amount	0.16	0.16
Additions	-	-
Closing Gross Carrying Amount	0.16	0.16
Accumulated Depreciation		
Opening Accumulated Depreciation		-
Amortisation charge during the year	-	-
Impairment Charge	0.16	0.16
Closing Accumulated Depreciation	0.16	0.16
Net CarryingAmount	-	-
Year ended 31 March 2020		
Gross Carrying Amount		
Opening Gross Carrying amount	0.16	0.16
Additions	-	-
Closing Gross Carrying Amount	0.16	0.16
Accumulated Depreciation	0.16	
Amortisation charge during the year	-	-
Impairment Charge		0.16
Closing Accumulated Depreciation	0.16	0.16
Net CarryingAmount	-	-

NOTE 6 : Non Current Financial Assets

NOTE 6A - Investment **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Investment carried at fair value through other comprehensive income		
Quoted		
- Equity Instruments	-	-
Unquoted		
- Equity Instruments	1.00	1.00
	1.00	**1.00**
Investment carried at amortized cost		
- Investments in Subsidiaries	14.10	14.10
	14.10	**14.10**
Total investment	**15.10**	**15.10**

There are no financial investments measured at fair value through profit and loss

* **Details of investment** **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Unquoted Non-Trade Investments:		
Investment in Equity Instruments		
Investments in Subsidiaries		
- Jala Shaayi Alamparathodu Hydro Power Ltd (47,001 Equity Shares Of Rs 10 Each Fully Paid Up)	4.70	4.70
- Sree Kailas Palchuram Hydro Power Ltd (47,001 Equity Shares Of Rs 10 Each Fully Paid Up)	4.70	4.70
- Sree Adi Sakthi Mukkuttathode Hydro Power Ltd (47,001 Equity Shares Of Rs 10 Each Fully Paid Up)	4.70	4.70
Investment In Others		
- Kerala Enviro Infrastructure Ltd (10,000 Equity Shares Of Rs 10 Each Fully Paid Up)	1.00	1.00
	15.10	**15.10**

NOTE 6B -Deposits **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured Considered Doubtful		
- Security Deposits	44.57	23.99
	44.57	**23.99**
- Provision for doubtful deposits	(23.99)	(23.99)
	20.58	**-**

NOTE 7 : Other Non Current Assets **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured,considered good		
- Advance to related parties	1.45	15.36
Unsecured,considered doubtful		
- Capital Advances	83.12	83.12
Less: Provision for doubtful advances	(83.12)	(83.12)
	1.45	**15.36**

* **Details of Advance to related parties**

Particulars	As at March 31, 2020	As at March 31, 2019
Jalashaayi Alamparathode Hydro Power Ltd.	0.19	-
Sree Kailas Palchuram Hydro Power Ltd	1.01	14.42
Sree Adisakthi Mukkuttathode Hydro Power Ltd	0.25	0.94
	1.45	**15.36**

NOTE 8: Current Financial Assets

NOTE 8A :Trade Receivables **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Secured		
- More than six months from the date they became due	-	**-**
Unsecured		
- Considered Good		
(i) Exceeding Six Months From they become Due	-	40.71
(ii) Others	15.11	10.29
- Considered Doubtful	682.47	783.33
Provision for doubtful debts	**(682.47)**	(783.33)
	15.11	**51.00**

A. **Details of debts due by related party**

Particulars	As at March 31, 2020	As at March 31, 2019
Directors	-	-
Officers	-	-
Firms in which any director is a partner	11.62	
Private Companies in which any Director is a director or member	-	-
	11.62	**-**

NOTE 8B :Cash and cash equivalents **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Balance with Banks		
- In Current Accounts	1.69	0.14
- In Deposit Accounts	67.74	0.69
Cash in Hand	0.08	0.08
	69.51	**0.91**

NOTE 8C : Loans **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposit		
- Unsecured	27.60	27.60
Less: Provision for doubtful deposits	(27.60)	(27.60)
	-	**-**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Income Tax Prepaid	10.62	20.65
Balance with Revenue authorities	16.96	
Earmarked deposits	5.23	4.92
Other receivables	0.52	17.22
	33.33	**42.79**

NOTE 10 :Equity share capital

A. Authorised **(₹ and Nos in Lakh)**

Particulars	Equity shares		Preference shares	
	Shares	Amount	Shares	Amount
As at April 2019	250.00	2,500.00	250.00	2,500.00
- Increase during the year	-	-	-	-
As at 31 March 2020	380.00	3,800.00	120.00	1,200.00
- Increase during the year	-	-	-	-

B. Issued, Subscribed & fully Paid Up

Particulars	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the period	182.01	1,820.12	172.96	1,729.62
Issued during the period	9.50	95.00	9.05	90.50
Outstanding at the end of the period	191.51	1,915.12	182.01	1,820.12

Rights, Preferences and Restrictions attached to equity Shares

1 The Company has only one class of shares referred to as Equity Shares having a par value of Rs.10/- per share. Each holder of Equity Shares is entitled to one vote per share.

2 The company declares and pays dividend in Indian Rupees. The dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

3 In the event of liquidation of the company the holders of equity shares shall be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

4 No shares have been forfeited till date.

5 Out of the total share capital issued and called up, no calls are outstanding as unpaid.

6 During the last 5 years ,the company has not issued any shares pursuant to any contract without payment being received in , cash as bonus shares or has not brought back any shares.

7 The following shareholders hold more than 5% of the shares:

(Nos in Lakh)

Name	As at 31-03-2020		As at 31-03-2019	
	No of Shares	% of holding	No of Shares	% of holding
S.Rajkumar	94.61	49.40%	85.11	46.76%

NOTE 11 :Other equity **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Capital Reserve	36.68	36.68
General Reserve	533.00	533.00
Retained earnings	(6,625.22)	(6,711.14)
Securities premium	1,694.39	1,684.89
Money received against share warrants	-	135.85
Other comperhensive income		
- Actuarial gain/(loss) on defined benefit obligation	(6.74)	(7.24)
- Equity instrument through other comperhensive income	(1.85)	(1.85)
	(4,369.74)	**(4,329.82)**

NOTE 12 : Analysis of items of other comprehensive income (OCI), net of tax **(₹ in Lakh)**

Particulars	Defined benefit plans	Equity instrument through OCI
As at 1st april 2019	(7.24)	(1.85)
Remeasurements		
Remeasurements utilized during the year	0.50	-
As at 31st march 2020	(6.74)	(1.85)

NOTE 13 : Earning per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

i. **Profit (loss) attributable to equity shareholders (basic and diluted)** **(₹ in Lakh)**

Particulars	For period ended 31-Mar-20	For period ended 31-Mar-19
Basic Earnings per Share (EPS)		
Profit (loss) for the year, attributable to the equity holders	**85.91**	**190.71**
Weighted average number of equity shares outstanding at the end of the y	**186.76**	**184.87**
Basic Earnings per Share (EPS)	**0.46**	**1.03**
Dlluted Earnings Per Share (EPS)		
Profit / (loss) for the year, attributable to the equity holders, adjusted for th potential equity shares	**85.91**	**190.71**
Weighted average number of equity shares outstanding at the end of the year, including the potential equity shares	**186.76**	**194.36**
Diluted Earnings Per Share (EPS)	**0.46**	**0.99**

NOTE 14 : Financial Liabilities

NOTE 14A: Non Current Borrowings **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current Borrowings		
Long term borrowings from bank*	692.73	
11.25% Preference shares Redeemable **	1,135.50	1,055.64
	1,828.23	**1,055.64**

*Current maturities of long term borrowings are disclosed under 'other Current financial liabilities'

**** Notes to Preference shares**

(i) The Company has only one class of Preference Shares (non-convertible cumulative redeemable) having a face value of Rs.10/- per share.

(ii) Preference shares carries a dividend at the rate of 11.25%

(iii) The company shall redeem the preference shares having aggregate face value of Rs. 600 lakhs at par in 4 annual installments of Rs. 150 lakhs each from the end of F.Y 2020-21 onwards. The balance preference shares having aggregate face value of Rs. 400 lakhs shall be redeemed in full at par at the end of F.Y 2027-28.

(iv) Details of shares held by each shareholder holding more than 5% shares:

Name	As at 31-03-2020		As at 31-03-2019	
	No of Shares	% of holding	No of Shares	
Kerala State Industrial Development Corporation Limited	60.00	60.00%	60.00	60.00%
S.Rajkumar	39.51	39.51%	40.00	40.00%

NOTE 14B: Current Borrowings **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Secured Loans from Banks		
Short term loan from bank	946.65	**250.00**
Sub-Total	**946.65**	**250.00**
Unsecured Loans		
Loan from Related Parties		
- From Directors	1,052.05	1,315.28
- From Companies in which directors are interested	42.80	36.27
Sub-Total	**1,094.85**	**1,351.55**
Total	**2,041.50**	**1,601.55**

Terms of repayment of loan.

Name of bank	Andhra Bank	
Type of loan	Term loan (Short term)	Term loan (Long term)
Amount sanctioned	20.80 Crores	7.64 Crores
Current interest rate as at year end	11%	11%
Details of repayment	To be repaid within 12 months form the date of first	Repayable in 120 EMI , with a gestation period of 2 months.
Details of security	Entire fixed assets along with the equitable mortgaged land.	Secured against the lease rentals receivable

*** Current Borrowings - Secured** **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Short term borrowing from bank		
- Andhra bank	946.65	250.00
	946.65	**250.00**

*** Current Borrowings - Unsecured** **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Related parties		
- Loan from Directors	1,052.05	1,315.28
- Loan from Group Companies	42.80	36.27
	1,094.85	**1,351.55**

i Loan from related parties are repayable on demand.

ii There is no continuing default / default as on the date of balance sheet in repayment of loans and interest.

NOTE 15 :Provisions **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Non-Current Provisions		
Provision for Employee benefits		
- Gratuity	9.65	8.56
	9.65	**8.56**
Current Provisions		
Provision for Income Tax for earlier years	-	71.71
	-	**71.71**

The company has estimated the liability for Gratuity based on the report obtained from an independent consulting actuary as at 31.03.2020

Reconciliation of the net defined benefit liability

Particulars	TYPE OF PLAN	
	Gratuity	**Leave plan**
As at 1 April 2018	**8.44**	
Expected return on plan assets	0.59	
Interest Cost	0.96	
Current service cost	(1.43)	
Actuarial loss/(gain) on obligation	-	
Employer contribution to plan assets	-	
Net effect of benefit payments	-	-
As at 31 March 2019	**8.56**	**-**
Expected return on plan assets	-	-
Interest Cost	0.59	-
Current service cost	1.00	-
Actuarial loss/(gain) on obligation	(0.50)	-
Employer contribution to plan assets		-
Net effect of benefit payments	-	-
As at 31 March 2020	**9.65**	**-**

Expense recognised in profit or loss

Particulars	TYPE OF PLAN	
	Gratuity	**Leave plan**
For the period ended 31 March 2019		
Expected return on plan assets	-	
Interest Cost	0.59	
Current service cost	0.96	
Actuarial loss/(gain) on obligation, recognised in OCI at the end of the year	(1.43)	
Claims received w.r.t previous years	-	-
Total amount recognised in profit or loss	**0.12**	**-**
For the period ended 31 March 2020		
Expected return on plan assets	-	-
Interest Cost	0.59	-
Current service cost	1.00	-
Actuarial loss/(gain) on obligation	(0.50)	-
Employer contribution to plan assets recognised in P/L	-	-
Total amount recognised in profit or loss	**1.09**	**-**

Remeasurements recognized in other comprehensive income

Particulars	TYPE OF PLAN			
	Gratuity		**Leave plan**	
	31-03-2020	**31-03-2019**	**31-03-2020**	**31-03-2019**
Actuarial loss/(gain) on obligation	(0.50)	(1.43)	-	-
Balance as at the end of the year	**(0.50)**	**(1.43)**	**-**	**-**

Significant Estimates- The Significant actuarial valuation applicable for the plans are as below:

Particulars	31-03-2020	31-03-2019
Mortality table	Indian Assured Lives Mortality	dian Assured Lives Mortality (2006-08)
Discount Rate	5.56%	6.94%
Salary escalation rate	5.00%	5.00%
Expected rate of return on plan assets	Not Applicable	Not Applicable

Sensitivity Analysis of the Defined Benefit Plans	31st March, 2020
a) Defined Benefit Obligation - Discount rate + 100 basis points	(5,945.00)
b) Defined Benefit Obligation - Discount rate - 100 basis points	6,645.00
c) Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	6,615.00
d) Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(6,029.00)

NOTE 16 :Deferred tax liabilities **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Deferred Tax Liabilities		
- Property, Plant & Equipment	-	60.66
Deferred Tax Asset		
- Provision for unrecognised expense	(66.47)	(75.65)
- Provision for Gratuity	(2.51)	(2.22)
- Provision for Doubtful Debts/Claims	(255.75)	(203.67)
Net Deferred Tax Liabilities/(Assets)	**(324.73)**	**(220.88)**
Deferred Tax Asset on account of carried forward loss	(782.97)	(830.39)
Net Deferred Tax Liabilities / (Asset)	**(1,107.70)**	**(1,051.27)**
Less: Deferred Tax Liabilities / (Assets) unrecongised (Refer Note No.3.3B)	**(1,107.70)**	**(1,051.27)**
Net Deferred Tax Liabilities / (Assets) to Balance Sheet	**-**	**-**

Movement in deferred tax liabilities

Particulars	Carried forward loss	Property, Plant & Equipment	Provision for unrecognised expense	Provision for Gratuity	Provision for Doubtful Debts/Claims	Total
At 1st April 2019	(830.39)	60.66	(75.65)	(2.22)	(203.67)	
(+)/(-)	47.42	28.49	9.18	(0.29)	(141.23)	
Deferred Tax Liability / (Asset) at the year end	(782.97)	89.15	(66.47)	(2.51)	(344.90)	
Less:		-	(66.47)	(2.51)	(255.75)	
Charged to -						
Profit / Loss	-	89.15	-	-	89.15	
Other	-					
Comprehensive Income		-	-		-	
At 31 March 2020	(782.97)	-	(66.47)	(2.51)	(255.75)	(1,107.70)

NOTE 17 : Other non-current liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposits	-	1.43
Rent Deposit	164.73	41.44
	164.73	**42.87**

NOTE 18 :Trade Payables

Particulars	As at March 31, 2020	As at March 31, 2019
Payable to Micro Small & Medium Enterprises	-	0.65
Other Trade Payables		
- Supplies	203.27	447.65
- Stores & Spares	-	48.50
	203.27	**496.80**

Disclosure under Micro, Small and Medium Enterprises Development Act, 2006

i The above balances are subject to confirmation from the respective parties.

ii

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end	-	0.65
The amount of interest paid by the company along with the amounts of the payments made to the supplier beyond the appointed day during the year	1.25	-
The amount of interest due and payable for the period of delay in making payment	-	0.20
The amount of interest accrued and remaining unpaid at the end of the year	-	0.40
The amount of further 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.	0.60	-

NOTE 19 : Other current financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of long term debts	38.22	
Unclaimed Dividend	2.15	
Dividend payable	3.08	4.92
	43.45	4.92

NOTE 20 : Other Current Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Other liabilities		
- Salaries and Other Benefits	37.54	82.33
- Statutory Dues Payable	65.93	137.29
- Other Payables	41.75	72.46
	145.22	**292.08**

NOTE 21 :Revenue From Operations

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Sale of products:		
- Sale of Paper and Paper Products	19.45	-
(ii) Sale of service		
- Lease Rental Income	106.18	-
(iii) Other operating revenue	143.23	
		-
	268.86	**-**

NOTE 22 : Other Income **(₹ in Lakh)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Interest income:		
- On deposits with banks [Tax Deducted at Source Rs 'Nil' (Previous year Rs 0.16 Lakhs)]	0.43	0.21
- On Advances	1.04	1.32
(ii) Sale of Scrapped Fixed Assets	11.89	333.57
(iii) Dividend income	0.05	
(iv) Other non-operating income	8.47	58.24
(v) Credits no longer payable, forfeited	32.14	
(vi) Provision for Projects Written back	8.67	
	62.69	**393.34**

Details of Other non-operating income **(₹ in Lakh)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Insurance income	0.58	0.83
Miscellaneous income	7.89	57.41
	8.47	**58.24**

NOTE 23 : Employee Benfit Expenses **(₹ in Lakh)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, Wages & Allowances	26.40	47.56
Gratuity	3.86	1.55
Staff Welfare Expenses	5.14	3.35
Employer's Contribution to PF	0.37	0.96
Employer's Contribution to ESI	0.09	0.18
Allowances and expenses to contract workers	0.55	13.13
Others	26.16	3.16
	62.57	**69.89**

NOTE 24 : Finance Cost

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Cost on Financial liabilities carried at amortised cost		
- Interest expense	69.17	43.14
- Other borrowing cost	10.18	0.20
- Cost on Preference Shares, adjusted for the fair value	79.86	(35.18)
	159.21	**8.16**

NOTE 25 : Depreciation and amortisation expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on Property,Plant & Equipment	43.01	57.49
	43.01	**57.49**

NOTE 26 : Other Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Payment to auditor	1.04	1.15
Power and fuel	1.69	5.83
Rent	-	1.08
Repairs and maintenance (other than buildings and machinery)	1.72	35.43
Insurance charges	1.39	1.88
Rates and Taxes	14.78	9.00
Cleaning and maintenance expenses	12.92	
Manpower Supply	6.14	
Professional charges	11.85	
Sitting fees	3.25	
Provision for Expected Credit Loss	49.07	62.59
Loss on sale of investments	-	0.38
Loss on sale of fixed assets		
Freight outwards	-	0.09
Miscellaneous expenses	21.25	142.45
	125.10	**259.88**

NOTE 26A : Payment to auditor

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Statutory Audit Fee	0.75	0.75
Tax Audit Fee	0.25	0.25
Auditors Out of pocket Expense	0.04	-
Fee for other services	-	0.10
Audit fee for certfication		0.05
	1.04	**1.15**

NOTE 27 : Exceptional Items expense / (income)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Retrenchment Compensation	-	31.01
Loan and interest on loan forfeited account		
Loss on sale of asset held for sale		374.00
Credits no longer payable, forfeited	-	(728.99)
Liabilities no longer payable, Written Back *	(141.45)	
Taxes Written back **	(62.39)	
	(203.84)	**(323.98)**

* The company has assessed the liabilities relating to the Paper Division and has entered into settlement with many of the creditors. In this process, the company has determined the liabilities or part of the liabilities which are no longer payable by the company on the basis of settlement made with them. Such liablities amounting to Rs.141.45 Lakhs has been written back and has been disclosed as " Liabilities no longer payable, written back"

**

The company has settled the disputed statutory liabilties payable under central excise/ service tax provisions under the sabka vishwas (Legacy Dispute Resolution Scheme) 2019 introduced by Government of India. The portion of such liabilities which is no longer payable has been written back by the company. Also, statutory liability outstanding after the payment of amount determined by the department upon the regular assessment has been written back.

*** Other than the liabilities disclosed in the contingent liabilities in Note no. 31, there is no liability outstanding on account of Cental Excise either as per excise records or as per demand notices issued against the company.

NOTE 28 : Tax Expense

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current Tax	-	-
Deferred Tax	-	(27.78)
	-	**(27.78)**

Income tax recognized in other income

Particulars	For the year ended 31/03/2020			For the year ended 31/03/2019		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Remeasurement of defined benefit liability	0.50	-	0.50	1.43	-	1.43
Remeasurement of Equity instruments through OCI	0	-	-	0.21	-	0.21

Reconciliation of effective tax rate

- A reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

Particulars	For the year ended 31/03/2020		For the year ended 31/03/2019	
Profit from continuing operations before income tax expense		85.91		162.93
Tax on accounting profit at 26% (P.Y 28.75%)		**22.34**		**42.36**
Less: Tax Credit on account of non-taxable incomes	(1.15)			(194.27)
(+)/(-): Tax effect on account of Deferred Tax				
Net tax credit (asset) for the year			(248.66)	
Less: Tax Credit not recongised during the year			174.15	(74.51)
Tax Credit /(liability) relating to earlier years reversed				46.73
(+)/(-): Tax effect of Deferred Tax on account of unabsorbed losses				
Tax credit relating to current year losses, not recognised				151.91
Tax credit on account	(22.34)		(830.39)	
Less: Tax Credit relating to earlier years, not recongised		(22.34)	830.39	-
Total income tax expense/(credit)		**(0.00)**		**(27.78)**
(+)/(-) Tax adjustments for the earlier years		**-**		**-**
Income Tax expense / (credit) as per Profit and Loss		**(0.00)**		**(27.78)**

NOTE 29 : Other comprehensive income **(₹ in Lakh)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Actuarial gain/(loss) on defined benefit obligation	0.50	1.43
Equity instrument through other comprehensive income	-	0.21
Tax effect of the above	-	-
	0.50	**1.64**

NOTE 30 : Fair Value Hierarchy

The management has assessed that its financial assets and liabilities like cash and cash equivalents, trade receivables, trade payables, cash credits, buyers credit and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.
The following methods and assumptions were used to estimate the fair values for the financial assets given below:

Quoted Equity Instrument and Mutual Funds:

The fair values of the quoted equity shares measured using quoted prices. This includes listed equity instruments and mutual funds that are listed in the stock exchange.

Unquoted Equity Shares of Other Companies:

The fair values of the unquoted equity shares have been estimated using NAV model using the book value of assets and liabilities.

Preference Shares

The value of the preference shares are estimated based on the weighted average cost of capital.

Particulars	31.03.2020 Significant		31.03.2019 Significant	
	Level 1	Level 3	Level 1	Level 3
Financial Assets				
Investment in Unquoted instruments				
Kerala Enviro Infrastructure Limited		1.00		1.00
Jala Shaayi Alamparathodu Hydro Power Ltd		4.70		4.70
Sree Kailas Palchuram Hydro Power Ltd		4.70		4.70
Sree Adi Sakthi Mukkuttathode Hydro Power Ltd		4.70		4.70
Financial Liabilities				
Preference shares		1,135.50		1,055.64

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued

The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in **Level 2**.

If one or more of the significant inputs is not based on observable market data, the instrument is included in **Level 3**. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in **Level 3**.

NOTE 31 : Contingent liabilities and Commitments * (₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Amount of Income tax liabilities disputed in appeal	22.18	23.82
Income Tax liability on account of TDS default.	4.21	
Excise duty disputed under appeal	350.79	350.79
Claim towards water charge raised by Kerala Water Authority	78.42	78.42
Customs duty liability under EPCG claim	58.79	58.79
Employee Providend Fund demand under appeal	34.17	
Penalty from BSE Ltd under appeal	6.60	
Arrears of non - convertible cumulative preference dividend	673.10	673.10
	1,228.26	**1,184.92**

NOTE 32 : Additional Information

Details of Provisions Pursuant to Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

Particulars	As at 31st march 2019	Provision made during the year	Provision utilized during the year	As at 31st march 2020
Trade receivables	783.33	49.07	149.93	682.47
Income Tax	71.71	-	71.71	-
Gratuity and Leave Encashment	8.56	1.09	-	9.65
Capital Advances	87.34	-	-	87.34
Deposits	51.59	-	-	51.59
Advance for Power Project	52.48	-	8.67	43.81
Temporary Advances	286.75	-	5.29	281.46
Investments	3.00	-	-	3.00

Details of Lease Rentals pursuant to Ind AS 116- Leases

Particulars	**Particulars**
Lessee	Fine Tech Corporation Private Limited
Security Deposit	Rs.93,45,146/-
Lease Term	15 Years

Lease Rental	**Amount (Rs)**
19-20	1,06,17,966/-
20-21	1,29,91,104/-
21-22	1,36,02,330/-
22-23	1,42,44,115/-
23-24	1,49,17,991/-
Remaining years	19,45,60,400/-

Additional Disclosures

a) As the Company had terminated its business operations pertaining to manufacturing of Kraft Paper in 2016-2017, the management is in the process of ascertaining and reconciling, wherever necessary, the realizable value of entire receivables of the company.

(b) As a matter of prudence, the company has already created a cumulative provision for bad and doubtful debts amounting to Rs.682.47 lakhs which in the opinion of the management is sufficient to cover the entire doubtful debts of the company.

(c) As negotiations are going on with the debtors and creditors of the company for settlement of dues, we have not obtained the confirmation of balances as for some of the creditors at the year end. Any additional liability required based on the reconciliations / settlement made with the debtors and creditors, will be provided in the due course.

(d) Compliance on transfer of Unpaid Dividend and Unclaimed Shares to IEPF Account
Sec 124(5) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rule, 2017, requires every company to transfer any unpaid dividend along with the corresponding equity shares outstanding for more than the period prescribed under Act to the Investor Education and Protection Fund (IEPF) Account.

The Ministry of Corporate Affairs (MCA) vide General Circular No. 12/2017 dated 16.10.2017 had notified the due date to transfer the equity shares where the specified period has completed

The company has not transferred such equity shares .The Company is taking necessary steps to identify such equity shares and comply with the provisions of the Act.

For KPR & Co.,
Chartered Accountants
FRN: 05326S

Sd/-
Deepa Praveen, FCA
Partner (M No. 232410)

Cochin - 11
Date : 30/07/2020

For and on behalf of the Board,

Sd/-
S Rajkumar
Vice Chairman &
Managing Director

Sd/-
Visakh Rajkumar
Director

Sd/-
V N Sridharan
Chief Financial Officer

Sd/-
R Ponnambalam
Company Secretary

Chennai-17
Date : 30/07/2020

Details in respect of related parties in Pursuant to IND AS 24

Nature of Relationship		Name of Related party	Details of Transactions		
			Nature of Transactions	Amount (Rs. In Lakhs)	
				2019-20	2018-19
Key Managerial Personnel (Managing Director)	1	Mr. S Rajkumar	Unsecured Loan	263.73	907.59
			Remuneration	7.61	
Key Managerial Personnel (Director)	2	Mrs. Rajee Rajkumar	Unsecured Loan		2.49
			Sitting Fees	0.50	0.30
Key Managerial Personnel (Director)	3	Mr. Visakh Rajkumar	Remuneration	6.00	-
Key Managerial Personnel (Director)	4	Mr. G Ragavan	Sitting Fees	0.95	0.70
Key Managerial Personnel (Director)	5	Mr. U G Bhat	Sitting Fees	0.55	0.50
Key Managerial Personnel (Director)	6	Mr. N Subramanian	Sitting Fees	0.95	0.60
Key Managerial Personnel (Non Executive Director)	7	Mr. Akhilesh Agarwal	Sitting Fees	0.30	0.20
Key Managerial Personnel (Company Secretary)	8	Mr.R. Ponnambalam	Remuneration	1.00	0.14
Key Managerial Personnel (Company Secretary)	9	Mr. V.N Sridharan	Remuneration	3.60	
Key Managerial Personnel (Director)	10	Mrs. Iasaki Kamalam	No Transactions	-	-
Key Managerial Personnel (Director)	11	Mr. S Subramaniam	No Transactions	-	-
Relatives of Key Managerial Personnels	12	Mr. Vignesh Rajkumar	No Transactions	-	-
	13	Mr. S Giridhar	Unsecured Loan	-	(208.75)
	14	Mr. A Ganesh	No Transactions	-	-
	15	Mr. A Padmanabhan	Hill earth Expenses	6.01	(56.57)
Enterprises over which any person mentioned in 1 to 14 above is able to exercise significant influence	16	Shri Kailash Logistics Chennai LTD	Sale of Scrap	-	-
			Unsecured Loan	1.32	
			Interest on Unsecured Loan	5.81	36.27
	17	Cartopacks	Sale of goods	16.12	-
			Purchase of Cartons	-	0.01
	18	Aditya Papers	Sale of goods	-	-
	19	Maharaj Continental Trades LTD	Unsecured Loan	-	(116.85)
			Debt Collection expense reimbursement	-	8.07
	20	Sree Giri Packagings LTD	Hill earth Expenses	23.05	-
			Sale of Goods		-
	21	Very Same Industrial Aids LTD	Repayment of unsecured Loan	60.46	0.01
	22	Visakh Homes LTD	Unsecured Loan	1.75	(62.05)
			Advance for scrap received	-	(14.20)
			Contract expenses	263.05	344.10
			Commision for marketing warehouse	-	36.76
			EMD	5.00	
	23	Sree Kashyap Surya Energy Equipments PVT LTD	No Transactions		-
	24	Sree Sakthi Ganapathy Charitable Trust	Donations	-	0.25
	25	Sree Sakthi Constructions and Infrastructure LTD	Repayment of unsecured Loan	33.71	-
Subsidiaries	26	Sree Adisakthi Mukkuttathode Hydro Power LTD	Interest on advance	0.11	0.08
			Advance Received	0.81	0.25
	27	Jalashaayi Alamparathodu Hydro Power LTD	Interest on advance	0.58	0.00
			Advance given	0.13	(0.35)
	28	Sree Kailas Palchuram Hydro Power LTD	Interest on advance	0.88	1.24
			Advance Received	13.69	0.21

Independent Auditor's Report on Consolidated Financial Statement

To the Members of M/s. Cella Space Limited, Kochi (Formerly Sree Sakthi Paper Mills Limited).

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated financial statements of M/s.Cella Space Limited, Kochi (Formerly Sree Sakthi Paper Mills Limited),(herein after referred to as "the Holding Company" and its subsidiaries-M/s Sree Adi Sakthi Mukuttathodu Hydro Power Limited, M/s Sree Kailas Palchuram Hydro Power Limited and M/s Jalshaayi Alamparathodu Hydro Power Limited (The Holding Company and Its Subsidiaries together reffered to as "the Group") - which comprises of the Balance Sheet as at 31st March, 2020,the Statement of Profit and Loss (including other comprehensive income) for the year ended 31st March 2020,the Statement of Changes in Equity for the year ended 31st March, 2020,the Cash Flow Statement for the year ended 31st March 2020, and a Summary of Significant Accounting Policies and other explanatory information (herein after referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ('the Ind AS') and other accounting principles generally accepted in India, of the state of affairs of the Group as at March 31, 2020; and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended 31st March 2020.

Emphasis of Matter

We Invite the attention of users to –

(a) Based on our review conducted as above we draw attention to Note No.27 of the financials regarding recognition of income by writing back of statutory dues, long outstanding liabilities and creditors standing due in the books of accounts.

(b) Our Report is not qualified on the above matter.

Basis for Opinion

We conducted our audit 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 Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Key Audit Matters

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

The Key Audit Matters	How our audit addressed the key audit matter
Adoption of Ind AS 115 – Revenue from Contracts with Customers	
The Group has adopted Ind AS 115,Revenue from Contracts with Customers ('Ind AS 115')which is the new revenue accounting standard. The application and transition to this accounting standard is complex and is an area of focus in the audit. The revenue standard establishes a comprehensive framework for determining whether, how much and when revenue is recognized. This involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. The Company adopted Ind AS 115 and applied the available exemption provided therein, to not restate the comparative periods.	Our audit procedures on adoption of Ind AS 115, Revenuefrom contracts with Customers ('Ind AS 115'), which is the new revenue accounting standard, included – • Evaluation of the design and implementation of the processes and internal controls relating to implementation of the new revenue accounting standard; • Evaluation of the detailed analysis performed by management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams; • Evaluation of the cumulative effect adjustments as at 1 April 2018 for compliance with the new revenue standard; and • Evaluation of the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures.
Evaluation of uncertain tax positions	
The company has material uncertain tax positions including matters under dispute which involves significant judgement to determine the possible outcome of these disputes.	Our audit procedures included – • Detailed analysis of the pending disputes on account of taxes at various forums; • Obtaining internal expert opinion on the merit and sustainability of the disputes and litigations; • Evaluating the legal precedences in evaluating the management judgements on these uncertain tax positions.
Recoverability of receivables and advances	
As at March 31, 2020, the position of assets included – • Trade receivables (Note 8A): Rs.697.58 lakhs • Security Deposits (Note 6B):Rs.44.57 lakhs • Other Non-Current Assets (Note 7) Rs.83.12 lakhs • Security Deposits (EMD) (Note 8C) : Rs.27.60 lakhs Out of the above, most of the balances were outstanding for long and hence it was necessary to ascertain the recoverability and realisability of such receivables and advances.	Our audit procedures included – • Detailed analysis of the long outstanding receivables and advances; • Obtaining management analysis on the realisability of such assets; • Obtaining confirmation of balances for major balances outstanding; • Evaluating the adequacy of provision made by the management for doubtful assets included therein.

Other information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Group's annual report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Holding Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 consolidated financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so. 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 consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls with respect to the standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the 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 standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on other legal and regulatory requirements

1. The Companies (Auditor's Report) Order, 2016 issued by Central Government of India in terms of sub-section 11 of section 143 of the Act, is not applicable to report on Consolidated Financial Statements.

2. As required by section 143(3) of the Act, we report that:
   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
   c) The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, including other comprehensive income, Consolidated Statement of changes in Equity, and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
   d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act;
   e) On the basis of written representations received from the directors of Holding Company and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013 except for Mr. Subramoniam Sivathanu Pillai. We are informed that the Managing Director Mr. Rajkumar Sivathanu Pillai (DIN:01790870), who was disqualified u/s 164(2) of the Act, has obtained the interim stay on this disqualification from the Hon'ble High Court of Madras vide writ petition no. 29141/2017 dated 30-11-2017.
   f) With respect to other matters to be included in the Auditors Report in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      (iv) The Group has disclosed the impact of pending litigations on its financial position in its financial statements.
      (v) The Group has no long term contracts including derivative contracts and hence no provision on account of material foreseeable losses is required.
      (vi) There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Group.

Place: Kochi-11
Date:30.07.2020

For KPR&Co
Chartered Accountants
FRN:5326S
Sd/-
Deepa Praveen, FCA
Mem No:232410
Partner

UDIN:20232410AAAAAM6343

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF M/S. CELLA SPACE LIMITED, KOCHI (FORMERLY SREE SAKTHI PAPER MILLS 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 M/s. Cella Space Limited, Kochi (Formerly Sree Sakthi Paper Mills Limited).(the company) as of 31st March, 2020 in conjunction with our audit of the consolidated 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. 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 accounting records and the timely preparation of reliable financial information as required under the Companies Act, 2013.

Auditor's 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 Notes 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 controls based on the assessed risk. The procedures selected depend on the auditor's judgment including the assessment of 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 control systems over financial reporting.

Meaning of internal financial controls over financial reporting

A company's internal financial controls over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls over financial reporting includes those policies and procedures that (1) pertain to the maintenance of the records that, in reasonable detail, accurately and fairy reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that the transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that the receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding the prevention or timely deduction of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 of 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 the 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

According to the information and explanations given to us and based on our audit, the following material weaknesses have been revealed as at March 31, 2020:

The internal control system established by the company for recording of financial transactions in time was not operating effectively due to which there was considerable delay in recording, reconciling and reporting the financial information on a timely basis. Further no internal audit was conducted during the year.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects/possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2020, based on the internal control over the financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of internal Financial Reporting issued by the Institute of Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2020 financial statements of the Company, and these material weaknesses does not affect our opinion on the financial statements of the Company.

Place: Kochi-11
Date:30.07.2020

For KPR&Co
Chartered Accountants
FRN:5326S
Sd/-
Deepa Praveen, FCA
Mem No:232410
Partner

UDIN:20232410AAAAAM6343

Consolidated Balance Sheet as at March 31, 2020 (Figs in ₹ in Lakh)

Particulars	Note No	As at March 31, 2020	As at March 31, 2019
I. Assets			
1 Non-current assets			
Property, plant & equipment	**4A**	916.32	930.78
Capital work-in progress	**4B**	901.54	-
Investment property	**4C**	8.53	8.53
Intangible assets	**5**	-	-
Financial assets			
Investments	**6A**	1.00	1.00
Deposits	**6B**	20.58	-
Deferred tax assets (net)			
Other non-current assets	**7**	-	-
2 Current Assets			
Inventories		-	-
Financial assets			
Trade receivables	**8A**	15.11	51.00
Cash and cash equivalents	**8B**	78.29	39.21
Loans	**8C**	-	-
Tax Assets (Net)			
Other current assets	**9**	47.41	51.14
Assets held for sale		-	-
TOTAL		**1,988.79**	**1,081.66**
II. Equity & Liabilities			
1 Equity			
Equity share capital	**10**	1,915.12	1,820.12
Other equity	**11**	(4,374.63)	(4,329.86)
Non- Controlling Interest		10.71	15.86
2 Liabilities			
Non-Current Liabilities			
Financial liabilities			
Non Current Borrowings	**14A**	1,828.23	1,055.64
Provisions	**15**	9.65	8.56
Deferred tax liabilities (Net)	**16**	0.04	0.03
Other non-current liabilities	**17**	164.73	42.87
3 Current Liabilities			
Financial liabilities			
		2,041.50	1,601.55
		203.28	496.80
Other financial liabilities	**19**	43.45	4.92
Other current liabilities	**20**	146.54	293.28
Provisions	**15**	0.17	71.89
TOTAL		**1,988.79**	**1,081.66**

Summary of significant accounting policies **1,2,3**

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

As per our report of even date attached,

For and on behalf of the Board,

For KPR & Co.,
Chartered Accountants
FRN: 05326S

Sd/-
Deepa Praveen, FCA
Partner (M No. 232410)

Sd/-
S Rajkumar
Vice Chairman &
Managing Director

Sd/-
V N Sridharan
Chief Financial Officer

Sd/-
Visakh Rajkumar
Director

Sd//-
R Ponnambalam
Company Secretary

Cochin - 11
Date : 30/07/2020

Chennai-17
Date : 30/07/2020

Consolidated Statement of profit and loss for the period ended March 31, 2020

(Figs in ₹ in Lakh)

	Particulars	Note	For the year ended March 31, 2020	For period ended March 31, 2019
I	**Revenue from operations**	**21**	**268.86**	-
II	**Other income**	**22**	64.24	393.04
III	**Total Income (I + II)**		**333.10**	**393.04**
IV	**Expenses**			
	- Cost of Materials		59.59	-
	- Changes In Inventory		-	
	- Employee Benefit Expenses	**23**	62.57	69.89
	- Finance costs	**24**	161.03	8.16
	- Depreciation and amortisation expenses	**25**	43.01	57.49
	- Impairment loss Property,Plant & Equipment		-	158.97
	- Other Expenses	**26**	125.32	260.58
	Total expenses (IV)		**451.52**	**555.09**
V	**Profit/(Loss) before, exceptional items and tax (III - IV)**		(118.43)	(162.05)
VI	**Exceptional items- Expenses/(Income)**	**27**	(194.34)	(323.98)
VII	**Profit/(Loss) before tax (V - VI)**		**75.92**	**161.93**
VIII	**Tax expense**			
	- Current income tax	**28**	-	0.17
	- Deffered Tax	**28**	-	(27.78)
			-	**(27.61)**
IX	**Profit / (Loss) for the period from continuing operations. (VII+VIII)**		**75.92**	**189.54**
	Attributable to:			
	Equity holders of the parent		**81.02**	**190.17**
	Non-controlling interests		**(5.10)**	**(0.63)**
X	**Other comprehensive income**			
	- Items that will not be reclassified to Profit or Loss	**29**	0.50	1.64
	- Income tax relating to items that will not be reclassified to Profit c	**29**	-	
XI	**Total comprehensive income for the period(IX+X)**		**76.42**	**191.18**
	Equity holders of the parent		**81.52**	**191.81**
	Non-controlling interests		**(5.10)**	(0.63)
XII	**Earnings per Equity shares (of continuing operations) of Rs. 10/- each**			
	- Basic	**13**	0.41	1.04
	- Diluted	**13**	0.41	0.98
	Summary of significant accounting policies	**1,2,3**		

As per our report of even date attached,

For KPR & Co.,
Chartered Accountants
FRN: 05326S

Sd/-
Deepa Praveen, FCA
Partner (M No. 232410)

Cochin - 11
Date : 30/07/2020

For and on behalf of the Board,

Sd/-
S Rajkumar
Vice Chairman &
Managing Director

Sd/-
V N Sridharan
Chief Financial Officer

Sd/-
Visakh Rajkumar
Director

Sd/-
R Ponnambalam
Company Secretary

Chennai-17
Date : 30/07/2020

Consolidated Statement of Cash Flow for the period ended March 31, 2020 (Figs in ₹ in Lakh)
In Terms of Indian Accounting Standard (Ind AS) 7 Statement of Cash Flows Under Indirect Method

Particulars	For period ended March 31, 2020	For period ended March 31, 2019
A CASH FLOW FROM OPERATING ACTIVITIES		
Total Comprehensive Income	**76.42**	**192.35**
Adjustments for :		
Provision for Income-tax		(27.78)
Provision for Projects written back	(8.67)	
Provision for Gratuity	1.09	0.12
Depreciation, amortisation and impairment	43.01	216.46
Interest Income	(3.00)	(1.53)
(Profit)/Loss on write off/ sale of Fixed Assets	(4.36)	-
(Profit)/Loss on write off/ sale of investment		0.38
Fair value change in investment through OCI		(0.21)
Finance Cost	161.03	8.16
Operating Profit before working capital changes	265.53	387.95
Decrease(Increase) in Trade receivable	35.90	128.15
Decrease(Increase) in Loans and Advances	-	0.06
Decrease(Increase) in Deposits	(20.58)	-
Decrease(Increase) in other non current assets	-	(1.77)
Decrease(Increase) in other current assets & assets held for sale	14.50	653.51
Increase(Decrease) in Trade payable	(293.51)	116.46
Increase(Decrease) in Provisions	(70.56)	
Increase(Decrease) in Current Liabilities	(146.73)	(263.11)
Increase(Decrease) in Other Non Current Liabilities	121.87	41.44
Cash from Operations	**(93.59)**	**1,062.69**
Income Tax paid	(10.77)	(0.02)
Cash from Operating before exceptional Items	**(104.36)**	**1,062.67**
Exceptional Items	8.67	-
Cash from Operating Activities	**(95.69)**	**1,062.67**
B CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds on Sale of Fixed Assets	3.35	-
Purchase of Fixed Assets	(29.01)	(378.12)
Purchase of Investment property	-	(7.50)
Proceeds on Sale of investment	-	1.12
Profit on sale of car	4.36	
Capital work in progress	(901.54)	
Reversal of depreciation reserve	2.88	
Interest Income	3.00	1.53
	(916.96)	**(382.97)**
C CASH FLOW FROM FINANCING ACTIVITIES		
Net Proceeds from		
- Issue of shares	104.50	99.55
- Issue of shares warrants	(104.50)	(99.55)
- Borrowings	(176.84)	(233.72)
Interest paid	(161.03)	(8.16)
Increase in other financial liabilities	0.31	
Net Cash from Financing Activities	**(337.56)**	**(241.88)**
D TOTAL INCREASE (DECREASE) IN CASH AND	**(1,350.21)**	**437.82**
Cash and cash equivalents at the beginning of the year	(249.09)	**(686.91)**
Cash and cash equivalents at the end of the year	**(1,599.30)**	**(249.09)**
Components of cash and cash equivalents		
Balance with Banks		
In Current Accounts	6.57	0.14
In Deposit Accounts	67.74	0.69
Cash in Hand	3.99	0.08
Short Term Loan	(946.65)	(250.00)
Long Term Loan	(730.95)	
Total cash and cash equivalents	**(1,599.30)**	**(249.09)**

For KPR & Co.,
Chartered Accountants
FRN: 05326S

Sd/-
Deepa Praveen, FCA
Partner (M No. 232410)

Cochin - 11
Date : 30/07/2020

For and on behalf of the Board,

Sd/-
S Rajkumar
Vice Chairman &
Managing Director

Sd/-
Visakh Rajkumar
Director

Sd/-
V N Sridharan
Chief Financial Officer

Sd/-
R Ponnambalam
Company Secretary

Chennai-17
Date : 30/07/2020

Annexure to Notes on Consolidated Financial Statements for the Year ended March 31, 2020

1 – Reporting Entity

M/s. Cella Space Limited (formerly known as Sree Sakthi Paper Mills Limited) (the 'Company') is a company incorporated in India as a Limited Company on 3rd October, 1991, under the provisions of Companies Act 1956, with the main objective of manufacturing of paper and paperboards ('the paper operations'). However, the paper operations were closed down in June 2016 Further, the company amended its main object to deal in the business of logistics, Industrial Parks, Logistics Parks, ('the logistics operation'). Accordingly, the company converted its factory building at Edayar, Kochi into a warehouse which has been let out to commercial parties in March, 2019.

2 – Basis of Preparation of Consolidated Financial Statements

a) Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the 'Act') and the relevant provisions of the Act.

These financial statements have been prepared on historical cost basis, except for certain financial instruments which are measured at fair value or amortized cost at the end of each reporting period, as explained in the accounting policies below. Historical cost is generally based on the fair value of the consideration given in exchange for goods and services. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle.

Based on the nature of services rendered to customers and time elapsed between deployment of resources and the realization in cash and cash equivalents of the consideration for such services rendered, the Company has considered an operating cycle of 12 months.

The statement of cash flows has been prepared under indirect method.

b) Basis of consolidation

The consolidated financial statements incorporate the financial statements of the Company and entities (including structured entities) controlled by the Company and its subsidiaries. Control is achieved when the Company:

a) has power over the investee;
b) has the ability to use its power to affect its return;
c) is exposed, or has rights, to variable returns from its involvement with the investee.

The Company reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Consolidation of a subsidiary begins when the Company obtains control over the subsidiary and ceases when the Company loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated statement of profit and loss from the date the Company gains control until the date when the Company ceases to control the subsidiary.

Adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies.

All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Following subsidiary company has been considered in the preparation of the consolidated financial statements:

Name of the entity	**Relationship**	**% of Holding and voting power held directly**
Sree Adisakthi Mukkuttathode Hydro Power Limited	Subsidiary	47%
Jalashaayi Alamparathodu Hydro Power Limited	Subsidiary	47%
Sree Kailas Palchuram Hydro Power Ltd	Subsidiary	47%

c) Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

d) Basis of Measurement

The financial statements have been prepared on the historical cost basis as a going concern on accrual basis except for the following items:

Item	Measurement Basis
Certain financial assets and liabilities	At fair value or amortised cost
Net defined benefit liability	At the Present Value of the defined benefit obligations.

a) Basis Of accounting

Revenue from Operations

As the paper operations were closed down in June 2016, the company has not earned any income there from during the current year.

Apart from Logistics operations, the company has also generated turnover from trading of Kraft paper during the year.

b) Use of Estimates and Judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

Appropriateness of Going Concern

The Pollution Control Board (PCB) required the paper operations of the company to make drastic changes / modification to the existing waste / effluent water disposal system installed by the company at its Kraft Paper Units I & II at Edayar. The company discussed the financial and commercial viability of the requirements proposed by the PCB and found it to be financially as well as commercially 'non- viable' considering the present productivity and profitability of the operation. Consequently, PCB issued closure notice [Notice No. (PCB / ESC / CO – 99 /07)] to both the Kraft Paper on 05.05.2016. Even though the company approached the Hon. High Court of Kerala for staying the order issued by the PCB, it restrained from interfering / staying the order issued by the PCB.

The company was required to close down both the units at Edayar with effect from 27.06.2016 and the entire paper operations were discontinued. As a result of it, the entire business were terminated for the subsequent periods, except for selling and realizing the remaining inventory of raw materials and finished goods, stock, stores and spares and fixed assets.

As a part of revival plans proposed for the company, the Board of Directors decided to venture into the 'Logistics Business' by making use of the existing infrastructure consisting 9.75 acres of land and building at Edayar. Accordingly, after analysing the financial and commercial viability and feasibility of such a plan, the management amended the Memorandum of Association (MoA) of the company to insert necessary object clause for the logistics operations.

At the first phase of the logistics operations, the company modified and converted the existing factory building at Edayar into a commercial warehouse. The project was completed in March, 2019 and the warehouse has been handed over to tenant in the same month itself.

In the current scenario, the company has successfully completed the first phase of the logistics operations and will continue with the construction of other logistics warehouses and thereby generate revenue in the upcoming financial years. Accordingly, the going concern assumption is very much valid and appropriate.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the concerned notes.

Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2018 is included in the concerned notes.

c) Measurement of Fair Values

A number of the company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is required, the Company assesses the evidence obtained by the third parties to support the conclusions that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or

liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

3 – Accounting Policies

1) Revenue Recognition

The revenue of the company is recognized on accrual basis in accordance with the applicable Indian Accounting Standards (Ind AS) and other Generally Accepted Accounting Principles in India.

The revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured, regardless of when the payment is being made.

Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Transitional provisions of Ind AS 115 "Revenue from Contracts with the Customers"

The company has recognized income from contracts as per Ind AS 115 "Revenue from Contracts with customers" which has been made mandatory w.e.f 01.04.2018. The effect of transition to the Ind AS has been provided, wherever applicable, under the Modified Retrospective Approach wherein the cumulative effect of the transition to Ind AS 115, if any, has been presented as an adjustment to opening balance of equity at the date of initial application. The comparative figures are not restated and are presented using existing revenue standards.

2) Foreign currency

Foreign Currency Transactions

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

3) Income tax

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

a) Current Tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the

uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

b) Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

4) Borrowing Cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of fund. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

5) Cash flow statement

Cash flow statements are prepared under Indirect Method whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. Cash and cash equivalents comprise of cash in hand, current and other accounts (including fixed deposits) held with banks.

6) Events occurring after the balance sheet date

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional

evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

7) Property, Plant and equipment

a) Recognition and Measurement

Land is capitalized on the basis of actual cost of acquisition, including establishment charges of land acquisition agency and legal expenses incurred for acquisition.

b) Capitalization of Assets and Charging of Depreciation

Fixed Assets are stated at cost. The cost of acquisition of Fixed Assets is inclusive of freight, duties, taxes, incidental expenses and the cost of installation/erection as applicable.

Depreciation is in accordance with the provisions of Schedule II to the Companies Act, 2013. In the case of assets added /sold/discarded/transferred depreciation is changed on pro-rata basis.

c) Impairment of Property, Plant and Equipment (PPE)

The evaluation of applicability of indicators of impairment of assets requires assessment of external factors (significant decline in asset's value, significant changes in the technological, market, economic or legal environment, market interest rates etc.) and internal factors (obsolescence or physical damage of an asset, poor economic performance of the asset etc.) which could result in significant change in recoverable amount of the PPE.

d) Determination of the estimated useful lives

Useful lives of all PPE are based on the estimation done by the Management which is in line with the useful lives as prescribed in Part 'C' of Schedule II to the Act. In cases, where the useful lives are different from those prescribed in Schedule II and in case of intangible assets, they are estimated by management based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers' warranties and maintenance support.

e) Fixed Assets identified for disposal are stated at Net Block Value or Net Realizable value whichever is lower and are shown separately in the financial statements as asset held for sale.

f) Cost of Machinery Spares which can be used only in connection with an item of fixed asset and the use of which is expected to be irregular is allocated to the fixed assets and depreciated to the extent of 95% within a period not exceeding the useful life of the respective fixed asset. Individual spare parts having significant values are capitalized.

g) Borrowing cost relating to the acquisition/construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. The qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.

h) Subsequent Expendituresare capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

8) Intangible Assets - Recognition, Measurement and Amortization:

Intangible Assets are amortized over the useful life of the respective assets. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

9) Valuation of investments:

(i) Financial instruments

a) Recognition and initial measurement

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

b) Classification and subsequent measurement

Financial assets: On initial recognition, a financial asset is classified as measured at –

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.

Financial assets at amortized cost: These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.

Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

Financial liabilities

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

c) De-recognition

Financial assets

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the company enters into transactions whereby it transfers assets recognized on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

Financial liabilities

The Company de-recognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference
between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

10) Valuation of Current Assets:

a) Stores, Spares, Materials under Inspection, Materials in Transit, Materials Issued on Loan and Raw Materials are accounted for at lower of the cost on Weighted Average Method or Net Realizable Value.
b) Finished Goods are accounted for at lower of the cost on FIFO Method or Net Realizable Value.
c) Semi-finished Goods (Work-in-Process) are valued at variable cost on Weighted Average Method.

11) Non-current assets held for sale

Non-current assets comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re- measurement are recognized in profit or loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortized or depreciated.

12) Retirement/Terminal Benefits/Bonus/Leave encashment

a) Company's liability towards employee benefits such as gratuity and leave encashment are provided for on the basis of actuarial valuation.

b) Expenditure incurred on short term employee benefits including bonus, production incentive, medical benefits and other perquisites etc. are charged to the Profit and Loss Account at un-discounted amounts in the year in which services are rendered.

c) Expenditure on employee benefits in the nature of contributions to Provident Fund, Employees State Insurance, Labour Welfare Fund etc. are charged to the Profit and Loss Account as and when contributions to the respective funds are due.

d) Liability for bonus is provided for as per the provisions of the Payment of Bonus Act 1965.

e) Actuarial gains or losses, as the case may be, in respect of valuation of employee benefits are charged to the Profit and Loss Account.

f) Re-measurements of the net defined benefit liability, which comprise actuarial gains and losses are recognized in OCI.

13) Provisions, Contingent Liabilities and Contingent Assets

a) Provisions (other than trade payables and accruals) as mentioned in the IND As 37 issued by the Institute of Chartered Accountants of India are accounted for and disclosed to the extent practicable in the manner laid down in the said Accounting Standard.
b) Contingent Liabilities disclosed in the Notes forming part of the Accounts comply with Ind As 37 to the extent practicable.
c) Company has not recognized any Contingent Asset.

14) Investment Property

Property that is held for long term rental yields or for capital appreciation or both, and that is not occupied by the company, is classified as investment property. Investment property is measured initially at cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed out as and when it is incurred. When a part of the Investment property is replaced, the carrying amount of the replaced asset is de-recognized.

Fixed assets re-classified as investment properties are accounted at the carrying amount of such fixed assets as on the date of such conversion. Investment properties are depreciated using the straight line method over the estimated useful lives. The useful life of the investment properties are estimated at 25 - 30 years based on the technical evaluation performed by the management.

Statement of changes in equity for the period ended March 31, 2020

A. Equity share capital

(Figs in ₹ in Lakh)

Particulars	Opening balance as at 1 Apr 2018	Changes in equity share capital during the year	Closing balance as at 31 Mar 2019	Changes in equity share capital during the year	Closing balance as at 31 Mar 2020
Equity shares of Rs.10 each	1,729.62	90.50	1,820.12	95.00	1,915.12
Total	**1,729.62**	**90.50**	**1,820.12**	**95.00**	**1,915.12**

Year ended 31 March 2020 **(₹ in Lakh)**

Particulars	Opening balance as at 1 Apr 2019	Changes in accounting policy/ prior period errors	Restated balance as at 1 Apr 2019	Transactions during the Year	Closing balance as at 31 Mar 2020
Capital Reserve	36.68	-	36.68	0.00	**36.68**
General Reserve	533.00	-	533.00	-	**533.00**
Retained earnings	(6,711.19)	-	(6,711.19)	81.07	**(6,630.11)**
Securities premium	1,684.89	-	1,684.89	9.50	**1,694.39**
Money received against share warrants	135.85	-	135.85	(135.85)	**-**
Other comperhensive income	-		-		**-**
- Actuarial gain/(loss) on defined benefit obligation	(7.24)	-	(7.24)	0.50	**(6.74)**
- Equity instrunment through other comperhensive income	(1.85)	-	(1.85)		**(1.85)**
Total reserves	**(4,329.86)**	**-**	**(4,329.86)**	**(44.79)**	**(4,374.63)**

As per our report of even date attached,

For KPR & Co.,
Chartered Accountants
FRN: 05326S

Sd/-
Deepa Praveen, FCA
Partner (M No. 232410)

Cochin - 11
Date : 30/07/2020

For and on behalf of the Board,

Sd/-
S Rajkumar
Vice Chairman &
Managing Director

Sd/-
V N Sridharan
Chief Financial Officer

Chennai-17
Date : 30/07/2020

Sd/-
Visakh Rajkumar
Director

Sd/-
R Ponnambalam
Company Secretary

Notes forming part of the Financial Statements

(Figs in ₹ in Lakh)

Note 4A: Plant, Property & Equipments	Property,Plant & Equipment						
Particulars	**Land**	**Building**	**Furniture & fixtures**	**Plant & machinery**	**Vehicle**	**Office equipments**	**Total**
Year ended 31 March, 2019							
Gross Carrying Amount							
Opening Gross carrying amont	198.52	744.12	18.20	86.64	11.10	10.98	1,069.55
Exchange differences	-	-	-	-	-	-	-
Additions	-	378.12	-	-	-	-	378.12
Disposals	1.03	60.89		35.40		2.10	99.42
Closing Gross Carrying Amount	**197.49**	**1,061.35**	**18.20**	**51.24**	**11.10**	**8.88**	**1,348.25**
Accumulated Depreciation and Impairment							
Opening accumulated depreciation	-	207.98	8.69	64.65	10.45	7.61	299.39
Depreciation charge during the year	-	42.22	1.37	13.26	-	0.64	57.49
Impairment Loss		152.81	-	5.60	-	0.56	158.97
Exchange differences	-	-	-	-	-	-	-
Reversal of depreciation reserve(including imapirment on assets disposed)	-	(60.88)	-	(35.39)	-	(2.10)	(98.37)
Closing Accumulated Depreciation	**-**	**342.13**	**10.06**	**48.12**	**10.45**	**6.71**	**417.47**
Net Carrying Amount	**197.49**	**719.22**	**8.14**	**3.11**	**0.65**	**2.16**	**930.78**
Year ended 31 March, 2020							
Gross Carrying Amount							
Opening Gross carrying amont	197.49	1,061.35	18.20	51.24	11.10	8.88	1,348.26
Exchange differences							-
Additions				24.81	4.20		29.01
Disposals					3.35		3.35
Closing Gross Carrying Amount	**197.49**	**1,061.35**	**18.20**	**76.05**	**11.95**	**8.88**	**1,373.93**
Accumulated Depreciation and Impairment							
Opening accumulated depreciation	-	342.13	10.06	48.12	10.45	6.71	417.48
Depreciation charge during the year	-	41.07	1.80	0.09	0.05		43.01
Impairment Loss							-
Exchange differences	-						-
Reversal of depreciation reserve(including imapirment on assets disposed)	-				2.88		- 2.88
Closing Accumulated Depreciation	**-**	**383.20**	**11.86**	**48.21**	**7.62**	**6.71**	**457.61**
			6.34	**27.84**	**4.34**	**2.16**	**916.32**

Note 4B: Capital Work In Progress

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Opening carrying amount	-	-
Expenditure recognised in the carrying amount	901.54	
in the course of construction of warehouse building during the year		-
Closing carrying amount	**901.54**	**-**

(i) Borrowing cost capitalised during the year - ₹ 66.37 lakhs (Previous Year : ₹ 18.78 Lakhs)

(ii) The company has taken the complete possession of 1.76 acres of industrial land at Edayar, Kerala by paying the entire consideration to the buyer. The company has been using the said property entirely since 2013 onwards. However, the final clearance from the respective Governmental authorities for effecting the transfer of the legal ownership has not been received and is awaiting by the company. In view of the above facts, and in accordance with the substance and economic reality, the cost of purchase of the said land has been included in the block of Land as above.

Note 4C: Investment Property

Particulars		**As at March 31, 2020**	**As at March 31, 2019**
Gross Carrying amount			
Opening Gross Carrying amount		8.53	-
Additions		-	8.53
Closing Gross Carrying amount	(A)	8.53	8.53
Accumulated Depreciation			
Opening Accumulated Depreciation		-	-
Depreciation charged		-	-
Closing Accumulated Depreciation	(B)	-	-
		-	-
Net Carrying Amount	**(A - B)**	**8.53**	**8.53**

(i) Amounts recognised in Profit or Loss for investment in property

Rental Income	-	-
Direct Operating Expenses from the property that generated rental income	-	
Direct Operating Expenses from the property that did not generate rental income	-	
Profit from Investment Properties before depreciation	-	
Depreciation	-	
Profit from Investment Property	**-**	

(ii) There are no restrictions on the realisability of investment property or on the remittance of income and proceeds of disposal therefrom.

(iii) There are no contractual obligations to purchase, cosntruct or develop investment properties or for repairs, maintenance or enhancements.

(iv) The company has not estimated the fair value of the investment properties as at the year end; and therefore the fair value has not been disclosed.

Notes forming part of the Financial Statements

NOTE 5 - Intangible Assets **(₹ in Lakh)**

Particulars	Computer Software	Total
Year ended 31 March 2019		
Gross Carrying Amount		
Opening Gross Carrying amount	0.16	0.16
Additions	-	-
Closing Gross Carrying Amount	0.16	0.16
Accumulated Depreciation		
Opening Accumulated Depreciation		-
Amortisation charge during the year	-	-
Impairment Charge	0.16	0.16
Closing Accumulated Depreciation	0.16	0.16
Net CarryingAmount	-	-
Year ended 31 March 2020		
Gross Carrying Amount		
Opening Gross Carrying amount	0.16	0.16
Additions	-	-
Closing Gross Carrying Amount	0.16	0.16
Accumulated Depreciation		
Opening Accumulated Depreciation	0.16	-
Amortisation charge during the year	-	-
Impairment Charge		0.16
Closing Accumulated Depreciation	0.16	0.16
Net CarryingAmount	-	-

NOTE 6 : Non Current Financial Assets

NOTE 6A - Investment **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Investment carried at fair value through other comprehensive income		
Unquoted		
- Equity Instruments	1.00	1.00
Total investment	**1.00**	**1.00**

There are no financial investments measured at fair value through profit and loss

NOTE 6B -Deposits **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured Considered Doubtful		
- Security Deposits	44.57	23.99
	44.57	**23.99**
- Provision for doubtful deposits	(23.99)	(23.99)
	20.58	**-**

NOTE 7 : Other Non Current Assets **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Unsecured,considered doubtful		
- Capital Advances	83.12	83.12
Less: Provision for doubtful advances	(83.12)	(83.12)
	-	**-**

NOTE 8A :Trade Receivables **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Secured		
- More than six months from the date they became due	-	-
Unsecured		
- Considered Good		
(i) Exceeding Six Months From they become Due	-	40.71
(ii) Others	15.11	10.29
- Considered Doubtful	682.47	783.33
Provision for doubtful debts	**(682.47)**	(783.33)
	15.11	**51.00**

A. Details of debts due by related party

Particulars	As at March 31, 2020	As at March 31, 2019
Directors	-	-
Officers	-	-
Firms in which any director is a partner	11.63	
Private Companies in which any Director is a director or member	-	-
	11.63	**-**

NOTE 8B :Cash and cash equivalents **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Balance with Banks		
- In Current Accounts	6.57	0.44
- In Deposit Accounts	67.73	38.69
Cash in Hand	3.99	0.08
	78.29	**39.21**

* **Details of deposit account** **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Margin Money against Bank Guarantee	-	38.00
Federal Bank Ltd	0.74	0.69
Andhra bank Ltd	67.00	-
	67.74	**38.69**

NOTE 8C : Loans **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Security deposit		
- Unsecured	27.60	27.60
Less: Provision for doubtful deposits	(27.60)	(27.60)
	-	**-**

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

Particulars	As at March 31, 2020	As at March 31, 2019
Income Tax Prepaid	10.77	20.90
Balance with Revenue authorities	17.22	
Earmarked deposits	5.23	4.92
Other receivables	9.19	20.32
Advance from related parties	5.00	5.00
	47.41	**51.14**

NOTE 10 :Equity share capital

A. Authorised **(₹ and Nos in Lakh)**

Particulars	Equity shares Shares	Amount	Preference Shares	Amount
As at April 2019	250.00	2,500.00	250.00	2,500.00
- Increase during the year	-	-	-	-
As at 31 March 2020	380.00	3,800.00	120.00	1,200.00
- Increase during the year	-	-	-	-

B. Issued, Subscribed & fully Paid Up

Particulars	As at March 31, 2020 No. of shares	Amount	As at March 31, 2019 No. of shares	Amount
At the beginning of the period	182.01	1,820.12	172.96	1,729.62
Issued during the period	9.50	95.00	9.05	90.50
Outstanding at the end of the period	191.51	1,915.12	182.01	1,820.12

Rights, Preferences and Restrictions attached to equity Shares

1 The group Company has only one class of shares referred to as Equity Shares having a par value of Rs.10/- per share. Each holder of Equity Shares is entitled to one vote per share.

2 The group company declares and pays dividend in Indian Rupees. The dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

3 In the event of liquidation of the group company the holders of equity shares shall be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

4 No shares have been forfeited till date.

5 Out of the total share capital issued and called up, no calls are outstanding as unpaid.

6 During the last 5 years ,the group company has not issued any shares pursuant to any contract without payment being received in , cash as bonus shares or has not brought back any shares.

7 The following shareholders hold more than 5% of the shares:

(Nos in Lakh)

Name	As at 31-03-2020 No of Shares	% of holding	As at 31-03-2019 No of Shares	% of holding
S.Rajkumar	94.61	49.40%	85.11	46.76%

NOTE 11 :Other equity **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Capital Reserve	36.68	36.68
General Reserve	533.00	533.00
Retained earnings	(6,630.11)	(6,711.19)
Securities premium	1,694.39	1,684.89
Money received against share warrants		135.85
Other comprehensive income		
- Actuarial gain/(loss) on defined benefit obligation	(6.74)	(7.24)
- Equity instrument through other comperhensive income	(1.85)	(1.85)
	(4,374.63)	**(4,329.86)**

NOTE 12 : Analysis of items of other comprehensive income (OCI), net of tax **(₹ in Lakh)**

Particulars	Defined benefit plans	Equity instrument through OCI
As at 1st april 2019	(7.24)	(1.85)
Remeasurements		
Remeasurements utilized during the year	0.50	-
As at 31st march 2020	(6.74)	(1.85)

NOTE 13 : Earning per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

i. **Profit (loss) attributable to equity shareholders (basic and diluted)** **(₹ in Lakh)**

Particulars	For period ended 31-Mar-20	For period ended 31-Mar-19
Basic Earnings per Share (EPS)		
Profit (loss) for the year, attributable to the equity holders	**75.92**	**190.71**
Weighted average number of equity shares outstanding at the end of the year	**186.76**	**184.87**
Basic Earnings per Share (EPS)	**0.41**	**1.04**
Dlluted Earnings Per Share (EPS)		
Profit / (loss) for the year, attributable to the equity holders, adjusted for the effect of potential equity shares	**75.92**	**190.71**
Weighted average number of equity shares outstanding at the end of the year, including the potential shares	**186.76**	**194.36**
Diluted Earnings Per Share (EPS)	**0.41**	**0.98**

NOTE 14 : Financial Liabilities

NOTE 14A: Non Current Borrowings **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Non-current Borrowings		
Long term borrowings from bank*	692.73	
Preference share	1,135.50	1,055.64
	1,828.23	**1,055.64**

NOTE 14B: Current Borrowings **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Secured Loans from Banks		
	-	-
Term loan (*)	946.65	**250.00**
Sub-Total	**946.65**	**250.00**
Unsecured Loans		
Loan from Related Parties		
From Directors	1,052.05	1,315.28
From Companies in which directors are interested	42.80	36.27
Sub-Total	**1,094.85**	**1,351.55**
Total	**2,041.50**	**1,601.55**

(*) Secured by way of equitable mortgage on the company's land.

*** Secured Term Loans** **(₹ in Lakh)**

Particulars	As at March 31, 2020	As at March 31, 2019
Term Loan for Repairs & Maintenance	946.65	250.00
	946.65	250.00
Less: Current maturities of long term debts	-	-
	946.65	**250.00**

***Terms of repayment of loan.**

Name of bank	**Andhra Bank**	
Type of loan	Term loan (Short term)	Term loan (Long term)
Amount sanctioned	20.80 Crores	7.64 Crores
Current interest rate as at year end	11%	11%
Details of repayment	To be repaid within 12 months form the date of first disbursement.	Repayable in 120 EMI , with a gestation period of 2 months. **Period** **EMI/Month (In lakhs)** Jun-19 to May 20 Rs. 9.34 Jun-20 to May 21 Rs. 9.81 Jun-21 to May 22 Rs.10.30 Jun-22 to May 23 Rs.10.82 Jun-23 to May 24 Rs.11.36 Jun-24 to May 25 Rs.11.93 Jun-25 to May 26 Rs.12.52 Jun-26 to May 27 Rs.13.15 Jun-27 to May 28 Rs.13.80 Jun-28 to May 29 Rs.14.50
Details of security	Entire fixed assets along with the equitable mortgaged land.	Secured against the lease rentals receivable

* **Preference share**

(i) The Company has only one class of Preference Shares (non-convertible cumulative redeemable) having a face value of Rs.10/- per share.

(ii) Preference shares carries a dividend at the rate of 11.25%

(iii) The company shall redeem the preference shares having aggregate face value of Rs. 600 lakhs at par in 4 annual installments of Rs. 150 lakhs each from the end of F.Y 2020-21 onwards. The balance preference shares having aggregate face value of Rs. 400 lakhs shall be redeemed in full at par at the end of F.Y 2027-28.

(iv) Details of shares held by each shareholder holding more than 5% shares: **(Nos**

Name	**As at 31-03-2020**		**As at 31-03-2019**	
	No of Shares	**% of holding**	**No of Shares**	
Kerala State Industrial Development Corporation Limited	60.00	60.00%	60.00	60.00%
S.Rajkumar	39.51	39.51%	40.00	40.00%

*** Current Borrowings - Unsecured** **(₹ in Lakh)**

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Related parties		
- Loan from Directors	1,052.05	1,315.28
- Loan from Group Companies	42.80	36.27
	1,094.85	**1,351.55**

(i) Loan from related parties are repayable on demand.

(ii) There is no continuing default / default as on the date of balance sheet in repayment of loans and interest.

NOTE 15 :Provisions **(₹ in Lakh)**

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Non-Current Provisions		
Provision for Employee benefits		
- Gratuity	9.65	8.56
- Provision for Income Tax for earlier years	-	-
	9.65	**8.56**
Current Provisions		
- Provision for Income Tax for earlier years	0.17	71.89
	0.17	**71.89**

The company has estimated the liability for Gratuity based on the report obtained from an independent consulting actuary as at 31.03.2020

Reconciliation of the net defined benefit liability

Particulars	**TYPE OF PLAN**	
	Gratuity	**Leave plan**
As at 1 April 2018	**8.44**	
Expected return on plan assets	0.59	
Interest Cost	0.96	
Current service cost	(1.43)	
Actuarial loss/(gain) on obligation	-	
Employer contribution to plan assets	-	
Net effect of benefit payments	-	-
As at 31 March 2019	**8.56**	**-**
Expected return on plan assets	-	-
Interest Cost	0.59	-
Current service cost	1.00	-
Actuarial loss/(gain) on obligation	(0.50)	-
Employer contribution to plan assets		-
Net effect of benefit payments	-	-
As at 31 March 2020	**9.65**	**-**

Expense recognised in profit or loss

Particulars	**TYPE OF PLAN**	
	Gratuity	**Leave plan**
For the period ended 31 March 2019		
Expected return on plan assets	-	
Interest Cost	0.59	
Current service cost	0.96	
Actuarial loss/(gain) on obligation, recognised in OCI at the end of the year	(1.43)	
Claims received w.r.t previous years	-	-
Total amount recognised in profit or loss	**0.12**	**-**
For the period ended 31 March 2020		
Expected return on plan assets	-	-
Interest Cost	0.59	-
Current service cost	1.00	-
Actuarial loss/(gain) on obligation	(0.50)	-
Employer contribution to plan assets recognised in P/L	-	-
Total amount recognised in profit or loss	**1.09**	**-**

Remeasurements recognized in other comprehensive income

Particulars	TYPE OF PLAN			
	Gratuity		Leave plan	
	31-03-2020	31-03-2019	31-03-2020	31-03-2019
Actuarial loss/(gain) on obligation	(0.50)	(1.43)	-	-
Balance as at the end of the year	**(0.50)**	**(1.43)**	**-**	**-**

Significant Estimates- The Significant actuarial valuation applicable for the plans are as below:

Particulars	31-03-2020	31-03-2019
Mortality table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08)
Discount Rate	5.56%	6.94%
Salary escalation rate	5.00%	5.00%
Expected rate of return on plan assets	Not Applicable	Not Applicable

Sensitivity Analysis of the Defined Benefit Plans	**31st March, 2020**
a) Defined Benefit Obligation - Discount rate + 100 basis points	(5,945.00)
b) Defined Benefit Obligation - Discount rate - 100 basis points	6,645.00
c) Defined Benefit Obligation - Salaary Escalation Rate + 100 basis points	6,615.00
d) Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(6,029.00)

NOTE 16 :Deferred tax liabilities **(₹ in Lakh)**

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Deferred Tax Liabilities		
- Property, Plant & Equipment	0.04	60.69
Deferred Tax Asset		
- Provision for unrecognised expense	(66.47)	(75.65)
- Provision for Gratuity	(2.51)	(2.22)
- Provision for Doubtful Debts/Claims	(255.71)	(203.67)
Net Deferred Tax Liabilities	**(324.65)**	**(220.85)**
Deferred Tax Asset on account of carried forward loss	(782.97)	(830.39)
Net Deferred Tax Liabilities / (Asset)	**(1,107.58)**	**(1,051.24)**
Less: Deferred Tax Liabilities / (Assets) unrecongised (Refer Note No.3.3B)	(1,107.62)	**(1,051.27)**
Net Deferred Tax Liabilities / (Assets) to Balance Sheet	**0.04**	**0.03**

*** Movement in deferred tax liabilities**

Particulars	Carried forward loss	Property, Plant & Equipment	Provision for unrecognised expense	Provision for Gratuity	Provision for Doubtful Debts/Claims	Total
At 1st April 2019	(830.39)	60.69	(75.65)	(2.22)	(203.67)	
(+)/(-) Deferred Tax Liability / (Asset) for the current year	47.42	28.53	9.18	(0.29)	(141.23)	
Deferred Tax Liability / (Asset) at the year end	(782.97)	89.23	(66.47)	(2.51)	(344.90)	
Less: Deferred Tax asset not recognised		-	(66.47)	(2.51)	(255.71)	
Charged to -						
Profit / Loss	-	89.19			89.19	
Other Comprehensive Income	-	-	-	-	-	
At 31 March 2020	(782.97)	0.04	(66.47)	(2.51)	(255.71)	
						(1,107.62)

NOTE 17 : Other non-current liabilities

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Security deposits	-	1.43
Rent Deposit	164.73	41.44
	164.73	**42.87**

NOTE 18 :Trade Payables

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Payable to Micro Small & Medium Enterprises		0.65
Other Trade Payables		
- Supplies	203.28	447.65
- Stores & Spares	-	48.50
	203.28	**496.80**

NOTE 19 : Other current financial liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Current maturities of long term debts	38.22	
Unclaimed Dividend	2.15	
Dividend payable	3.08	4.92
	43.45	4.92

NOTE 20 : Other Current Liabilities

Particulars	As at March 31, 2020	As at March 31, 2019
Other liabilities		
- Salaries and Other Benefits	37.54	82.33
- Statutory Dues Payable	65.93	137.29
- Other Payables	43.07	73.66
	146.54	**293.28**

NOTE 21 :Revenue From Operations

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Sale of products:		
- Sale of Paper and Paper Products	19.45	-
(ii) Sale of service		
- Lease Rental Income	106.18	
(iii) Other operating revenue	143.23	
		-
	268.86	**-**

NOTE 22 : Other Income **(₹ in Lakh)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
(i) Interest income:		
- On deposits with banks [Tax Deducted at Source Rs 'Nil' (Previous year Rs 0.12 Lakhs)]	3.01	0.79
- On Advances	-	
(ii) Sale Of Scrapped Fixed Assets	11.89	335.15
(iii) Other non-operating income	8.52	57.10
(v) Credits no longer payable, forfeited	32.15	
(vi) Provision for Projects Written back	8.67	
	64.24	**393.04**

Details of Other non-operating income **(₹ in Lakh)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Insurance income	0.58	0.83
Miscellaneous income	7.94	56.27
	8.52	**57.10**

NOTE 23 : Employee Benfit Expenses **(₹ in Lakh)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Salaries, Wages & Allowances	26.40	47.56
Gratuity	3.86	1.55
Staff Welfare Expenses	5.14	3.35
Employer's Contribution to PF	0.37	0.96
Employer's Contribution to ESI	0.09	0.18
Allowances and expenses to contract workers	0.55	13.13
Others	26.16	3.16
	62.57	**69.89**

NOTE 24 : Finance Cost

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Interest Cost on Financial liabilities carried at amortised cost		
- Interest expense	70.99	43.14
- Other borrowing cost	10.18	0.20
- Cost on Preference Shares, adjusted for the fair value	79.86	(35.18)
	161.03	**8.16**

NOTE 25 : Depreciation and amortisation expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Depreciation on Property,Plant & Equipment	43.01	57.49
	43.01	**57.49**

NOTE 26 : Other Expenses

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Payment to auditor	1.17	1.27
Power and fuel	1.68	5.83
Rent	-	1.08
Repairs and maintenance (other than buildings and machinery)	1.72	35.43
Insurance charges	1.39	1.88
Rates and Taxes	16.54	9.58
Cleaning and maintenance expenses	12.92	
Manpower Supply	6.14	
Professional charges	11.99	
Sitting fees	3.25	
Provision for Expected Credit Loss	49.07	62.59
Loss on sale of investments	-	0.38
Freight outwards	-	0.09
Miscellaneous expenses	19.45	142.44
	125.32	**260.58**

NOTE 26A : Payment to auditor

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Statutory Audit Fee	0.89	0.87
Tax Audit Fee	0.25	0.25
Auditors Out of pocket Expense	0.04	-
Fee for other services	-	0.10
Audit fee for certfication		0.05
	1.17	**1.27**

NOTE 27 : Exceptional Items expense / (income)

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Retrenchment Compensation	-	31.01
Loss on sale of asset held for sale		374.00
Credits no longer payable, forfeited	-	(728.99)
Liabilities no longer payable , Written Back *	(141.44)	
Taxes Written back **	(62.38)	
Project Cancellation charges	9.50	
	(194.34)	**(323.98)**

The company has assessed the liabilities relating to the Paper Division and has entered into settlement with many of the creditors. In this process, the company has determined the liabilities or part of the liabilities which are no longer payable by the company on the basis of settlement made with them. Such liablities amounting to Rs.141.44 Lakhs has been written back and has been disclosed as " Liabilities no longer payable, written back"

The company has settled the disputed statutory liabilties payable under central excise/ service tax provisions under the sabka vishwas (Legacy Dispute Resolution Scheme) 2019 introduced by Government of India. The portion of such liabilities which is no longer payable has been written back by the company. Also, statutory liability outstanding after the payment of amount determined by the department upon the regular assessment has been written back.

Other than the liabilities disclosed in the contingent liabilities in Note no. 31, there is no liability outstanding on account of Cental Excise either as per excise records or as per demand notices issued against the company.

NOTE 28 : Tax Expense

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Current tax	-	0.17
Deferred Tax	-	(27.78)
	-	**(27.61)**

Income tax recognized in other income

Particulars	For the year ended 31/03/2020			For the year ended 31/03/2019		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Remeasurement of defined benefit liability	1.59	-	1.59	1.43	-	1.43
Remeasurement of Equity instruments through OCI	0.50	-	0.50	0.21	-	0.21

Reconciliation of effective tax rate

- A reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

Particulars	For the year ended 31/03/2020		For the year ended 31/03/2019	
Profit from continuing operations before income tax expense		75.92		161.93
Tax on accounting profit at 26% (P.Y 28.75%)		**19.74**		**42.10**
Less: Tax Credit on account of non-taxable incomes				(194.40)
Add : Impact of permanent disallowances				0.56
(+)/(-): Tax effect on account of Deferred Tax				
Net tax credit (asset) for the year			(248.66)	
Less: Tax Credit not recongised during the year			174.15	(74.51)
Tax Credit /(liability) relating to earlier years reversed				46.73
(+)/(-): Tax effect of Deferred Tax on account of unabsorbed losses				
Tax credit relating to current year losses, not recognised				151.91
Tax credit on account of unabsorbe losses relating to earlier years	(19.74)	(19.74)	(830.39)	
Less: Tax Credit relating to earlier years, not recongised			830.39	-
Total income tax expense/(credit)		**(0.00)**		**(27.61)**
(+)/(-) Tax adjustments for the earlier years		-		-
Income Tax expense / (credit) as per Profit and Loss		**(0.00)**		**(27.61)**

NOTE 29 : Other comprehensive income **(₹ in Lakh)**

Particulars	For the year ended March 31, 2020	For the year ended March 31, 2019
Actuarial gain/(loss) on defined benefit obligation	0.50	1.43
Equity instrument through other comprehensive income	-	0.21
Tax effect of the above	-	-
	0.50	**1.64**

NOTE 30 : Fair Value Hierarchy

The management has assessed that its financial assets and liabilities like cash and cash equivalents, trade receivables, trade payables, cash credits, buyers credit and other current liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

The following methods and assumptions were used to estimate the fair values for the financial assets given below:

Quoted Equity Instrument and Mutual Funds:

The fair values of the quoted equity shares measured using quoted prices. This includes listed equity instruments and mutual funds that are listed in the stock exchange.

Unquoted Equity Shares of Other Companies:

The fair values of the unquoted equity shares have been estimated using NAV model using the book value of assets and liabilities.

Preference Shares

The value of the preference shares are estimated based on the lending rate avaliable in the market.

Particulars	31.03.2020		31.03.2019	
	Significant observable inputs		Significant observable inputs	
	Level 1	Level 3	Level 1	Level 3
Financial Assets				
Investment in Unquoted instruments				
Kerala Enviro Infrastructure Limited		1.00		1.00
Financial Liabilities				
Preference shares		1,135.50		1,055.64

Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

The fair value of financial instruments that are not traded in an active market (for example, traded bonds, over-the-counter derivatives) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in **Level 2**.

If one or more of the significant inputs is not based on observable market data, the instrument is included in **Level 3**. This is the case for unlisted equity securities, contingent consideration and indemnification asset included in **Level 3**.

NOTE 31 : Contingent liabilities and Commitments ***

(₹ in Lakh)

Particulars	As at March 31, 2020	As at March 31, 2019
Amount of Income tax liabilities disputed in appeal	22.18	38.82
Income Tax liability on account of TDS default.	4.21	
Excise duty disputed under appeal	350.79	350.79
Claim towards water charge raised by Kerala Water Authority	78.42	78.42
Customs duty liability under EPCG claim	58.79	58.79
Employee Providend Fund demand under appeal	34.17	
Penalty from BSE Ltd under appeal	6.60	
Arrears of non - convertible cumulative preference dividend	673.10	673.10
	1,228.26	**1,199.92**

NOTE 32 : Additional Information

Details of Provisions Pursuant to Ind AS 37 – Provisions, Contingent Liabilities and Contingent Assets

Particulars	As at 31st march 2019	Provision made	Provision utilized during	As at 31st march 2020
Trade receivables	783.33	49.07	149.93	682.47
Income Tax	71.71	-	71.71	-
Gratuity and Leave Encashment	8.56	1.09	-	9.65
Capital Advances	87.34	-	-	87.34
Deposits	51.59	-	-	51.59
Advance for Power Project	43.81	-	-	43.81
Temporary Advances	286.75	-	5.29	281.46

Details of Lease Rentals pursuant to Ind AS 116- Leases

Particulars	Particulars
Lessee	Fine Tech Corporation Private Limited
Security Deposit	Rs.93,45,146/-
Lease Term	15 Years

Lease Rental	Amount(Rs)
19-20	1,06,17,966/-
20-21	1,29,91,104/-
21-22	1,36,02,330/-
22-23	1,42,44,115/-
23-24	1,49,17,991/-
Remaining years	19,45,60,400/-

Additional Disclosures

(a) As the parent company had terminated its business operations pertaining to manufacturing of Kraft Paper in 2016-2017, the management is in the process of ascertaining and reconciling, wherever necessary, the realizable value of entire receivables of the company.

(b) As a matter of prudence, the company has already created a cumulative provision for bad and doubtful debts amounting to Rs.682.47 lakhs which in the opinion of the management is sufficient to cover the entire doubtful debts of the company.

(c) As negotiations are going on with the debtors and creditors of the company for settlement of dues, we have not obtained the confirmation of balances as at the year end. Any additional liability required based on the reconciliations / settlement made with the debtors and creditors, will be provided in the due course.

(d) Compliance on transfer of Unpaid Dividend and Unclaimed shares to IEPF account

(d) Compliance on transfer of Unpaid Dividend and Unclaimed Shares to IEPF Account

Sec 124(5) of the Companies Act, 2013 read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rule, 2017, requires every company to transfer any unpaid dividend along with the corresponding equity shares outstanding for more than the period prescribed under Act to the Investor Education and Protection Fund (IEPF) Account.

The Ministry of Corporate Affairs (MCA) vide General Circular No. 12/2017 dated 16.10.2017 had notified the due date to transfer the equity shares where the specified period has completed

There are no shares in respect of which dividend has not been paid or claimed for seven consecutive years or more which are required to be transferred by the Company in the name of IEPF

For KPR & Co.,
Chartered Accountants
FRN: 05326S

Sd/-
Deepa Praveen, FCA
Partner (M No. 232410)

Cochin - 11
Date : 30/07/2020

For and on behalf of the Board,

Sd/-
S Rajkumar
Vice Chairman &
Managing Director

Sd/-
Visakh Rajkumar
Director

Sd/-
V N Sridharan
Chief Financial Officer

Sd/-
R Ponnambalam
Company Secretary

Chennai-17
Date : 30/07/2020

Details in respect of related parties in Pursuant to IND AS 24					
Nature of Relationship		Name of Related party	Details of Transactions		
			Nature of Transactions	Amount (Rs. In Lakhs)	
				2019-20	2018-19
Key Managerial Personnel (Managing Director)	1	Mr. S Rajkumar	Unsecured Loan	263.73	907.59
			Remuneration	7.61	
Key Managerial Personnel (Director)	2	Mrs. Rajee Rajkumar	Unsecured Loan		2.49
			Sitting Fees	0.50	0.30
Key Managerial Personnel (Director)	3	Mr. Visakh Rajkumar	Remuneration	6.00	-
Key Managerial Personnel (Director)	4	Mr. G Ragavan	Sitting Fees	0.95	0.70
Key Managerial Personnel (Director)	5	Mr. U G Bhat	Sitting Fees	0.55	0.50
Key Managerial Personnel (Director)	6	Mr. N Subramanian	Sitting Fees	0.95	0.60
Key Managerial Personnel (Non Executive Director)	7	Mr. Akhilesh Agarwal	Sitting Fees	0.30	0.20
Key Managerial Personnel (Company Secretary)	8	Mr.R. Ponnambalam	Remuneration	1.00	0.14
Key Managerial Personnel (Company Secretary)	9	Mr. V.N Sridharan	Remuneration	3.60	
Key Managerial Personnel (Director)	9	Mrs. Iasaki Kamalam	No Transactions	-	-
Key Managerial Personnel (Director)	10	Mr. S Subramaniam	No Transactions	-	-
Relatives of Key Managerial Personnels	11	Mr. Vignesh Rajkumar	No Transactions	-	-
	12	Mr. S Giridhar	Unsecured Loan	-	(208.75)
	13	Mr. A Ganesh	No Transactions	-	-
	14	Mr. A Padmanabhan	Hill earth Expenses	6.01	(56.57)
Enterprises over which any person mentioned in 1 to 14 above is able to exercise significant influence	15	Shri Kailash Logistics Chennai LTD	Sale of Scrap	-	-
			Unsecured Loan	1.32	
			Interest on Unsecured Loan	5.81	36.27
	16	Cartopacks	Sale of goods	16.12	-
			Purchase of Cartons	-	0.01
	17	Aditya Papers	Sale of goods	-	-
	18	Maharaj Continental Trades LTD	Unsecured Loan	-	(116.85)
			Debt Collection expense reimbursement	-	8.07
	19	Sree Giri Packagings LTD	Hill earth Expenses	23.05	-
			Sale of Goods		-
	20	Very Same Industrial Aids LTD	Repayment of unsecured Loan	60.46	0.01
	21	Visakh Homes LTD	Unsecured Loan	1.75	(62.05)
			Advance for scrap received	-	(14.20)
			Contract expenses	263.05	344.10
			Commision for marketing warehouse	-	36.76
			EMD	5.00	
	22	Sree Kashyap Surya Energy Equipments PVT LTD	No Transactions		-
	23	Sree Sakthi Ganapathy Charitable Trust	Donations	-	0.25
	24	Sree Sakthi Constructions and Infrastructure LTD	Repayment of unsecured Loan	33.71	-
* Figures in brackets denotes repayment of loans					