



# CELLA SPACE 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

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August 27, 2022

To  
The Manager  
Listing Department  
BSE Limited  
Phiroze Jeejeeboy Towers  
Dalal Street  
Mumbai - 400001

**Sub:- Submission of Annual Report for the FY 2021-22 along with the Notice of 31<sup>th</sup> 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 2021-22 along with the Notice of 31<sup>st</sup> AGM of the Company scheduled to be held on Tuesday, September 20, 2022 at 11.00 A.M through Video Conferencing ('VC') or Other Audio Visual Means ('OAVM').

The Notice of 31<sup>st</sup> AGM and the Annual Report for the FY 2021-22 is being sent to the shareholders of the Company separately through the permitted mode. The same will also be made available in the website of the Company, [www.sreekailas.com](http://www.sreekailas.com).

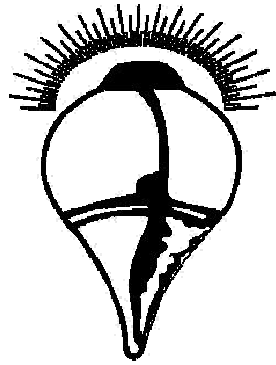
Requesting to kindly take note of the same into your records.

Yours Faithfully

For Cella Space Limited



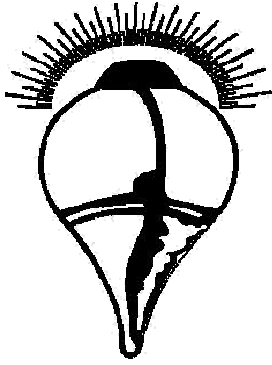
S Rajkumar  
Vice Chairman and Managing Director



**CELLA SPACE LIMITED**

31<sup>st</sup> Annual Report

2021-22



## CONTENTS

Particulars	Page No
Corporate Information	1
Financial Highlights	2
AGM Notice	3-19
Directors Report, Management Discussion & Analysis Report & Annexures	20-51
Certificate on Non Disqualification of Directors	52-53
Compliance Certificate on Corporate Governance	54
Independent Auditor's Report on Standalone Financial Statements	55-65
Standalone Financial Statements	66-92
Independent Auditor's Report on Consolidated Financial Statements	93-99
Consolidated Financial Statements	100-125

## BOARD OF DIRECTORS

Mr. N. Subramanian, Chairman & Non- Executive Independent Director

Mr.S. Rajkumar, Vice Chairman & Managing Director

Mr.Visakh Rajkumar, Whole Time Director

Mr. G. Raghavan, Non- Executive Independent Director (till 25/04/2022)

Mr. Kul Bhushan Jain, Non- Executive Independent Director (Since 16/05/2022)

Mr. Akhilesh Agarwal – Non- Executive Independent Director

Mrs. Rajee Rajkumar, Non-Executive Promoter Director

Mr. S. Subramoniam, Non- Executive Promoter Director

Mrs. E. Kamalam, Non- Executive Promoter Director

## CHIEF FINANCIAL OFFICER

Mr. V.N. Sridharan

## COMPANY SECRETARY

Ms. Jiju George

## AUDITORS

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

## BANKERS

HDFC Bank  
Mahalingapuram Branch  
Chennai - 600034

## 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  
S6-2, 6<sup>th</sup> Floor, Pinnacle Business Park  
Next to Ahura Centre, Mahakali Caves Road  
Andheri (East), Mumbai -400093

FINANCIAL HIGHLIGHTS (8 YEARS)					Rs. In lakhs			
Particulars	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22
Sales (Gross)	16,405.45	10,698.82	2,400.67	26.89	-	-		-
Sales (Net)	15,559.7	10,140.09	2,782.31	27.25	-	-		-
Total Income	15,660.39	10,212.02	2,894.05	1,156.48	393.34	331.55	393.62	554.19
Profit before tax	-1,528.71	-1,762.8	-4,244.94	-1,039.82	162.93	85.91	38.07	103.41
Profit after tax	-1,178.14	-1,694.95	-3,658.14	-767.43	190.71	85.91	38.07	103.41
Earnings per Share	-7.79	-11.14	-23.08	-5.43	0.99	0.46	0.20	0.54
Dividend Rate (%)	-	-	-	-	-	-	-	-
Reserves & Retained Earnings	1,509.61	-185.33	-3,843.47	-4,431.65	4329.82	-4369.74	-4337.18	-4234.16
Equity Share Capital	1,643.62	1,643.62	1,643.62	1,729.62	1820.12	1915.12	1915.12	1915.12
Equity Shareholders' Funds	4,253.23	2,458.29	-1,199.85	-2,702.03	2,509.70	-2,454.62	-2422.06	-2319.04
Fixed Assets(Gross Block)	11,182.37	9,192.51	1,638.70	1,069.51	1,348.21	1373.87	3206.52	4591.28
Fixed Assets(Net Block)	5,835.68	5,502.81	965.80	770.11	930.74	916.28	2666.85	3933.32

## NOTICE

Notice is hereby given that the 31<sup>st</sup> (Thirtyfirst) Annual General Meeting of the shareholders of the Company will be held on Tuesday, September 20, 2022 at 11.00 a.m through Video Conferencing (VC) or Other Audio Visual Means (OAVM) to transact the following businesses.

### ORDINARY BUSINESSES

To receive, consider and adopt the following:-

1. Audited Standalone Financial Statements of the Company for the financial year ended on March 31, 2022, together with the report of Auditors and Board of Directors thereon.
2. Audited Consolidated Financial Statements of the Company for the financial year ended on March 31, 2022, together with the report of Auditors thereon.
3. To appoint a Director in place of Mrs. lasaki Kamalam (DIN:- 01791001), who retires by rotation and in accordance with Section 152 of the Companies Act, 2013 and Articles of Association of the company, being eligible offers herself for reappointment.
4. To reappoint M/s. KPR & Co, Chartered Accountants, Kochi (Firm Reg No.05326S) as Statutory Auditors for their 2<sup>nd</sup> (second) term of 5 years commencing from the conclusion of 31<sup>st</sup> Annual General Meeting till the conclusion of 36<sup>th</sup> Annual General Meeting of the Company at an annual remuneration of Rs.70,000 (Rupees Seventy Thousand only) excluding all out of pocket expenses incurred by them during the course of audit as recommended by the Audit Committee and Board of Directors.

***“RESOLVED THAT pursuant to Section 139, 141 and 142 of the Companies Act 2013 read with the Companies (Audit and Auditors) Rules 2014 and based on the recommendations of the Audit Committee and Board of Directors, consent of the members of the Company be and is hereby accorded to re-appoint M/s. KPR & Co, Chartered Accountants, Kochi (Firm Reg No.05326S) as Statutory Auditors for a further period of 5 years from the conclusion of 31<sup>st</sup> Annual General Meeting of the company till the conclusion of 36<sup>th</sup> Annual General Meeting of the Company at an annual remuneration of Rs.70,000 (Rupees Seventy Thousand only) and that all out of pocket expenses incurred to them during the course of audit be reimbursed to them.”***

## SPECIAL BUSINESSES

### 5. Reappointment of Mr. Rajkumar Sivathanu Pillai (DIN:- 01790870) as Managing Director

To consider and if thought fit to pass the following resolution as a Special Resolution:-

*“RESOLVED THAT pursuant to Sections 196, 197, 198 , 203 and Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Managerial Personnel) Rules 2014 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations 2015, including any statutory modifications and/or re-enactments thereof for the time being in force and based on the recommendations of the Nomination and Remuneration Committee (NRC), and the Board of Directors, consent of the shareholders of the Company be and is hereby accorded to reappoint Mr. Rajkumar Sivathanu Pillai (DIN:- 01790870) as the Managing Director of the company for a period of 5 (Five) years with effect from August 13, 2022 at a remuneration as detailed in the explanatory statement annexed hereto with authority to the Board of Directors (on the recommendations of the NRC) to alter, enhance or widen the scope of remuneration (including the fixed pay, variable pay or other benefits) or the terms and conditions of the appointment including such periodical increase in his remuneration as may be permissible within the overall remuneration limits under Section 197 read with Schedule V of the Companies Act, 2013 and rules made thereunder and other applicable laws, regulations as amended from time to time.*

*RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the company shall pay Mr. Rajkumar Sivathanu Pillai, remuneration not exceeding limits specified under Section 197 read with Schedule V of the Act as may be decided by the Board of Directors on recommendations of the Nomination and Remuneration Committee subject to necessary approvals if any.*

*“RESOLVED FURTHER THAT any of the Board of Directors of the Company be and is hereby severally authorized to take such steps, in relation to the above and to do all such acts, deeds, matters and things as may be necessary, proper, expedient or incidental for giving effect to this resolution and to file necessary e-forms with Registrar of Companies.”*

**By the Order of the Board**

**For Cella Space Limited**

**Sd/-**

**Jiju George**

**Company Secretary**

**Place :- Chennai**

**Date:03/08/2022**

## Notes

1. An Explanatory statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act"), in respect of business to be transacted at the Annual General Meeting ("AGM") as set out under item no .5 and the relevant details of the Directors as mentioned under item nos. 3&5 as required by Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("the Listing Regulations") and as required under Secretarial Standards-2 on General Meetings ("SS-2") issued by the Institute of Company Secretaries of India, is annexed hereto. Also, necessary disclosure on reappointment of Statutory Auditor as mandated under Regulation 36(5) of the Listing Regulations, forms part of the Explanatory statement
2. In accordance with the provisions of the Act, read with the Rules made thereunder and General Circular nos. 14/2020 dated 8th April, 2020, 17/2020 dated 13th April, 2020, 20/2020 dated 5th May, 2020, 02/2021 dated 13th January, 2021, 19/2021 dated 8<sup>th</sup> December 2021, 21/2021 dated 14th December, 2021 and 2/2022 dated 5th May, 2022, issued by the Ministry of Corporate Affairs ("MCA") read with Circular No.SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated May 13, 2022 issued by the Securities and Exchange Board of India ("SEBI") (hereinafter collectively referred to as "the Circulars"), companies are allowed to hold AGM through Video Conference ("VC") or Other Audio Visual Means ("OAVM") upto 31st December, 2022, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC/OAVM.
3. In compliance with the Circulars , AGM Notice and Annual Report for the FY 2021-22 is being sent through electronic mode only to those members whose email addresses are registered with the Depositories. Members may note that the AGM Notice and Annual Report will be available in the Company website, [www.sreekailas.com](http://www.sreekailas.com) and in BSE website, [www.bseindia.com](http://www.bseindia.com). The AGM Notice is also disseminated on the website of CDSL (agency for providing the Remote e-Voting facility and e-voting system during the AGM/EGM) i.e.[www.evotingindia.com](http://www.evotingindia.com).
4. As the AGM shall be conducted through VC/OAVM, there is no requirement of appointment of proxies, pursuant to the Circulars. Accordingly, the facility for appointment of proxy by the members is not available for this AGM and hence proxy form is not annexed to this Notice. Also, attendance slip including Route Map is not annexed to this Notice.
5. Authorised representatives of the corporate members intending to participate in the AGM pursuant to Section 113 of the Act, are requested to send to the Company, a certified copy (in PDF/JPG format) of the relevant Board Resolution/Authority Letter, etc. authorising them to attend the AGM, by way of email to [secretary@sreekailas.com](mailto:secretary@sreekailas.com) at least 7 days prior to AGM.
6. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations and above mentioned circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's

agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.

7. Voting rights shall be reckoned on the paid up value of the shares registered in the name of member/beneficial owner list maintained by the depositories as on the cut off date, ie September 13, 2022. A person whose name is recorded in the Register of members or 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 purpose only.
8. The Register of Members and Share Transfer Books will remain closed from Wednesday, September 14, 2022 to Tuesday, September 20, 2022 (both days inclusive) for the purpose of AGM.
9. The detailed steps for e voting is given under e voting instructions.
10. The Company has appointed Mr.K Vijayaragavan, Advocate, as the scrutinizer for scrutinizing the e voting process, ie, remote e voting and venue voting during AGM to ensure that the process is carried out in a fair and transparent manner.
11. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Bigshare Services Private Limited, the Registrar & Share Transfer Agent of the Company.
12. As per Regulation 40 of the Listing Regulations, as amended, securities of listed companies can be transferred only in dematerialized form with effect from, April 1, 2019, except in case of request received for transmission or transposition of securities. In view of these members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrars and Transfer Agents, Bigshare Services Private Limited for assistance in this regard.

#### **Explanatory Statement as per Section 102(1) of the Act**

#### **Item No.4 – Reappointment of M/s. KPR & Co, Chartered Accountants, Kochi (Firm Reg No.05326S) as Statutory Auditors**

The Statutory Auditors of the Company, M/s. KPR & Co, Chartered Accountants, Kochi (Firm Reg No.05326S), was appointed at the 26<sup>th</sup> AGM held on December 29, 2017. As per the terms of appointment, they hold office for a period of 5 consecutive years from the conclusion of 26<sup>th</sup> AGM till the conclusion of 31<sup>st</sup> AGM.



In terms of the provisions of Section 139 of the Companies Act, 2013, the Companies (Audit and Auditors) Rules, 2014, and other applicable provisions, the Company can appoint or reappoint an audit firm as statutory auditors for not more than two (2) terms of five (5) consecutive years. Accordingly M/s. KPR & Co are eligible to be reappointed for a further period of 5 years.

They have also expressed their willingness to be reappointed and have further confirmed that they do not incur any disqualification to be reappointed at the Statutory auditors..

Based on the recommendations of the Audit Committee, the Board of Directors at their meeting held on August 3, 2022, proposed their reappointment for a further period of 5 consecutive years commencing from the conclusion of 31<sup>st</sup> AGM till the conclusion of 36<sup>th</sup> AGM at a remuneration of Rs. 70,000 /- (Rupees Seventy Thousand only).

M/s. KPR & Co have given consent for their appointment as the Statutory Auditors and have confirmed that the appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act and that they are not disqualified to be appointed as the Statutory Auditors in terms of the provisions of Section 139 and 141 of the Act and the Rules framed thereunder.

The proposed remuneration to be paid to M/s. KPR & Co for statutory audit is Rs.70,000 (Seventy Thousand only) and re-imburement of out-of pocket expenses. Besides, the Company may also obtain certifications from the statutory auditors under various statutory regulations and certifications required by clients, banks statutory authorities, audit related services and other permissible non-audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms, as approved/ ratified by the Board of Directors in consultation with the Audit Committee.

Considering the evaluation of the past performance, experience and expertise of M/s. KPR & Co and based on the recommendation of the Audit Committee, your Board recommends reappointment of KPR & Co, Statutory Auditors of the Company for a second term of five consecutive years till the conclusion of the 36<sup>th</sup> AGM of the Company .

None of the Directors or KMP or their relatives are concerned or interested in the proposed resolution.

#### **Item No.5 - Reappointment of Mr.Rajkumar Sivathanu Pillai (DIN:- 01790870) as Managing Director**

The shareholders of the Company, in their previous AGM held on September 27, 2021 have approved the reappointment of Mr. S Rajkumar for a period of 1 year with effect from August 13, 2021. As his tenure as Managing Director expired on August 12, 2021, the Board of Directors of the Company as recommended by the Nomination and Remuneration Committee (NRC) at their meeting held on August 3, 2022, has approved his reappointment for a period of 5 (five) years with effect from August 13, 2022 at a monthly remuneration of Rs. 1,00,000/- (Rupees One Lakh only) subject to applicable TDS with authority to the Board of Directors to alter, enhance or widen the scope of remuneration (including the fixed pay, variable pay or other benefits) or the terms and conditions of the appointment including such periodical increase in his remuneration as may be permissible within the overall remuneration limits under Section 197 read with Schedule V of the

Companies Act, 2013 and rules made thereunder and other applicable laws, regulations as amended from time to time.

In accordance with Section 196 and 197 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, approval of shareholders by way of Ordinary Resolution is needed if the overall managerial remuneration payable by the Company exceeds 11 % of net profits of the company for that financial year calculated as per Section 198 of the Act. Further, approval of shareholders of the company by way of Special Resolution is needed if the remuneration payable to Managing Director exceeds 5% of net profits of the company.

Pursuant to Regulation 17(2)(e) of Listing Regulations, consent of shareholders of the Company by way of Special Resolution is required in case if the Company is paying to its executive directors annual remuneration exceeding 5% of net profits of the Company

Mr. S Rajkumar has informed the Company his desire to be reappointed as the Managing Director of the Company. He has also intimated the Company that he does not incur any disqualifications mentioned under Section 164 of the Act and that he also satisfies the criteria mentioned under Section 196(3) and Part I of Schedule V of the Act. Pursuant to Section 197 and Schedule V of the Act, in case of occurrence of loss or inadequate profits during a financial year, the remuneration shall be paid to Managing Director only in accordance with Schedule V.

Based on the above, the Board of Directors recommends the shareholders of the company to approve item no.5 as a Special Resolution. Disclosures as required under Part II of Schedule V is provided as under:-

Nature of Industry	Construction and leasing of warehouses
Date or expected date of commencement of commercial production	Company was incorporated on October 3,1991 and the certificate of commencement of business was obtained on March 26, 1992
In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
Financial Performance based on given indicators	Details of financial performance is given under Audited Financial Statements which accompanies the AGM notice
Foreign investments or collaborations, if any	NIL
Background details of appointee	The detailed profile of the appointee is given as per Regulation 36 of the Listing Regulations and SS-2
Past Remuneration	Rs.12 lakh per annum

Recognition or awards, if any, received by Mr.S Rajkumar	NIL
Job profile or suitability	The appointee has over 40 years of experience in the industry of paper manufacture, construction, warehousing and logistics
Remuneration Proposed	Rs.1,00,000/- (Rupees One lakh only) per month subject to applicable TDS with authority to the Board of Directors to revise the remuneration within the permissible limits of the Act on recommendations of the Nomination and Remuneration Committee
Comparative Remuneration Profile with respect to industry, size of the Company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	Proposed remuneration is is comparable to the remuneration of MD in similar sized companies
Pecuniary relationship directly or indirectly with the Company or relationship with the management personnel if any	Save and except the proposed remuneration, shareholding (both equity and preference) and unsecured loans given by the appointee and his relatives to the company the details of which are given in financial statements, the appointee does not have any other pecuniary relationship directly or indirectly with the Company
Reasons of loss or inadequate profits	The Company has to close down its paper plant during FY 2016-17 and now is in the path of revival. However for the FY 2021-22, the company managed to earn profit
Steps taken or to be taken for improvement	As part of revamping its business operations, the Company has changed its business operations from paper manufacturing to logistics. In order to enable the same, the company during 2018, has altered its object clause and subsequently adopted the current name
Expected increase in productivity and profits in measurable terms	As the entire constructed area has been let out there will be improvement in the top line. Due to the rent escalation clause, there will be increase of rental income by 5% every year. As the company is repaying bank loan, there will be reduction in interest expense. All these factors will lead to increase in the profitability of the Company in the coming years.

Mr. S Rajkumar and his relatives are interested in the resolution set out as item no.5 of the AGM Notice.

All relevant documents and papers relating to item no.5 and referred to in this notice and Explanatory Statement shall be open for inspection by the members of the company. Members can request inspection of such documents by sending an email to [secretary@sreekailas.com](mailto:secretary@sreekailas.com).

**Disclosure of Directors seeking appointment or reappointment as per Regulation 36 of Listing Regulations and SS-2**

Sl. No	Name of Director	Particulars
1	lasaki Kamalam	❖ Date of birth – November 10, 1933
		❖ Age – 88 years
		❖ DIN - 01791001
		❖ Qualification – Matriculation
		❖ Original date of appointment – August 3, 1995
		❖ Experience – More than 20 years
		❖ Terms and conditions of reappointment – Reappointment due to retirement by rotation
		❖ Remuneration last drawn - NIL
		❖ Proposed Remuneration - NIL
		❖ Shareholding in the Company – 1,74,533 equity shares of Rs.10/- each
		❖ Details of directorships in other companies – NIL
		❖ No of meetings of Board of Directors attended during the FY 2021-22 – 1 (one)
		❖ Status in other Board Committees of the Company – NIL
		❖ Relationship between directors interse – She is mother of Mr. S Rajkumar, Vice Chairman and Managing Director and Mr.Subramoniam Sivathanu Pillai, Director, mother in law of Mrs. Rajee Rajkumar, Director and grandmother of Mr. Visakh Rajkumar, Whole Time Director
		❖ Brief profile – She has been a director of the company since 03/08/1995 and has more than 20 years of experience in the field of

		paper business. She also has enormous experience in the field of construction .
2	Rajkumar Sivathanu Pillai	<ul style="list-style-type: none"> <li>❖ Date of birth – October 15, 1958</li> <li>❖ Age – 63 years</li> <li>❖ DIN - 01790870</li> <li>❖ Qualification –Post Graduate in Commerce &amp; Doctorate in Business Management</li> <li>❖ Original date of appointment – since 11/07/2011</li> <li>❖ Experience – More than 40 years</li> <li>❖ Terms and conditions of reappointment</li> <li>❖ Remuneration last drawn – Rs. 12 lakh per annum</li> <li>❖ Proposed Remuneration - Rs.1,00,000/- (Rupees One lakh only) per month for the first year of appointment and afterwards remuneration shall be decided by the Board of Directors on recommendations of the Nomination and Remuneration Committee</li> <li>❖ Shareholding in the Company – 1,04,61,205 equity shares of Rs.10/- each and 99,51,200 preference shares of Rs.10/- each</li> <li>❖ Details of directorships in other companies –Director of Jalashaayi Alamparathodu Hydro Power Ltd, Sree Adi Sakthi Mukkuttathode Hydro Power Ltd, Sree Kailas Palchuram Hydro Power Ltd, Aadrik Industrial and Logistics Parks Pvt Ltd, Visakh Homes Ltd and Shri Kailash Logistics (Chennai) Limited</li> <li>❖ No of meetings of Board of Directors attended during the FY 2021-22 – He has attended all the 5 (Five) meetings held during the year</li> <li>❖ Status in other Board Committees of the Company – Chairman of Corporate Social Responsibility Committee and Share Issue/Transfer Committee , Member of Stakeholders Relationship Committee</li> <li>❖ Relationship between directors interse – Son of Mrs.Iasaki Kamalam,Director. Brother of Mr. Subramoniam Sivathanu Pillai, Director, husband of Mrs. Rajee Rajkumar, Director and Father of Mr. Visakh Rajkumar, Whole Time Director.</li> <li>❖ Brief profile –. Presently he is the Vice Chairman and Managing Director of the Company. He has more than 40 years of experience in Paper Industry , construction and logistics.</li> </ul>

## SHAREHOLDER INSTRUCTIONS FOR E-VOTING

### CDSL e-Voting System – For e-voting and Joining Virtual meetings.

- Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of Listing Regulations (as amended), and MCA Circulars, the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the authorized e-Voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
- 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.
- The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
- Pursuant to MCA Circulars , the facility to appoint proxy to attend and cast vote for the members is not available for this AGM/EGM. However, in pursuance of Section 112 and Section 113 of the Act, 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.

### INSTRUCTIONS TO SHAREHOLDERS FOR E-VOTING AND JOINING VIRTUAL MEETINGS ARE AS UNDER:

- Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2** : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.
- The voting period begins on Saturday, September 17, 2022 at 9.00 a.m and ends on Monday, September 19, 2022 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) of September 13, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.

- Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 09/12/2020, read with Regulation 44 of the Listing Regulations, listed entities are required to provide remote e-voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.
- Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.
- In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants. Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process.

**Step 1** : Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

In terms of SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated December 9, 2020 on e-voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with depositories and depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.

Pursuant to above said SEBI Circular, login method for e-voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode CDSL/NSDL** is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<p>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</p> <p>2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also link provided to access the system of all e-voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so</p>

	<p>that the user can visit the e-Voting service providers' website directly.</p> <p>3) If the user is not registered for Easi/Easiest, option to register is available at <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></p> <p>4) Alternatively, the user can directly access e-voting page by providing demat Account Number and PAN No. from e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page or click on <a href="https://evoting.cdslindia.com/Evoting/EvotingLogin">https://evoting.cdslindia.com/Evoting/EvotingLogin</a>. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option, where the e-Voting is in progress and also able to directly access the system of all e-Voting Service Providers.</p>
<p>Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b></p>	<p>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting.</p> <p>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS" "Portal" or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a>.</p> <p>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com">https://www.evoting.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote</p>



	during the remote e-Voting period or joining virtual meeting & voting during the meeting
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.

**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at toll free no. 1800 1020 990 and 1800 22 44 30

Step 2 : Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) Login method for e-Voting and joining virtual meetings for **Physical shareholders and shareholders other than individual holding in Demat form.**
- 1) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - 2) Click on “Shareholders” module.
  - 3) 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.
- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any company, then your existing password is to be used.
- 6) If you are a first-time user follow the steps given below:

	<b>For Physical shareholders and other than individual shareholders holding shares in Demat.</b>
Click on the EVSN for the relevant <Cella Space Limited> on which you choose to vote.	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>➤ 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 at <a href="http://www.sreekailas.com">www.sreekailas.com</a></li> </ul>
Dividend Bank Details <b>OR</b> 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. <ul style="list-style-type: none"> <li>➤ 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.</li> </ul>

- (i) After entering these details appropriately, click on “SUBMIT” tab.
- (ii) 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.
- (iii) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (iv) 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.

- (v) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (vi) 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.
- (vii) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (viii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- (ix) 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.
- (x) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.
- (xi) **Additional Facility for Non – Individual Shareholders and Custodians –For Remote Voting only.**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto: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 will be mapped automatically & can be delink in case of any wrong mapping.
  - It is Mandatory that, 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 mandatory 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](mailto:secretary@sreekailas.com)., if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

**INSTRUCTIONS FOR SHAREHOLDERS ATTENDING AGM THROUGH VC/OAVM & E-VOTING DURING MEETING ARE AS UNDER:**

- The procedure for attending meeting & e-Voting on the day of the AGM is same as the instructions mentioned above for e-voting.
- The link for VC/OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for e-voting.
- Shareholders who have voted through Remote e-Voting will be eligible to attend the meeting. However, they will not be eligible to vote at the AGM.
- Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience
- Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
- 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.
- 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 at least 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](mailto: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). These queries will be replied to by the company suitably by email.
- Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
- 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.
- 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 may be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

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 email id at [secretary@sreekailas.com](mailto:secretary@sreekailas.com).
2. For Demat shareholders -, Please update your email id & mobile no. with your respective Depository Participant (DP)
3. For Individual Demat shareholders – Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding attending AGM & e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL), Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai – 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call tall free no. 1800 22 55 33.

## BOARD'S REPORT

Dear Members

Your Directors have immense pleasure in presenting the 31<sup>st</sup> Annual Report on the business and operations of the Company along with Audited Financial Results (both Standalone and Consolidated) for the financial year ended on March 31, 2022.

### Financial Results

A summary of the financial performance of the Company for the FY 2021-22 is as given below:-

(Rs.in lakh)

Particulars	FY 2021-22	FY 2020-21
Revenue from operations	533.91	327.78
Other Income	20.28	65.84
<b>Total revenue</b>	<b>554.19</b>	<b>393.62</b>
<b>Earnings before Interest, taxes, depreciation and amortisation</b>	<b>384.58</b>	<b>260.92</b>
Less : finance cost	162.88	140.75
Less: depreciation and amortisation	118.29	82.10
<b>Profit before exceptional items and tax</b>	<b>103.41</b>	<b>38.07</b>
Less: Items not reclassified to profit/loss	0.44	5.52
<b>Profit for the period</b>	<b>102.97</b>	<b>32.55</b>

*As the subsidiaries are not operational, summary of financial performance given above is on standalone basis only.*

### Company Performance Review and State of Affairs

- ❖ Revenue from operations has increased to Rs. 533.91 lakh as against Rs.327.78 lakh in the previous FY 2020-21 – a growth of 62.89%
- ❖ Total expenses has increased to Rs.450.78 lakh as against Rs. 355.55 lakh in the previous FY- growth of 26.78%
- ❖ Profit After Tax (PAT) has increased to Rs.103.41 lakh against Rs.38.07 lakh for previous FY– growth of 171.63 %.

### Transfer to Reserves

During the year under review, no amount has been transferred to reserves.

### Dividend

As your Company is in the path of revival, your directors decided not to recommend dividend for the financial year under review.

## **Board of Directors and Key Managerial Personnel**

### **Change in Directorate**

The following changes occurred in the directorate of the Company during the period from April 1, 2021 till the date of report:-

#### **a) Resignation**

- ❖ Mr. G Raghavan Gopaldaswami (DIN:- 01661856), Independent Director, resigned from the Board of Directors with effect from April 25, 2022 due to his health issues.

#### **b) New appointments**

- ❖ Mr. Kul Bhushan Jain (DIN:-07984364) was appointed as Additional Non Executive Director by the Board of Directors of the Company at their meeting held on February 14, 2022.
- ❖ Mr. Kul Bhushan Jain (DIN:-07984364) was re-designated as Additional Independent Director by the Board of Directors at their meeting held on May 16, 2022. Subsequently, approval of shareholders was obtained by way of Postal Ballot on June 16, 2022 for his appointment .

#### **c) Reappointments**

- ❖ Mr.Rajkumar Sivathanu Pillai (DIN:-01790870) was reappointed as the Managing Director of the Company for a period of 1 (one) year with effect from August 13, 2021 at an annual remuneration of Rs.12 lakh and the same was ratified by the shareholders in the 30th AGM held on September 27, 2021.
- ❖ Mr.Visakh Rajkumar (DIN:-07079475) was reappointed as the Whole time Director of the Company for a period of 2 (two) years with effect from October 1, 2021 at an annual remuneration of Rs.12 lakh and the same was ratified by the shareholders in the 30th AGM held on September 27, 2021.
- ❖ Mr.Narayanaswamy Subramanian (DIN:-03602858) was reappointed as the Independent Director of the Company for his 2nd term for a period of 5 (five) years with effect from February 23, 2022 for which approval of shareholders was obtained in the 30th AGM held on September 27, 2021
- ❖ Mr.Raghavan Goplalswami (DIN:-01661856) was reappointed as the Independent Director of the Company for his 2nd term for a period of 5(five) years with effect from February 23, 2022 for which approval of shareholders was obtained in the 30th AGM held on September 27, 2021.

#### **d) Recommendations in the upcoming Annual General Meeting**

- ❖ Reappointment of Mrs. E Kamalam (DIN:- 01791001) who retires at the ensuing Annual General Meeting andbeing eligible, offers herself for reappointment.
- ❖ Reappointment of Mr.Rajkumar Sivathanu Pillai (DIN:-01790870) as Managing Director for a period of 5(five) years with effect from August 13, 2022 at a monthly remuneration of

Rs.1,00,000/- (Rupees One lakh only) subject to applicable TDS with authority to the Board of Directors to revise the remuneration within the permissible limits of the Act on recommendations of the Nomination and Remuneration Committee.

### **Change in Key Managerial Personnel (KMPs)**

The following persons constitute KMPs of the Company:-

- ❖ Mr. Rajkumar Sivathanu Pillai, Managing Director
- ❖ Mr. Visakh Rajkumar, Whole Time Director
- ❖ Mr. V N Sridharan, Chief Financial Officer
- ❖ Ms. Jiju George, Company Secretary

There was no change in the KMPs of the Company during the year under review.

### **Directors Responsibility Statement**

Pursuant to Section 134 of the Act (including any statutory modifications or re-enactments thereof for the time being in force), the Directors of the Company state that:-

- a) in the preparation of annual accounts for the financial year ended March 31, 2022, the applicable accounting standards have been followed and there are no material departures from the same.
- b) the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2022 and of the profits of the Company for the financial year ended 31st March, 2022.
- c) proper and sufficient care has been taken 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.
- d) the annual accounts have been prepared on a 'going concern' basis.
- e) proper internal financial controls laid down by the Directors were followed by the Company and that such internal financial controls are adequate and operating effectively; and
- f) proper systems to ensure compliance with the provisions of all applicable laws were in place and that such systems are adequate and operating effectively

### **Declarations from Independent Directors**

The Company has, inter alia, received the following declarations from all the Independent Directors confirming that:

- ❖ they meet the criteria of independence as prescribed under the provisions of the Act, read with the schedule and rules made there under and also with the Listing Regulations



- ❖ they have complied with the Code for Independent Directors prescribed under Schedule IV of the Act.
- ❖ all the existing and new Independent Directors have registered themselves with the Independent Director's database maintained by the Institute of Corporate Affairs.

### **Auditors and Audit Report**

M/s. KPR & Co, Chartered Accountants, Kochi (Firm Reg No.05326S) was appointed as the Statutory Auditors of the Company at the 26<sup>th</sup> AGM held on December 29, 2017 to hold office for a period of 5 years till the conclusion of 31<sup>st</sup> AGM. Pursuant to Section 139(2)(b), the retiring statutory auditors are eligible to be reappointed for a further period of five consecutive years. They have also submitted their consent to be reappointed and have further confirmed that they do not incur any disqualification. The Audit Committee has also recommended their reappointment for a further period of 5 years commencing from the conclusion of 31<sup>st</sup> AGM at a remuneration of Rs. 70,000 /- (Rupees Seventy Thousand only). As per Section 139(1) of the Act, approval of shareholders is needed for appointment or reappointment of Statutory Auditors. Hence your Board of Directors recommend reappointment of statutory auditors to the shareholders in the ensuing Annual General Meeting.

The Audit Report given by the Statutory Auditor for the FY 2021-22 does not contain any qualification or adverse remarks.

### **Corporate Governance**

Your Company is committed to align with good corporate governance practices. A separate report on Corporate Governance is annexed as **Annexure I** of the Board's Report.

### **Subsidiaries and Joint Ventures**

Your Company has 3 (three) subsidiaries as on date. The details of the same are given hereunder:-

- a) Jalashaayi Alamparathodu Hydro Power Ltd (CIN:- U40100KL2008PLC022143)
- b) Sree Adi Sakthi Mukkuttathode Hydro Power Ltd (CIN:- U40100KL2008PLC022144)
- c) Sree Kailas Palchuram Hydro Power Ltd (CIN:- U40100KL2008PLC022145)

The above subsidiaries have not commenced business operations since incorporation. Further the shareholders of the company have given their consent by way of Postal Ballot to the Board of Directors on June 16, 2022 to enable the subsidiaries to submit application for removing their names from the Register of Companies in accordance with Section 248 of the Act.

Your Company does not have any joint ventures.

Pursuant to Section 129(3) of the Act, the salient features of the financial statements of the subsidiaries in form AOC-1 is annexed as **Annexure II**.

### **Consolidated Financial Statements (CFS)**

In accordance with the provisions of the Act, Regulation 33 of the Listing Regulations and applicable Accounting Standards, the Audited CFS of the Company for the financial year 2021-22, together with the Auditors' Report forms part of this Annual Report. In accordance with Section 136 of the Act, the audited financial statements, including the CFS and related information of the

Company and the separate financial statements of each of the subsidiary companies, are available on the Company's website at [www.sreekailas.com](http://www.sreekailas.com). Any member desirous of inspecting or obtaining copies of the said CFS may write to the Company Secretary at [secretary@sreekailas.com](mailto:secretary@sreekailas.com).

### **Management Discussion and Analysis Report**

Pursuant to Regulation 34(2)(e) of Listing Regulations, Management Discussion and Analysis Report forms part of Annual Report. The same provides disclosure about the overall industry structure, economic scenarios, operational and financial performance of the Company, business strategy etc.

### **Secretarial Auditor**

The Board of Directors have appointed Mrs. N Srividhya (Certificate of Practice No.14058), Practicing Company Secretary, as the Secretarial Auditor to conduct audit of secretarial records pertaining to the financial year 2021-22.

The Secretarial Audit Report pertaining to the financial year 2021-22 received from her in accordance with the Act and Rules made there under and Regulation 24A of the Listing Regulations is annexed as **Annexure III** of the Board's Report. The Secretarial Audit Report pertaining to the financial year 2021-22 does not contain any qualification or adverse remarks.

### **Internal Auditor**

Pursuant to Section 138 of the Companies Act 2013, Mr. Venkitesh Parasuram, Chartered Accountant, has been appointed as the Internal Auditor of the Company. During the financial year under review, no instances of fraud or material lapses were reported by the Internal Auditor during his course of audit.

### **Internal Financial Controls**

The internal financial control mechanism in your Company is commensurate with the size of your Company.

### **Number of meetings of the Board**

During the financial year under review, the Board of Directors has met 5 (five) times. The details of the dates of the meetings along with the attendance of directors has been given in the Corporate Governance which is annexed as **Annexure I** and forms part of Annual Report.

The maximum interval between any two Board Meetings held during the financial year do not exceed 120 days as stipulated under the Act read with Rules made there under and the Listing Regulations.

### **Board Committees**

As on March 31, 2022, the Board has 6(six) committees; Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee, Corporate Social Responsibility Committee, Risk Management Committee and Share Issue/Transfer Committee.

During the year, all the mandatorily required recommendations of the committees of the Board have been accepted and implemented by the Board.

A detailed note on the composition of the Board and its committees, including its terms of reference is provided in the Corporate Governance Report. The composition and terms of reference of all the Committees of the Board of Directors of the Company is in line with the provisions of the Act and the Listing Regulations.

### **Board Evaluation**

Pursuant to the provisions of the Act and the Listing Regulations, the Board has carried out an annual performance evaluation of its own performance, performance of individual directors as well as the committees as well.

During the year under review, the Independent Directors of the Company have met to

- ❖ review the performance of Non Independent Directors and the Board as a whole
- ❖ review the performance of Chairperson of the Company taking into account the views of the Executive and Non Executive Directors
- ❖ assess the quality, quantity and timeliness of flow of information between the management and the Board that is necessary for the board to perform their duties effectively and reasonably.

### **Remuneration paid to Directors**

During the financial year 2021-22, only Managing Director and Whole Time Director of the company are paid remuneration which amounts to Rs.12 lakh each per annum. The other directors are paid sitting fees for attending Board and Audit Committee Meeting. The sitting fees paid for Board Meeting is Rs.10,000/- per meeting and for Audit Committee meeting is Rs.5000/- per meeting.

### **Annual Return**

A copy of Annual Return in Form MGT-7 as on March 31, 2022 in accordance with Section 92(3) of the Act read with the Companies (Management and Administration) Rules, 2014 will be published in the website of the Company, [www.sreekailas.com](http://www.sreekailas.com)..

### **The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Your company is keen to provide secure and friendly work atmosphere to its employees and has zero tolerance towards sexual harassment at its work place. During the year under review, no complaints pertaining to sexual harassment was reported.

### **Corporate Social Responsibility**

The provisions of the Act relating to Corporate Social Responsibility is not applicable to the Company.

### **Related Party Transactions**

All transactions with related parties are reviewed and approved by the Audit Committee and are in accordance with the Company's Policy on Related Party Transactions. SEBI, by way of amendments to the Listing Regulations, has widened the purview of definition of Related Party and overall scope of related parties with effect from April 1, 2022 or unless specified. Accordingly, the Board, on recommendations of Audit Committee, has amended its Policy on Related Party

Transactions to include the amendments notified by SEBI and the same has been published in the Company website, [www.sreekailas.com](http://www.sreekailas.com)..

Pursuant to Regulation 23 of Listing Regulations, your Company has submitted its statement on related party transactions on consolidated basis to BSE Ltd on half yearly basis within the timeline as specified in the Listing Regulations.

Pursuant to section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014, the Statement of Related Party Transactions in Form AOC-2 is set out as **Annexure IV** to the Board's report.

#### **Loans, Guarantees or Investments under Section 186**

Advances given by the Company is shown as note no.7 of the financial statements. Investments made by the Company is disclosed as note no.6 of the financial statements. Apart from those as stated above, no other loans, guarantees or investments have been made by the Company during the year under review. During the year under review, your Company has not made any investments.

#### **Authorised Capital and Paid up Capital**

As on March 31, 2022, the Authorised Capital of the Company stands at Rs.50,00,00,000/- (Rupees Fifty Crore only) consisting of 3,80,00,000 (Three Crore and Eighty Lakh) Equity Shares of Rs.10/- (Rupees Ten only) each and 1,20,00,000 (One Crore and Twenty Lakh) Preference Shares of Rs.10/- (Rupees Ten only) each. During the year under review, there was no change in the authorised or paid up capital of the Company.

Post financial year 2021-22, your Company has obtained shareholder's approval by way of Postal Ballot on June 16, 2022 for preferential issue of 10,00,000 (Ten Lakh) Fully Convertible Equity Share Warrants ("Warrants") of Rs.10/- (Rupees Ten only) each to Mr. S Rajkumar, Promoter and Managing Director, by way of conversion of unsecured loan of Rs.1,00,00,000/- (Rupees One Crore only) outstanding in his name. Your company has also obtained "In-principle" approval for the preferential issue from BSE Ltd on June 07, 2022 vide letter no. LOD/PREF/VJ/FIP/2298/2022-23. Subsequently, the Board of Directors, at their meeting held on June 25, 2022 has approved the allotment of Warrants and subsequent allotment of equity shares by way of conversion of these warrants upon request made by the warrant holder. BSE vide its letter no. LOD/PREF/VJ/FIP/2420/2022-23 has granted listing approval for the said shares on July 13,2022 and trading approval on July 22,2022 vide letter No.LOD/PREF/TP/VJ/13398/2022-23. Subsequently, equity shares were credited to the demat account of Mr.S Rajkumar on July 25, 2022.

#### **Whistle Blower/Vigil Mechanism**

Your Company is keen to promote ethical behaviour in all its operations and has adopted a Board approved Whistle blower or Vigil Mechanism policy as per Section 177 of the Act read with Regulation 22 of the Listing Regulations. Your Company hereby affirms that no director/employee has been denied access to the Chairman of the Audit committee and no complaints were received during the year under review.

### **Management of risk**

Your Company has constituted a Risk Management Committee even though the requirement is not applicable as per Regulation 21 of the Listing Regulations. The Committee has the overall responsibility of identification, evaluation and mitigation of operational, strategic and environmental risks.

### **Conservation of energy and technology absorption**

Your Company has undertaken all steps to conserve energy and make use of latest technology for its operations. As part of green energy initiatives, your company is planning to install a on-grid roof top solar power plant upto a capacity of 1MW (1000KW) at its warehouse area at Edayar.

### **Foreign exchange earnings and outflow**

During the financial year under review, there was no instances of inflow or outflow of foreign exchange.

### **Investor Education and Protection Fund**

During the financial year under review, your Company has transferred Rs.1,19,025/- (Rupees One Lakh Nineteen Thousand and Twenty Five), being the unclaimed dividend declared during the FY 2013-14, into Investor Education and Protection Fund on completion of 7 years from the date of transfer of such unclaimed dividend to unpaid dividend account. As no dividend was declared by the Company during the FY 2014-15, there is no amount due to be transferred to IEPF during the FY 2022-23.

### **Details of application made or proceedings pending under the Insolvency and Bankruptcy Code (IBC) 2016**

During the year under review, your Company has submitted our claim for Rs.1,13,95,024/- (Rupees One Crore Thirteen Lakh Ninety Five Thousand and Twenty Four) against M/s. Karur KCP Packagings Ltd under IBC 2016. The Company had supplied waste paper-double sorted corrugated and saw dust to the debtor during the financial year 2016-17 and has raised invoices amounting to Rs.62,59,376/- (Rupees Sixty Two Lakh Fifty Nine Thousand Three Hundred and Seventy Six only) for which payment is yet to be received. As per the terms of invoice, interest is chargeable at the rate of @ 18% per annum for delayed payment. Taking into account the interest receivable, total claim as on date of submission of application, ie, April 13, 2021, comes to Rs. Rs.1,13,95,024/- (Rupees One Crore Thirteen Lakh Ninety Five Thousand Twenty Four).-

We have informed by the Insolvency Professional that the assets of the Corporate Debtor have been identified and adequate steps have been taken to auction the assets and settle the claims of financial and operational creditors.

### **Material changes and commitments affecting the financial position of the Company which have occurred between the financial year end (31.03.2022) and date of report (03.08.2022)**

The following events occurred during the period between financial year end (31.03.2022) and the date of report (03.08.2022):-

- ❖ Mr.Kul Bushan Jain (DIN:-07984364) was re-designated as Independent Director (Additional category) of the Company with effect from May 16, 2022 for a period of five years by the Board of Directors in their meeting held on May 16, 2022.
- ❖ Approval of shareholders by way of Postal Ballot was taken on June 16, 2022 for the following purposes:-
  - a) Confirmation for appointment of Mr.Kul Bushan Jain (DIN:-07984364) as an Additional Non Executive Director with effect from February 14, 2022 and approval to re-designate him as Independent Director for a period of 5 years with effect from May 16, 2022
  - b) For conversion of debt into equity share warrants and to issue equity share warrants to Mr.S Rajkumar, Promoter and Managing Director, in terms of request made by him for conversion of part of outstanding unsecured loan aggregating to Rs.1 Crore availed from him
  - c) For entering into a Power Purchase Agreement with Shri Kailash Solar Power Private Limited, a Related Party, by which the related party has agreed to invest in and install a on grid roof top Solar Power Plant upto a capacity of 1 MW (1000 KW) at the warehouse area of the Company at Edayar and consequently to produce and sell power generated to the company at a consideration of approximately Rs.6.50 per unit of electricity at a compounding escalation of 10% every 2 years upto first 12 years and afterwards escalation will be discussed and fixed on mutually agreed terms
  - d) For rendering approval to Visakh Homes Ltd, a Related Party, for utilising brand name of Cella Space Ltd for marketing warehouses built by them for a period of 10 years from the date of signing of definitive agreements at a consideration of Rs.0.5 per sq.ft for area leased out in the brand name of the company.
  - e) For rendering approval to Shri Kailash Logistics (Chennai) Limited, a Related Party, for utilising brand name of Cella Space Ltd for marketing warehouses built by them for a period of 10 years from the date of signing of definitive agreements at a consideration of Rs.0.5 per sq.ft for area leased out in the brand name of the company.
  - f) For rendering approval to the Board of Directors for sale/transfer/perpetual lease of immovable property (along with superstructures if any) of the company or parts thereof admeasuring an extent of 384.83 ares of land along with warehouse/industrial buildings bearing building Nos. C-100, C-200A, C-200B, C-300 & C-400 together with other buildings and infrastructures located at Edayar Industrial Development Area, Kadungallur Village, Paravur Taluk, Ernakulam District , Kerala – 683110 for a consideration not less than Rs. 80 Crore.

- g) For rendering approval to the Board of Directors for giving consent to all the three subsidiary companies { Jalashaayi Alamparathodu Hydro Power Ltd (CIN:- U40100KL2008PLC022143), Sree Adi Sakhti Mukkuttathode Hydro Power Ltd (CIN:- U40100KL2008PLC022144), Sree Kailas Palchuram Hydro Power Ltd (CIN:- U40100KL2008PLC022145)} to enable them to make application to Registrar of Companies for removal of their names from the Register of Companies.

### **Financial Commitments**

During the year under review, your Company has availed a term loan against rent receivables aggregating to an amount of Rs.45 Crore from HDFC Bank Ltd. The proceeds of the same was partly utilised to close the existing term loan with Union Bank and the balance was utilised partially for construction of warehouse building.

### **Policies**

In accordance with the provisions of the Act and Listing Regulations, the Board of Directors of the company has framed the required policies and the policies wherever mandated are uploaded in the company website, [www.sreekailas.com](http://www.sreekailas.com).

### **Particulars of employees**

There are no employees falling within the provisions of section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosures in accordance with Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 for the financial year 2021-22 is as follows:-

Median Annual Remuneration of all the employees of the Company (in Rs.)	4,17,167
Ratio of remuneration of each director to the median remuneration of the employees of the Company*	2.88:1
Percentage of increase in remuneration of each director, Chief Financial Officer (CFO), Chief Executive Officer (CEO) & Company Secretary (CS)#	Other than increase in remuneration of CFO, there was no increase in the remuneration of director or CS during the year under review.  % increase in remuneration of CFO = 201.33 %
Percentage increase in the median remuneration of the employees	Median annual remuneration of employees during FY 2020-21 – Rs. 3,60,000  % increase in median remuneration this FY = 15.88%

Number of permanent employees in the payroll of the Company	2 (Two)
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 managerial remuneration	Except for three employees, there has not been any increase in the salaries of employees during the financial year under review.

*\*The Company has a Managing Director and a Whole Time Director and both have been paid same annual remuneration of Rs.12 lakh each.*

Remuneration paid during the year under review is as per the remuneration policy of the Company.

### **Other disclosures**

- ❖ There was no change in the nature of business of your company during the year under review.
- ❖ During the year under review, your company has not accepted any deposits within the meaning of Sections 73 and 74 of the Act and rules made there under.
- ❖ Significant orders affecting the status of going concern of your company have not been passed by any regulators, courts or tribunals during the year under review.
- ❖ Neither the Statutory Auditors nor the Secretarial auditors have reported about any fraud as specified under Section 143(12) of the Act.
- ❖ The Company has not issued any sweat equity shares during the year under review.
- ❖ There was no revision of financial statements or Board's report during the year under review.
- ❖ The Company has not availed unsecured loans during the year under review. Details of unsecured loans repaid by the Company during the year under review is disclosed in the financial statements under note 14B.
- ❖ The provisions pertaining to maintenance of cost records as specified by the Central Government under Section 148(1) of the Act is not applicable to the Company.
- ❖ During the financial year under review, your Company has not taken any valuation for the purpose of making any one time settlement. Hence the requirement to disclose the details of difference between amount of the valuation done at the time of one time settlement and the valuation done while taking loan from the Banks or Financial Institutions along as specified under Companies (Accounts) Amendment Rules 2021 is not applicable to us.



### **Compliance with Secretarial Standards**

Your Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards viz. the Secretarial Standard-1 on Meetings of the Board of Directors ("SS-1") and the Secretarial Standard-2 on General Meetings ("SS2") issued by the Institute of Company Secretaries of India ("ICSI") and approved by the Central Government, and such systems are adequate and operating effectively. During the financial year under review, the Company was in compliance with the Secretarial Standards–SS-1 and SS-2.

### **Business Responsibility Report**

The company does not fall under the category of top 1000 listed entities based on market capitalisation. Hence, Regulation 34(2)(f) of the Listing Regulation pertaining to Business Responsibility Report, is not applicable to the company.

### **Acknowledgment**

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

**For and on behalf of Board of Directors**

**For Cella Space Limited**

**Sd/-  
S Rajkumar  
Director  
DIN:- 01790870**

**Sd/-  
Visakh Rajkumar  
Director  
DIN:- 07079475**

## **Management Discussion and Analysis Report**

The Management Discussion and Analysis for the financial year under review as stipulated under Regulation 34(2)(e) read with Part B of Schedule V of the SEBI Listing Regulations forms part of this Integrated Annual Report. It provides mandatory disclosures required under the Listing Regulations comprising of inter-alia details about the overall industry structure economic scenarios operational and financial performance of the Company business strategy internal controls and their adequacy risk and concerns and other material developments during the financial year 2021-22.

The global economy showed early signs of recovery in the beginning of 2021. However, it has since faced headwinds amid fresh threats from Covid-19 variants and a rise in inflation slowing down recovery across emerging economies. Despite signs of moderation, record numbers of daily infections in several countries and consequent containment measures further strained economic activity. According to the World Bank's latest report, global economic growth is expected to moderate from 5.5% in 2021 to 3.2% in 2022 due to the impact of the Russia-Ukraine crisis and higher food as well as energy costs across the world.

Indian Logistics sector plays a vital role in facilitating economic activity and trade movement in the country. The sector was estimated to be at ~` 13,50,000 crores in FY21 and is expected to reach ~` 24,00,000 crores by FY26 growing at ~10% CAGR. Short-term growth was impacted due to Covid-induced disruptions, but the long term outlook for the sector remains buoyant.

Government of India in their budget for financial year 2022-23 has announced plans to Gati Shakti national master plan forward to spur the logistics infrastructure. The plan has received its first outlay of Rs.20,000 crore for 2022-23.

The Finance Minister added that "PM Gati shakti is a transformative approach for economic growth and sustainable development. The approach is driven by seven engines, namely road, railways, airports, ports, mass transport, waterways and logistics infrastructure.

Further the government has implemented National Logistics Policy (NLP) that will enable the Indian logistic and warehousing sector to become more connected and transparent As a result the Indian warehousing and logistics companies will become more reliable as growth partners for not just Indian business but also the economy as a whole.

The warehousing industry in India is largely unorganised and there are very few opportunities to buy assets from the organised segment, as such players are few in number. However, compared to other real estate assets, warehousing assets can be built in a relatively shorter time span. Hence, the risks in green field investments are lower. With infrastructure status, the approval and funding risk for green field investments have reduced further. Earlier, due to the unorganised nature of the industry the equity IRR for a development project was low. Now with all the policy reforms that are

being undertaken there is a paradigm shift in the industry structure where it is becoming favourable for organised players.

Demand for large warehousing spaces is likely to see steady increase as occupiers now to move out of their smaller warehouses and consolidate their activities in larger facilities, which are presently in short supply compared to the demand. This demand-supply gap is visible in the current premium commanded by organised players owning these assets. As more and more companies streamline their logistics networks, it would be observed that unorganised players or smaller organised players would consolidate or sell their assets to larger ones.

Your Company has got an internal audit system which thoroughly verifies various transactions and contracts entered into by the company. Your company also hold periodical performance review meeting wherein various parameters and budgetary norms fixed are compared with actual, reasons ascertained deviations if any and corrective actions taken then and there.

Your company during the year under review has very peaceful and cordial relationship with the employees. there was no instance of labour unrest.

The company has a total of 12 employees. Other mandatory disclosures like details of significant changes in key financial ratios along with detailed explanation is given in page no.92 of the Annual Report as additional disclosures to the standalone financial statements.

## Report on Corporate Governance

### **Corporate Governance Philosophy**

Your management is of the belief that corporate growth, goals, transparency and enhanced stakeholder value are to be achieved only through good Corporate Governance.

### **Board Meetings**

During the financial year under review, the Board of Directors has met 5 (five) times on June 25, 2021, August 05, 2021, August 13, 2021, November 13, 2021 and February 14, 2022.

### **Annual General Meeting**

The 30<sup>th</sup> (Thirtieth) Annual General Meeting of the Company was held on September 27, 2021. In accordance with Circulars issued by MCA and SEBI on account of covid-19 pandemic, the 30<sup>th</sup> AGM was held through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

### **Attendance of Directors in Board Meetings and AGM**

The attendance of the Directors at the Board Meetings and at the last AGM held during the financial year 2021-22 is as follows:-

Sl. No	Name	Board Meetings		Last AGM
		Entitled to attend	Attended	Attended
1	Mr. N Subramanian	5	5	Yes
2	Mr. S Rajkumar	5	5	Yes
3	Mr. G Raghavan*	5	4	Yes
4	Mr. Akhilesh Agarwal	5	5	Yes
5	Mr. Kul Bhushan Jain <sup>#</sup>	1	1	Not Applicable
6	Mr. Visakh Rajkumar	5	5	Yes
7	Mrs. Rajee Rajkumar	5	5	Yes
8	Mr. Subramoniam Sivathanu Pillai	5	1	Yes
9	Mrs. E Kamalam	5	1	Yes

\*Mr. G Raghavan resigned from the Board of Directors with effect from April 25, 2022

<sup>#</sup> Mr. Kul Bhushan Jain was appointed as an Additional Non Executive Director on the Board of Directors with effect from February 14, 2022.

### **Extra Ordinary General Meeting or Postal Ballot held during the year**

During the financial year under review, no Extra Ordinary General Meetings or Postal Ballot were held.

### **Class Meetings**

During the year under review, a meeting of the Preference shareholders of the Company was held on February 14, 2022 to consider reduction of preference dividend payable to the preference shareholders. As per the decision taken by the preference shareholders, the total paid up preference share capital of Rs.10,00,00,000/- (Rupees Ten Crores only) consisting of 11.25 %

1,00,00,000 (One Crore) Preference shares of Rs.10/- (Rupees Ten only) of the Company were reclassified as follows:-

- ❖ rate of dividend on 99,51,200 (Ninety Nine Lakh Fifty One Thousand and Two Hundred) preference shares held by Mr. S Rajkumar, Promoter and Managing Director, was reduced to 6% per annum.
- ❖ rate of dividend on the balance 48,800 (Forty Eight Thousand and Eight Hundred) preference shares held by Mr.Subramoniam Sivathanu Pillai is maintained at 11.25 % per annum.

### **Board Committees**

Your Company has 6 committees of the Board of Directors which are as follows:-

- ❖ Audit Committee
- ❖ Nomination and Remuneration Committee
- ❖ Stakeholders Relationship Committee
- ❖ Corporate Social Responsibility Committee
- ❖ Risk Management Committee
- ❖ Share Issue/Transfer Committee

### **Audit Committee**

#### **Terms of reference**

By constituting an Audit Committee, your Company has complied with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations relating to the composition of Audit Committee.

The Committee shall be responsible for:-

- ❖ reviewing financial reporting by ensuring compliance with Accounting Standards and review financial policies of the Company
- ❖ monitoring auditor's independence and performance, reviewing effectiveness of audit process, recommends appointment of Statutory Auditors/internal auditors and fix their remuneration
- ❖ approval or subsequent modification of transactions of the company with related parties
- ❖ scrutiny of inter corporate loans and investments, valuation of undertakings or assets of the company whenever necessary
- ❖ evaluation of internal financial controls and risk management systems and monitoring the end use of funds raised through public offers and related matters

### **Composition**

The composition of Audit Committee as on March 31, 2022 is as follows:-

<b>Sl. no</b>	<b>Name</b>	<b>Designation</b>	<b>Independent/Non Independent</b>	<b>No of meeting attended</b>
1	Mr. G Raghavan*	Chairman	Independent	4
2	Mr. N Subramanian	Member	Independent	5
3	Mr. Akhilesh Agarwal	Member	Independent	5

*\* Mr. G Raghavan resigned from the Board on April 25, 2022 and Mr. Kul Bhushan Jain was appointed as Chairman of Audit Committee on May 16, 2022.*

### **Meetings held**

During the year under review, Audit Committee has met 5 (five) times on April 14, 2021, June 25, 2021, August 13, 2021, November 13, 2021 and February 14, 2022.

### **Nomination and Remuneration Committee**

#### **Terms of reference**

Nomination and Remuneration Committee of the Company was constituted as per Section 178 of the Act and Regulation 19 of the Listing Regulations.

The Committee shall be responsible for:-

- ❖ formulating framework and/or policy for remuneration, positive attributes and independence of a Director and recommend to the Board a policy relating to remuneration for Directors.
- ❖ 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, the appointment, reappointment and removal of directors and senior executives and to carry out their evaluation
- ❖ formulating terms for cessation of employment and ensure that any payments made are fair to the individual and the Company and that failure is not rewarded and the duty to mitigate loss if fully recognised
- ❖ annual review of Board as a whole and its individual members

### **Composition**

The composition of Nomination and Remuneration Committee as on March 31, 2022 is as follows:-

<b>Sl.no</b>	<b>Name</b>	<b>Designation</b>	<b>Independent/Non Independent</b>	<b>No of meeting attended</b>
1	Mr. G Raghavan*	Chairman	Independent	2
2	Mr. N Subramanian	Member	Independent	3

3	Mrs. Rajee Rajkumar	Member	Non Independent	3
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\* Mr. G Raghavan resigned from the Board on April 25, 2022 and Mr. Kul Bhushan Jain was appointed as Chairman of Nomination and Remuneration Committee on May 16, 2022.

### **Meetings**

During the year under review, the Committee has met 3 (three) times on June 25, 2021, August 13, 2021 and February 14, 2022.

### **Stakeholders Relationship Committee**

Stakeholders Relationship Committee's composition and the terms of reference is in accordance with the provisions of the Act and Regulation 20 of Listing Regulations.

The Committee is responsible to consider and review all matters connected with Company's transfer of securities and redressal of shareholder's complaints.

During the year under review, the Committee met 4 (times) on June 25, 2021, August 13, 2021, November 13, 2021 and February 14, 2022.

The composition of Stakeholders Relationship Committee as on March 31, 2022 is as follows:-

Sl. no	Name	Designation	Independent/Non Independent	No of meeting attended
1	Mr. Akhilesh Agarwal	Chairman	Independent	4
2	Mr. S Rajkumar	Member	Non Independent	4
3	Mr. N Subramanian	Member	Independent	4

### **Status of Investor Complaints during the FY 2021-22**

Name & Designation of Compliance Officer	Ms. Jiju George, Company Secretary
No of pending investor complaints as on 01/04/2021	0
No of investor complaints received during the FY 2021-22	0
No of investor complaints resolved during the FY 2021-22	0
No of investor complaints pending as on 31/03/2022	0

### **Risk Management Committee**

Your Company is not required to have a Risk Management Committee as per Regulation 21 of SEBI Listing Regulations,. However, your Company has a Risk Management Committee and the constitution of the same as on March 31, 2022 is as follows:

Sl.no	Name	Designation	Independent/Non Independent
1	Mr. Akhilesh Agarwal	Chairman	Independent
2	Mr. G Raghavan*	Member	Independent
3	Mr. N Subramanian	Member	Independent

*\*Mr. G Raghavan resigned from the Board of Directors with effect from April 25, 2022 and Mr. Kul Bhushan Jain was appointed as a member on May 16, 2022 to fill his vacancy.*

During the year under review, no meetings of the Committee was held.

### **Corporate Social Responsibility Committee**

Your company is not required to constitute a Corporate Social Responsibility Committee as per section 135(1) of the Act. However, your company already have a CSR Committee and the composition of the same as on March 31, 2022 is as follows:-

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

During the financial year 2021-22, no meetings of the committee was held.

### **Share Issue/Transfer Committee**

The composition of the Committee as on March 31, 2022 is as follows:-

Sl.no	Name	Designation	Independent/Non Independent
1	Mr. S Rajkumar	Chairman	Non Independent
2	Mr. G Raghavan*	Member	Independent
3	Mr. N Subramanian	Member	Independent

*\*Mr. G Raghavan resigned from the Board of Directors with effect from April 25, 2022 and Mr. Kul Bhushan Jain was appointed as a member on May 16, 2022 to fill his vacancy.*

### **Code of Conduct**

The Code of Conduct for all members of the Board and senior management of the Company has been posted in the website of the Company, [www.sreekailas.com](http://www.sreekailas.com). All Board members and senior management personnel have affirmed compliance with the code of conduct as per Regulation 26(3) of SEBI Listing Obligations, A declaration regarding this forms part of Report.



**Disclosure on materially significant Related Party Transactions that have potential conflict with the interest of the Company at large**

None of the transactions with related parties are in conflict with the interest of the Company. Attention of members is drawn to the disclosures of transactions with the related parties set out in notes of financial statements forming part of Annual Report. All related party transactions are intended to further the interests of the Company. Company's policy on Related Party was amended in the meeting of the Board of Directors held on February 14, 2022 and the same was uploaded in the Company website, [www.sreekailas.com](http://www.sreekailas.com).

**Details of non compliance by the Company, penalties, strictures imposed on the company by Stock exchanges or SEBI or any other statutory authority on any matter related to the capital markets during the last three years**

- ❖ Your Company has been imposed a penalty of Rs.9,80,000/- with an additional penalty of Rs.17,926/- by BSE Ltd vide email dated August 21, 2018 on account of delay of 49 days in submitting application for listing of 9,05,000 equity shares of Rs.10/- each allotted to Mr. S Rajkumar, Promoter and Managing Director. The Company has made an appeal to SEBI for waiver of penalty and SEBI vide its letter No.CFD/DIL/24978/2019 dated September 23, 2019 has waived off the penalty.
- ❖ Your Company has been imposed a penalty of Rs.6,60,000/- along with applicable taxes by BSE Ltd vide email dated January 2, 2020 on account of delay of 33 days in submitting application seeking trading approval for 9,05,000 equity shares of Rs.10/- each allotted to Mr. S Rajkumar, Promoter and Managing Director. The Company has made an appeal to SEBI for waiver of penalty and SEBI vide its letter No. SEBI/HO/CFD/DIL1/OW/14609/P/2020 dated September 9, 2020 has directed the Company to pay penalty. Subsequently, the Company has paid the penalty and the matter was closed.

**Disclosures on accounting treatment**

Disclosures of accounting treatment have been made in the Financial statements wherever applicable.

**CEO/CFO Certification**

A certificate was received from Managing Director and Chief Financial Officer confirming that:-

- ❖ They have reviewed financial statements and cash flow statement for the year
- ❖ to the best of their knowledge and belief these statements do not contain any materially untrue statement or any misleading statements and not have omitted any material fact
- ❖ 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.
- ❖ to the best of their knowledge and belief , your Company has not entered into any transactions which are fraudulent, illegal or violative of the company/s code of conduct.

- ❖ they accept responsibility for establishing and maintaining internal controls and they have evaluated the effectiveness of internal control systems of the Company and have disclosed to the auditors and 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
- ❖ they have indicated to the auditors and audit committee the following
  - i. significant changes in internal control during the year.
  - ii. significant changes in accounting policies during the year and the same have been disclosed in the notes to the financial statements.
  - 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 internal control system of the company.

### **Means of communication**

The company website, [www.sreekailas.com](http://www.sreekailas.com) provides comprehensive information to the shareholders. Quarterly financial results are generally published in “Financial Express”, the English daily newspaper and in “Deepika”, the Malayalam daily newspaper.

### **Annual General Meetings**

The details of last 3 (three) Annual General Meetings and Resolutions passed by the company are given hereunder:-

<b>Year</b>	<b>Location</b>	<b>Date</b>	<b>Time</b>	<b>Special Resolutions</b>
2019	Hotel Abad Plaza, M.G Road, Ernakulam, Kochi – 682035	Monday 30-09-2019	2.00 P.M	<ul style="list-style-type: none"> <li>❖ For continuation of Mrs. Isakai Kamalam as Non Executive Director on the Board of Directors as per Regulation 17(1A) of Listing Regulations</li> <li>❖ Increase of borrowing power of the Company upto Rs.300 Crores over and above the aggregate of paid up capital and free reserves</li> <li>❖ Fixing of limit of Rs.100 Crores over and above the limit of 60% of aggregate of paid up capital, free reserves and securities premium account or 100% of free reserves and securities premium, whichever is greater, for the purpose of rendering loans, guarantees or making investments</li> <li>❖ Issue of Equity shares for an amount not exceeding Rs.18 Crores on Rights basis</li> <li>❖ Forfeiture of 2,85,000 convertible equity share warrants allotted to Mr.S Rajkumar</li> <li>❖ Reclassification of Authorised Share Capital of Rs.50,00,00,000/- (Rupees Fifty Crore only) into 3,80,00,000 (Three Crores and Eighty Lakh) equity shares of Rs.10/- each and</li> </ul>

				1,20,00,000 (One Crore and Twenty Lakh) Preference Shares of Rs.10/- each.
2020	AGM held through Video conferencing or Audio Visual means	Monday 28-12-2020	12.30 P.M	❖ Approval of Related Party Transactions with Visakh Homes Ltd
2021	AGM held through Video conferencing or Audio Visual means	Monday 27-09-2021	12.15 P.M	<ul style="list-style-type: none"> <li>❖ Reappointment of Mr. Rajkumar Sivathanu Pillai as Managing Director for a period of 1 year with effect from August 13, 2021 at an annual remuneration of Rs.12 lakh</li> <li>❖ Reappointment of Mr. Visakh Rajkumar as Whole Time Director for a period of 2 years with effect from October 1, 2021 at an annual remuneration of Rs.12 lakh</li> <li>❖ Reappointment of Mr.N Subramanian as Independent Director for a period of 5 (five) years with effect from February 23, 2022</li> <li>❖ Reappointment of Mr. G Raghavan as Independent Director for a period of 5 (five) years with effect from February 23, 2022</li> </ul>

### **General shareholder information**

AGM, Date, time and venue	September 20, 2022 at 11 a.m through Video conferencing or Other Audio Visual Means
Financial Year	April 01 to March 31
Financial Calender (tentative and subject to change)	May 28, 2022 – Audited Financial Results
	August 03, 2022 - First quarter Financial Results
	September 20, 2022 – Annual General Meeting
	November 14, 2022 - Second quarter Financial Results
	February 14, 2023 - Third quarter Financial Results
Dividend Payment date	No dividend declared during the year under review
Listing on Stock exchanges	The equity shares of the company are listed on BSE Ltd
Payment of Annual Listing Fees to Stock Exchange	Listing fees upto March 31, 2023 has been paid to BSE Ltd
Scrip code	The scrip code of the company is 532701. Under demat system, ISIN allotted to the Company is INE266H01014.
Registrar and Share Transfer agents	Bigshare Services Pvt Ltd S6-2, 6th floor Pinnacle Business Park,

	Next to Ahura Centre, Mahakali Caves Road Andheri (East) Mumbai – 400093				
	The shares of the Company are under compulsory demat mode.				
Distribution of Equity Shareholding as on March 31, 2022	<b>Distribution (in Rs.)</b>	<b>No of share holders</b>	<b>% of total shareholders</b>	<b>No of shares</b>	<b>% of share holding</b>
	1-5000	6321	80.93	1124635	5.87
	5001-10000	750	9.60	580063	3.03
	10001- 20000	306	3.92	480428	2.51
	20001-30000	101	1.29	260609	1.36
	30001-40000	68	0.87	242076	1.27
	40001-50000	50	0.64	239993	1.25
	50001-100000	90	1.15	647564	3.38
	100001 & above	125	1.60	15575849	81.33
	<b>Total</b>	<b>7811</b>	<b>100.00</b>	<b>19151217</b>	<b>100.00</b>
Equity Shareholding pattern as on March 31, 2022	<b>Category of Shareholder</b>			<b>No of shares held</b>	<b>% of share holding</b>
	A. Promoters holdings Promoter and Promoter Group			10742852	56.09
	B. Non Promoter's shareholding				
	Individuals			6772813	35.37
	Corporate bodies			1230137	6.42
	NBFCs			0	0.00
	NRIs			28270	0.15
	Clearing Members			5513	0.03
	Directors Relatives			100150	0.52
	Other			271482	1.42
<b>Total</b>			<b>19151217</b>	<b>100.00</b>	

Name, no of shares & % shareholding of entities/persons holding more than 1% shares of the Company as on March 31, 2022	<b>Name of shareholder</b>	<b>No of shares</b>	<b>% of shareholding</b>	<b>category</b>
	S Rajkumar	94,61,205	49.40	Promoter
	Inbot Properties Private Limited	4,94,760	2.58	Corporate body
	Acumen Capital Market (India) Ltd	4,36,136	2.28	Corporate body
	Vignesh R	3,19,561	1.67	Promoter
Rajee Rajkumar	3,10,406	1.62	Promoter	

	Balram Thakurdas Bharwani	2,70,902	1.41	Public
	Visakh Rajkumar*	2,75,457	1.44	Promoter
	*45,562 number of shares bought by him during the period from March 30, 2022 to March 31, 2022 are not reflected in the books of records of RTA due to trade settlement period and hence not included here.			
Dematerialisation of shares and equity	Break up of shares as on March 31, 2022  A. Dematerialised mode NSDL - 14325648 CDSL - 4814511 Total - 19140159  B. Physical mode Total – 11058  <b>Total (A +B) = 19151217</b>			
Outstanding ADRs/GDRs/Warrants or any convertible Instruments, conversion date etc	As on March 31, 2022, the Company do not have any ADRs, GDRs , Warrants or Convertible Instruments.			
Address for correspondence	Cella Space Ltd 57/2993/94, "Sree Kailas", Paliyam Road, Ernakulam, Kerala – 682016 Tel;- 0484 2382182, E mail – <a href="mailto:secretary@sreekailas.com">secretary@sreekailas.com</a> , Website- <a href="http://www.sreekailas.com">www.sreekailas.com</a>			

### **BSE Share Price Data**

Month	BSE Indices		Open (O)	High (H)	Low (L)	Close (C)	Spread	
	High	Low					H-L	C-O
Apr'21	50,375.77	47,204.50	5.42	6.15	4.85	5.98	1.30	0.56
May'21	52,013.22	48,028.07	5.98	6.49	5.32	6.05	1.17	0.07
Jun'21	53,126.73	51,450.58	6.05	7.20	5.75	7.20	1.45	1.15
Jul'21	53,290.81	51,802.73	7.35	8.00	6.30	6.50	1.70	(0.85)
Aug'21	57,625.26	52,804.08	6.80	7.34	5.46	5.70	1.88	(1.1)
Sep'21	60,412.32	57,263.90	5.42	6.22	5.05	5.16	1.17	(0.26)
Oct'21	62,245.43	58,551.14	5.39	6.30	4.93	5.47	1.37	0.08
Nov'21	61,036.56	56,382.93	5.22	5.80	4.90	5.44	0.90	0.22
Dec'21	59,203.37	55,132.68	5.55	6.77	4.96	6.77	1.81	1.22
Jan'22	61,475.15	56,409.63	7.10	7.64	6.46	6.90	1.18	(0.20)
Feb'22	59,618.51	54,383.20	6.57	6.57	4.81	4.81	1.76	(1.76)
Mar'22	58,890.92	52,260.82	4.81	7.15	4.37	7.15	2.78	2.34

## Form AOC-1

Pursuant to first proviso to Section 129(3) read with Rule 5 of the 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.)

Sl. No	Particulars	Jalashaayi Alamparathodu Hydro Power Limited (Subsidiary 1)	Sree Kailas Palchuram Hydro Power Limited (Subsidiary 2)	Sree Adi Sakthi Mukkuttathode Hydro Power Limited (Subsidiary 3)
1	The date since when subsidiary was acquired	Since the date of incorporation , ie, 26/03/2008	Since the date of incorporation , ie, 26/03/2008	Since the date of incorporation , ie, 26/03/2008
2	Reporting period for the subsidiary concerned if different from the holding company's reporting period	Reporting period is same as that of the holding company's reporting period	Reporting period is same as that of the holding company's reporting period	Reporting period is same as that of the holding company's reporting period
3	Reporting currency and exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	Not applicable	Not applicable	Not applicable
4	Share Capital (Paid up)	10,00,000	10,00,000	10,00,000
5	Reserves and Surplus	62,778	(10,60,051)	(5,16,826)
6	Total Assets	11,84,293	10,29,325	5,80,275
7	Total Liabilities	1,21,515	10,89,376	97,101
8	Investments	0	0	0
9	Turnover	0	0	0
10	Profit before taxation	50,318	(83,974)	(2,345)
11	Provision for taxation	0	0	0
12	Profit after taxation	50,318	(83,974)	(2,345)
13	Proposed dividend	0	0	0
14	Extent of shareholding (in %)	47.00	47.00	47.00

None of the subsidiaries have commenced business operations since incorporation. Consent of shareholders of the Company was given to the Board of Directors by way of Postal Ballot on June 16, 2022 for giving consent of the holding company to the Board of Directors of subsidiaries to enable them to submit application to remove their names from the Register Of Companies. The subsidiaries are in the process of submitting their application.

The company does not have joint venture or associate company as on date. Hence Part B of AOC-1 pertaining to information regarding to information regarding associates or joint ventures is not applicable and hence not included.

For and on behalf of Board of Directors

Sd/-

S Rajkumar

Vice Chairman and Managing Director

DIN:- 01790870

Sd/-

Visakh Rajkumar

Whole Time Director

DIN:- 07079475

Sd/-

V N Sridharan

Chief Financial Officer

Sd/-

Jiju George

Company Secretary

**Form No. MR-3**

**Secretarial Audit Report for the financial year ended 31.03.2022**

[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 my 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, 2022, 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) Regulations 2015).

- 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, 2022 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 are 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 :-

The Listed Entity has complied with the provisions of the above Regulations and circulars/guidelines issued thereunder, except mentioned in this report.

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.

- a. 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 except the Company has filed the e- forms MGT 14, CHG – 1, and DIR 12 with additional fees during the year under review.

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

1. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 , the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat



- Equity) Regulations 2021 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 and the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations 2021;
  3. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018
  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 Auditors 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 were carried out unanimously as recorded in the minutes of the meeting of the Board of Directors or Committees of the Board as the case may be.

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

1. Mr. S. Rajkumar (DIN:- 01790870) was reappointed as the Managing Director of the Company for a period of one year with effect from August 13<sup>th</sup> 2021.
2. Mr. Visakh Rajkumar (DIN:- 07079475) was reappointed as Whole Time Director of the Company for a period of two years with effect from October 1, 2021.
3. Mr. N. Subramanian (DIN:- 03602858), was reappointed as Non-Executive Independent Director of the Company for a period of 5 years with effect from February 23, 2022 in the Annual General Meeting held on 27<sup>th</sup> September 2021.
4. Mr. G.Raghavan (DIN:- 01661856), was appointed as Independent Director for a period of 5 years with effect from February 23, 2022 in the Annual General Meeting held on 27<sup>th</sup> September 2021.
5. Mr. Kul Bushan (DIN: .07984364), was appointed as Additional Non Executive Director of the Company with effect from February 14, 2022.
6. Subject to the approval of shareholders of the Company, the Board of Directors, in their meeting held on February 14, 2022, has given their consent to isakh Homes Ltd and Shri Kailash Logistics (Chennai) Limited, related parties, to use the Brand Name "CELLA SPACE" for marketing of warehouses built by them at a consideration of Rs.0.50 per sq.ft of area leased out in the brand name of the Company.
7. Subject to the approval of shareholders of the Company, the Board of Directors of the Company, in their meeting held on February 14, 2022, has given consent to Shri Kailash Solar Power Private Limited, a Related Party, to invest in and install a Solar Power Plant upto a capacity of 1MW(1000 KW) at the warehouse area of the Company at Edayar and consequently to produce and sell power generated to the Company at a consideration of approximately Rs.6.50 per unit of electricity with a compounding escalation of 10% every 2 years upto first 12 years and afterwards escalation will be discussed and fixed on mutually agreed terms
8. The Preference share holders of the Company, in their meeting held on 14<sup>th</sup> February 2022, has given their consent to reclassify the paid up preference share capital comprising of 1,00,00,000 (One Crore) number of 11.25% Non Convertible Redeemable Cumulative Preference Shares ("Preference Shares") of Rs. 10 each as follows:-
  - a. Rate of dividend on 99,51,200 (Ninety Nine Lakhs Fifty One Thousand and Two Hundred) numbers of Preference Shares held by Mr.S Rajkumar was reduced to 6% per annum.
  - b. Rate of dividend on 48,800 (Forty Eight Thousand and Eight Hundred) numbers of Preference Shares held by Mr.Subramoniam Sivathanu Pillai was maintained at 11.25% per annum.

I further report except as given below, no other material events have been occurred during the period after the end of the Financial Year and before the signing of this Report

1. Mr. Raghavan Gopalswami, resigned from the Board of Directors with effect from 25th April 2022.
2. Mr. Kul Bhushan Jain was redesignated as Independent Director of the Company on May 16, 2022 and subsequently approval of shareholders for the same was sought on June 16, 2022 by way of Postal Ballot
3. The Company has taken the approval of shareholders for conversion of unsecured loan of Rs. 1 Cr (Rupees One Crore only) payable to Mr. S Rajkumar into 10,00,000 (Ten Lakh) numbers of Fully Convertible Equity Share Warrants (“Warrants”) of Rs.10/- (Rupees Ten only) each by way of Postal Ballot on June 16, 2022 . These Warrants are convertible into Equity Shares of Rs.10/- (Rupees Ten only) each in 1:1 ratio ie,1 Equity Share for each Warrant, . The Board of Directors, at heir meeting held on 25th June 2022, has approved the allotment of 10,00,000 (Ten Lakh) Warrants to Mr. S Rajkumar. Upon request of Mr.S Rajkumar, the warrant holder, the Board of Directors at the same meeting has approved the allotment of 10,00,000 (Ten Lakh) equity shares of Rs. 10/- each to him by way of conversion of Warrants allotted to him. All approvals from BSE Ltd have been obtained and the shares were credited to the demat account of Mr. S Rajkumar.
4. The Company has approved the Related Party transaction as mentioned 6 & 7 of above paras vide Postal ballot June 16, 2022.
5. The Company has approved the Sale/Transfer/Perpetual Lease of Immovable Property comprising of 384.83 ares of land and warehouse/industrial building bearing building nos.C-100, C-200A, C-200B, C-300 & C-400 , together with other buildings and infrastructures located at Edayar industrial development area, Kadungalloor village, Paravur taluk, Ernakulam dist, Kerala – 683110 vide postal ballot on June 16, 2022. The matter is still in process.
6. The shareholders of the company has given their consent to the following subsidiaries to make application for removal of their names from the Regsiter of Companies
  - a. Sree Kailas Palchuram Hydro Power Limited
  - b. Sree Adi Sakthi Mukkuttathode Hydro Power Limited
  - c. Jalashaayi Alamparathodu Hydro Power Limited.

The matter is still in process

**Place: Chennai**  
**Date: 01/08/2022**

**Sd/-**  
**N Srividhya**  
**Membership No. 34428**  
**C.P.No. 14058**  
**UDIN:-A034428D000724205**  
**Peer Review Certificate:- No:829/2020**  
**Unique Code:P2004TN081200**

## ANNEXURE – A

To,  
The Members  
Cella Space Limited

1. Maintenance of secretarial records 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 I 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. Wherever 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.

**Place: Chennai**  
**Date: 01/08/2022**

**Sd/-**  
**N Srividhya**  
**Membership No. 34428**  
**C.P.No. 14058**  
**UDIN:-A034428D000724205**  
**Peer Review Certificate:- No:829/2020**  
**Unique Code:P2004TN081200**

## Annexure IV

### Form 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.

- 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 :-

Particulars	Details		
Name of related party	Visakh Homes Limited	Shri Kailash Logistics (Chennai) Limited	Shri Kailash Solar Power Private Limited
Nature of relationship	Public Company in which directors and their relatives are interested	Public Company in which directors and their relatives are interested	Private Company in which directors and their relatives are interested
Nature , duration & salient terms of contracts/arrangements/transaction including the value, if any	a) contract expenses for construction of warehouses of the Company by Visakh Homes Ltd  b) payment of commission for marketing of warehouses of the Company  c) contract for utilisation of brand name of the company by related party for marketing of warehouses built by them at a consideration of Rs.0.50 per sq.ft for the area leased out in the brand name of the company. The duration of contract is for a period of 10 years from the date of signing definitive agreements	Contract for utilisation of brand name of the company by related party for marketing of warehouses built by them at a consideration of Rs.0.50 per sq.ft for the area leased out in the brand name of the company. The duration of contract is for a period of 10 years from the date of signing definitive agreements	The Related Party has proposed to enter into a Power Purchase Agreement with the Company to invest in and install a on-grid roof top Solar Power Plant upto a capacity of 1MW(1000 KW) at the warehouse area of the Company at Edayar and consequently to produce and sell power generated to Cella Space Ltd at a consideration of approximately Rs.6.50 per unit of electricity with a compounding escalation of 10% every 2 years upto first 12 years and afterwards escalation will be discussed and fixed on mutually agreed terms.
Date of approval by the Board	a) November 12, 2020  b) November 12, 2020  c) February 14, 2022	February 14, 2022	February 14, 2022
Amount paid as advances if any	a) NIL  b) NIL  c) NIL	NIL	NIL
Date on which special resolution was passed in the general meeting	a) December 28, 2020  b) December 28, 2020  c) June 16, 2022 (Postal ballot Resolution)	June 16, 2022 (Postal ballot Resolution)	June 16, 2022 (Postal ballot Resolution)

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

To,  
The Members  
Cella Space Limited  
Sree Kailas 57/2993 /94 Paliam Road  
Ernakulam Kerala - 682016

We have examined the relevant disclosures received from the Directors of Cella Space Limited bearing CIN L93000KL1991PLC006207 having its registered office at Sree Kailas 57/2993/94 Paliam Road Ernakulam Kerala – 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](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company and its officers, we hereby certify that none of the Directors on the Board of the Company as stated below 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 for the financial year ended on March 31, 2022.

<b>Sr. No</b>	<b>Name of Director</b>	<b>DIN</b>	<b>Date of Original Appointment in Company*</b>
1	Rajee Rajkumar	00363280	02.02.2018
2	Akhilesh Agarwal	00918838	24.06.2017
3	Rajkumar Sivathanu Pillai	01790870	11.07.2011
4	Subramoniam Sivathanu Pillai	01790968	03.08.1995
5	lasaki Kamalam	01791001	03.08.1995
6	Narayanaswamy Subramanian	03602858	23.02.2017
7	Visakh Rajkumar	07079475	13.12.2019
8	Kul Bhushan Jain <sup>§</sup>	07984364	14.02.2022

9	Raghavan Gopaldaswami <sup>#</sup>	01661856	23.02.2017
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*\*Information regarding date of original appointment in Company has been taken from MCA records.*

*<sup>s</sup>Mr. Kul Bhushan Jain was appointed as Additional Non Executive Director on February 14, 2022 and re-designated as Independent Director on May 16, 2022 and approval of shareholders for his appointment was taken by way of Postal ballot on June 16, 2022.*

*<sup>#</sup>Mr. Raghavan Gopaldaswami has resigned from the Board of Directors with effect from April 25, 2022.*

Ensuring the eligibility 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.

**Place: Chennai**  
**Date: 01/08/2022**

**Sd/-**  
**N Srividhya**  
**Membership No. 34428**  
**C.P.No. 14058**  
**UDIN:-A034428D000724183**  
**Peer Review Certificate:- No:829/2020**  
**Unique Code:P2004TN081200**

## CERTIFICATE ON CORPORATE GOVERNANCE UNDER THE LISTING REGULATIONS

To,  
The Members of **Cella Space Limited**

- a. The Certificate issued in accordance with the terms of our engagement letter dated 28<sup>th</sup> May 2022
- b. We have examined the compliance of conditions of Corporate Governance by Cella Space Limited ('the Company'), for the year ended 31st March 2022, as stipulated in the Regulations 17-27, clauses (b) to (i) of Regulation 46(2) and paragraphs C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended, pursuant to the Listing Agreement of the Company with the Stock Exchanges.

### **Management Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control procedures to ensure the compliance with the conditions of Corporate Governance stipulated in the SEBI Listing Regulations.

### **Auditor's Responsibility**

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, except to the extend of observation made in Secretarial Audit Report dated 28<sup>th</sup> May 2022.

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.

**Place: Chennai**  
**Date: 01/08/2022**

**Sd/-**  
**N Srividhya**  
**Membership No. 34428**  
**C.P.No. 14058**  
**UDIN:-A034428D000724194**  
**Peer Review Certificate:- No:829/2020**  
**Unique Code:P2004TN081200**



## **Independent Auditor's Report**

To the Members of M/s. Cella Space Limited, Kochi

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

#### **Opinion**

We have audited the accompanying financial statements of M/s. **Cella Space Limited Kochi** , (CIN :L93000KL1991PLC006207) ("the company") which comprises of:-

- a. The Balance Sheet as at 31<sup>st</sup> March, 2022
- b. The Statement of Profit and Loss (Including other comprehensive income) for the year ended 31<sup>st</sup> March 2022
- c. Statement of Changes in Equity for the year ended 31<sup>st</sup> March 2022
- d. Cash Flow Statement for the year ended 31<sup>st</sup> March 2022, and
- e. A Summary of significant accounting policies and other explanatory information  
(herein 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, 2022; and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended 31<sup>st</sup> March 2022

#### **Basis for Opinion**

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the 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 Results for the year ended March 31, 2022 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 ICAI's 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 our report.

The Key Audit Matters	How our audit addressed the key audit matter
<b>Recoverabilities of receivable and advances</b>	
<p>As at March 31, 2022, the position of assets included –</p> <ul style="list-style-type: none"> <li>• Trade receivables (Note 8A ): Rs.719.25 lakhs</li> <li>• Security Deposits (Note 6B):Rs.48.85 lakhs</li> <li>• Other Non-Current Assets (Note7) Rs.85.02 lakhs</li> <li>• Security Deposits (EMD) (Note 8C) : Rs.27.60 lakhs</li> </ul> <p>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 and sufficiency of provision made thereon.</p>	<p>Our audit procedures included –</p> <ul style="list-style-type: none"> <li>• Detailed analysis of the long outstanding receivables and advances;</li> <li>• Obtaining management analysis on the realisability of such assets;</li> <li>• Obtaining confirmation of balances for major balances outstanding;</li> </ul> <p>Evaluating the adequacy of provision made by the management for doubtful assets included therein.</p>

#### **Information Other than the Financial Statements and Auditor’s Report Thereon**

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 Standalone 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 and the Indian Accounting.

Standards (IndAS) 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.

The Board of Directors are 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, 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.
- 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 the mall 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, 2020 ("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 A.
2. (A) 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 Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of changes in equity and the standalone statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone 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, 2022 from being appointed as a director in terms of sub-section (2) of section 164 of the Companies Act, 2013.
  - f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
  - g) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limits laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

- h) 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:
- (a) The Company has disclosed the impact of pending litigations as at 31<sup>st</sup> March 2022 on its financial position in its financial statements. (Refer Note No. 31 of notes to financial statements)
- (b) The Company has provided for material foreseeable losses, if any related to long term contracts including derivative contracts.
- (c) There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- (d) (i) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the ultimate Beneficiaries;
- (ii) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- (iii) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.

No dividend was declared or paid during the year which required compliance with section 123 of the Companies Act, 2013

Place:- Kochi  
Date:- 28.05.2022

**For KPR & Co**  
**Chartered Accountants**  
**FRN:- 05326S**  
**Sd/-**  
**Deepa Praveen , FCA**  
**Partner (M.No.232410)**  
**UDIN:-22232410AJWMJ78459**

**M/s. Cella Space Limited, Kochi (2021-2022)**

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

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2022, we report the following:

(i)	(a)	(A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipments.  (B) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company does not hold any intangible assets, and hence the clause 3(i)(a)(B) is not applicable.				
	(b)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Property, Plant and Equipment have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.				
	(c)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the company.				
	(d)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets) or intangible assets or both during the year.				
	(e)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.				
(ii)	(a)	The Company does not have any physical inventories at the year end and hence reporting under clause(3)(ii)(a) of the Order is not applicable to the company.				
	(b)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of the security of current assets at any point of time during the year. Accordingly, clause 3(ii)(b) of the Order is not applicable to the Company.				
(iii)	(a)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties, except for interest charged on advances given to subsidiary companies amounting to Rs. 0.08 lakhs, the details of which are as under				
		<table border="1"> <tr> <td>A)</td> <td>Loans and Advances given to subsidiaries / joint ventures / associates</td> <td></td> </tr> <tr> <td>(i)</td> <td>Aggregate amount of interest charged during the year</td> <td>Rs. 0.08 lakhs Rs. 1.90 lakhs</td> </tr> </table>	A)	Loans and Advances given to subsidiaries / joint ventures / associates		(i)
A)	Loans and Advances given to subsidiaries / joint ventures / associates					
(i)	Aggregate amount of interest charged during the year	Rs. 0.08 lakhs Rs. 1.90 lakhs				

			(ii) Balance outstanding as at the balance sheet date		
		B)	Loans and Advances given to parties other than subsidiaries / joint ventures / associates	Nil	
	(b)	According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the terms and conditions of the grant of loans and advances to the subsidiaries during the year are, prima facie, are not prejudicial to the interests of the Company.			
	(c)	According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the loans and advances given to subsidiary are 'repayable on demand' and hence no specific repayment schedule has been stipulated. Accordingly, the repayment of the outstanding loans and advances have not been commenced.			
	(d)	According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, there are no overdue amounts in respect of the loans and advances given to the subsidiary.			
	(e)	According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, no amount of loan or advances have fallen due in the current year and hence the clause 3(iii)(e) is not applicable to the company.			
	(f)	According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, no loans and advances have been granted which is repayable on demand or without specifying any terms of repayment, except for the loans and advances given to the subsidiary companies amounting to Rs. 1.90 lakhs, the details of which are as under –			
		(a)	Aggregate amount of loans and advances granted as above	Rs.1.90 lakhs	
		(b)	% of the above loans to the total loans granted by the company	100%	
		(c)	Aggregate amount of loans granted to promoters or related party	Rs.1.90 lakhs	
	(iv)	According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the company has complied with the provisions of 185 and 186 of the act in respect of loans, investments, guarantees, and security granted or made by it.			
	(v)	The company has not accepted any deposits during the year and does not have any unclaimed deposits as at 31st March 2022 and therefore, the provisions of clause 3(v) of the Order is not applicable to the Company.			
	(vi)	According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act for the services provided by it. Accordingly, clause 3(vi) of the Order is not applicable.			
	(vii)	(a)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the company is regular in depositing undisputed statutory dues including GST, 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 have been regularly deposited by the Company with the appropriate authorities and there are no undisputed amounts in respect of the above remaining unpaid for a period of more than six months from the date they became payable except for amount payable under Employees' Provident Fund amounting to Rs. 32,730/-.		

	(b)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion, the company has not deposited the following statutory dues on account of dispute, the details of which are as under: –																														
		<table border="1"> <thead> <tr> <th>Sl. No.</th> <th>Name of the statute</th> <th>Nature of Dues</th> <th>Amount (Rs. in lakhs)</th> <th>Period to which the dispute relates</th> <th>Forum where the Dispute is pending.</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>Income Tax Act, 1961</td> <td>Income Tax</td> <td>22.18</td> <td>AY 2014-15</td> <td>CIT(Appeals), Kochi</td> </tr> <tr> <td>2</td> <td>Central Excise Act, 1944</td> <td>Excise Duty</td> <td>350.79</td> <td>AY 2010-11</td> <td>Excise Tribunal, Bangalore</td> </tr> <tr> <td>3</td> <td>Customs Act, 1962</td> <td>Customs Duty</td> <td>58.79</td> <td>AY 2010-11</td> <td>Directorate General of Foreign Trade</td> </tr> <tr> <td>4</td> <td>The Employees' Provident Funds and Miscellaneous Provisions Act, 1952</td> <td>Employees Provident fund</td> <td>34.17</td> <td>2011 -2013</td> <td>The Central Government Industrial Tribunal cum Labour Court, Ernakulam</td> </tr> </tbody> </table>	Sl. No.	Name of the statute	Nature of Dues	Amount (Rs. in lakhs)	Period to which the dispute relates	Forum where the Dispute is pending.	1	Income Tax Act, 1961	Income Tax	22.18	AY 2014-15	CIT(Appeals), Kochi	2	Central Excise Act, 1944	Excise Duty	350.79	AY 2010-11	Excise Tribunal, Bangalore	3	Customs Act, 1962	Customs Duty	58.79	AY 2010-11	Directorate General of Foreign Trade	4	The Employees' Provident Funds and Miscellaneous Provisions Act, 1952	Employees Provident fund	34.17	2011 -2013	The Central Government Industrial Tribunal cum Labour Court, Ernakulam
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(viii)		According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year.																														
(ix)	(a)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in the repayment of loans or borrowings or in the payment of interest thereon to any lender.																														
	(b)	According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a wilful defaulter by any bank or financial institution or government or government authority.																														
	(c)	In our opinion and according to the information and explanations given to us by the management, term loans were applied for the purpose for which the loans were obtained.																														
	(d)	According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, no funds raised on short-term basis have been used for long-term purposes by the Company.																														
	(e)	According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.																														
	(f)	According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries, associates or joint ventures.																														
(x)	(a)	The Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Accordingly, clause 3(x)(a) of the Order is not applicable.																														
	(b)	According to the information and explanations given to us and on the basis of our																														



		examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, clause 3(x)(b) of the Order is not applicable.
(xi)	(a)	Based on examination of the books and records of the Company and according to the information and explanations given to us, considering the principles of materiality outlined in the Standards on Auditing, we report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
	(b)	No report under sub-section (12) of Section 143 of the Act has been filed during the year by the auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government
	(c)	According to the information and explanations given to us, the Company has not received any whistle blower complaints during the year.
(xii)	(a)	According to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, clause 3(xii) of the Order is not applicable.
(xiii)		In our opinion and according to the information and explanations given to us, the transactions entered with the related parties are in compliance with Section 177 and 188 of the Act, and the details of the related party transactions have been disclosed in the standalone financial statements.
(xiv)	(a)	Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
	(b)	We have considered the internal audit reports of the company issued till date for the period under audit.
(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 its directors or persons connected to its directors and hence, provisions of Section 192 of the Act are not applicable to the Company.
(xvi)		The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, clauses 3(xvi) of the Order are not applicable.
(xvii)		The Company has not incurred cash losses in the current and in the immediately preceding financial year.
(xviii)		There has been no resignation of the statutory auditors during the year. Accordingly, clause 3(xviii) of the Order is not applicable.
(xix)		In our opinion and according to the information and explanations given to us, and based on the analysis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, and our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of the audit report that company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date.
(xx)		The provisions of Corporate Social Responsibility (CSR) expenditure as provided in section 135(5) of Companies Act 2013 is not applicable to the company and hence the clause 3(xx) is not applicable.

**For KPR & Co**  
**Chartered Accountants**  
**FRN:- 05326S**  
**Sd/-**  
**Deepa Praveen , FCA**  
**Partner (M.No.232410)**  
**UDIN:-22232410AJWMJ78459**

**Place:- Kochi**  
**Date:- 28.05.2022**

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON the FINANCIAL STATEMENTS OF M/S. CELLA SPACE LIMITED, KOCHI**

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, 2022 in conjunction with our audit of the standalone financial statements of the company as at and 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 ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of 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 fairly 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.

### **Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over 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**

In our opinion and to the best of our information and according to the explanations given to us knowledge, 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, 2022, based on the criteria for 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.

**Place:- Kochi**  
**Date:- 28.05.2022**

**For KPR & Co**  
**Chartered Accountants**  
**FRN:- 05326S**  
**Sd/-**  
**Deepa Praveen, FCA**  
**Partner (M.No.232410)**  
**UDIN:-22232410AJWMJ78459**

**CELLA SPACE LIMITED**  
**(Formerly Sree Sakthi Paper Mills Limited)**  
**CIN : L93000KL1991PLC006207**  
SREE KAILAS 57/2993 /94  
PALIAM ROAD ERNAKULAM KL 682016  
**Balance Sheet as at March 31, 2022**

Particulars	Note No	(Figs in ₹ in Lakh)	
		As at March 31, 2022	As at March 31, 2021
<b>I. Assets</b>			
<b>1 Non-current assets</b>			
Property, plant & equipment	4A	3,933.32	2,666.85
Capital work-in progress	4B	33.29	173.19
Investment property	4C	8.53	8.53
Intangible assets	5	-	-
Financial assets			
Investments	6A	15.10	15.10
Deposits	6B	166.43	25.00
Deferred tax assets (net)			
Other non-current assets	7	1.90	1.69
<b>2 Current Assets</b>			
Inventories		-	-
Financial assets			
Trade receivables	8A	36.78	32.95
Cash and cash equivalents	8B	124.13	1.52
Loans	8C	-	-
Tax Assets (Net)			
Other current assets	9	106.40	41.20
<b>TOTAL</b>		<b>4,425.88</b>	<b>2,966.03</b>
<b>II. Equity &amp; Liabilities</b>			
<b>1 Equity</b>			
Equity share capital	10	1,915.12	1,915.12
Other equity	11	(4,234.16)	(4,337.18)
<b>2 Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial liabilities			
Lease Liabilities			
Non Current Borrowings	14A	5,261.52	3,879.43
Provisions	15	20.24	17.10
Deferred tax liabilities (Net)	16	-	-
Other non-current liabilities	17	447.70	265.34
<b>3 Current Liabilities</b>			
Financial liabilities			
Lease Liabilities			
Current Borrowings	14B	670.81	1,056.58
Trade payables	18	255.29	50.37
Other current financial liabilities	19	-	1.19
Other current liabilities	20	89.36	98.08
Provisions	15	-	20.00
<b>TOTAL</b>		<b>4,425.88</b>	<b>2,966.03</b>

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)  
UDIN : 22232410AJWJMJF8459

Cochin - 11  
28-05-2022

For and on behalf of the Board,

Sd/-  
S Rajkumar  
Vice Chairman &  
Managing Director

Sd/-  
V N Sridharan  
Chief Financial Officer

Chennai-17  
28-05-2022

Sd/-  
Visakh Rajkumar  
Executive Director

Sd/-  
Jiju George  
Company Secretary

**CELLA SPACE LIMITED**  
**(Formerly Sree Sakthi Paper Mills Limited)**  
**CIN : L93000KL1991PLC006207**  
SREE KAILAS 57/2993 /94  
PALIAM ROAD ERNAKULAM KL 682016

**Statement of profit and loss for the period ended March 31, 2022**

(Figs in ₹ in Lakh)

Particulars	Note	For the year ended	For the year ended
		March 31, 2022	March 31, 2021
<b>I Revenue from operations</b>	<b>21</b>	533.91	327.78
<b>II Other income</b>	<b>22</b>	20.28	65.84
<b>III Total Income (I + II)</b>		<b>554.19</b>	<b>393.62</b>
<b>IV Expenses</b>			
- Purchases		30.50	20.04
- Direct Expenses		15.00	-
- Employee Benefit Expenses	<b>23</b>	50.65	53.38
- Finance costs	<b>24</b>	162.88	140.75
- Depreciation and amortisation expenses	<b>25</b>	118.29	82.10
- Other Expenses	<b>26</b>	73.46	59.28
<b>Total expenses (IV)</b>		<b>450.78</b>	<b>355.55</b>
<b>V Profit/(Loss) before, exceptional items and tax (III - IV)</b>		<b>103.41</b>	<b>38.07</b>
<b>VI Exceptional items- Expenses/(Income)</b>	<b>27</b>	-	-
<b>VII Profit/(Loss) before tax (V - VI)</b>		<b>103.41</b>	<b>38.07</b>
<b>VIII Tax expense</b>			
- Current income tax	<b>28</b>	-	-
- Deffered Tax	<b>28</b>	-	-
		-	-
<b>IX Profit / (Loss) for the period from continuing operations. (VII+VIII)</b>		<b>103.41</b>	<b>38.07</b>
<b>X Other comprehensive income</b>			
- Items that will not be reclassified to Profit or Loss	<b>29</b>	(0.44)	(5.52)
- Income tax relating to items that will not be reclassified to Profit or Loss	<b>29</b>	-	-
		-	-
<b>XI Total comprehensive income for the period (IX + X)</b>		<b>102.97</b>	<b>32.55</b>
<b>XII Earnings per Equity shares (of continuing operations) of Rs. 10/- each</b>			
- Basic	<b>13</b>	0.54	0.20
- Diluted	<b>13</b>	0.54	0.20

Summary of significant accounting policies -

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)  
UDIN : 22232410AJWMJF8459

Cochin - 11  
28-05-2022

For and on behalf of the Board,

Sd/-  
S Rajkumar  
Vice Chairman &  
Managing Director

Sd/-  
V N Sridharan  
Chief Financial Officer

Sd/-  
Visakh Rajkumar  
Executive Director

Sd/-  
Jiju George  
Company Secretary

Chennai-17  
28-05-2022

**CELLA SPACE LIMITED**  
(Formerly Sree Sakthi Paper Mills Limited)  
CIN : L93000KL1991PLC006207

SREE KAILAS 57/2993 /94  
PALIAM ROAD ERNAKULAM KL 682016

Statement of Cash Flow for the period ended March 31, 2022

(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, 2022	For period ended March 31, 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Total Comprehensive Income</b>	<b>102.97</b>	<b>32.55</b>
<b>Adjustments for :</b>		
Provision for Gratuity	3.15	1.92
Provision for Projects written back	-	-3.25
Depreciation, amortisation and impairment	118.29	82.10
Interest Income	-4.61	-0.75
Finance Cost	162.88	140.75
<b>Operating Profit before working capital changes</b>	<b>382.68</b>	<b>253.32</b>
Decrease(Increase) in Trade receivable	-3.83	-17.84
Decrease(Increase) in Deposits	-141.41	-4.43
Decrease(Increase) in other non current assets	-0.22	-0.24
Decrease(Increase) in other current assets	-14.32	17.00
Increase(Decrease) in Trade payable	204.92	-152.90
Increase(Decrease) in Provisions	-20.00	28.78
Increase(Decrease) in Current Liabilities	-9.90	-47.14
Increase(Decrease) in Other Non Current Liabilities	182.37	100.61
<b>Cash from Operations</b>	<b>580.29</b>	<b>177.16</b>
Income Tax paid	-50.88	-24.87
<b>Cash from Operating before exceptional Items</b>	<b>529.41</b>	<b>152.29</b>
Exceptional Items	-	-
<b>Cash from Operating Activities</b>	<b>529.41</b>	<b>152.29</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-1,384.74	-1,832.65
Capital work in progress	139.90	728.35
Interest Income	4.61	0.75
<b>Net Cash from Investing Activities</b>	<b>-1,240.23</b>	<b>-1,103.55</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>Net Proceeds from</b>		
- Issue of shares	-	600.00
- Borrowings	996.31	1,024.02
Redemption of Shares	-	-600.00
Interest paid	-162.88	-140.75
<b>Net Cash from Financing Activities</b>	<b>833.43</b>	<b>883.27</b>
<b>D TOTAL INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR (A+B+C)</b>	<b>122.61</b>	<b>-67.99</b>
Cash and cash equivalents at the beginning of the year	1.52	69.51
<b>Cash and cash equivalents at the end of the year</b>	<b>124.13</b>	<b>1.52</b>
<b>Components of cash and cash equivalents</b>		
<b>Balance with Banks</b>		
In Current Accounts	18.40	0.63
In Deposit Accounts	105.17	0.79
Cash in Hand	0.56	0.10
<b>Total cash and cash equivalents</b>	<b>124.13</b>	<b>1.52</b>

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

Sd/-  
Deepa Praveen, FCA  
UDIN : 22232410AJWJMJF8459

Cochin - 11  
28-05-2022

For and on behalf of the Board,

Sd/-  
S Rajkumar  
Vice Chairman &  
Managing Director

Sd/-  
Visakh Rajkumar  
Executive Director

Sd/-  
V N Sridharan  
Chief Financial Officer

Sd/-  
Jiju George  
Company Secretary

Chennai-17  
28-05-2022

**CELLA SPACE LIMITED**  
**(Formerly SREE SAKTHI PAPER MILLS LIMITED)**  
**CIN: L93000KL1991PLC006207**

**Annexure to Notes on Standalone Financial Statements for the Year ended March 31, 2022**

**1 – Reporting Entity**

**M/s. Cella Space Limited** (formerly known as SreeSakthi 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 from 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 Edayarwith 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.

To commence the logistics operations, the company modified and converted the existing factory building at Edayar into a commercial warehouse. A portion of the warehouse 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 27<sup>th</sup> May 2019 onwards.

In the current year, the company continued with the construction of other logistics warehouses and has started to generate revenue. 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 2022 is included in the concerned notes.

### **f) 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.

#### **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 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:**

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

### **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 undiscounted 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 its 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 its 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.



CELLA SPACE LIMITED  
(Formerly Sree Sakthi Paper Mills Limited)  
CIN : L93000KL1991PLC006207

Notes forming part of the Financial Statements

(Figs in ₹ in Lakh)

Note 4A: Plant, Property & Equipments	Property, Plant & Equipment						
	Land	Building	Furniture & fixtures	Plant & machinery	Vehicle	Office equipments	Total
<b>Year ended 31 March, 2021</b>							
<b>Gross Carrying Amount</b>							
Opening Gross carrying amount	197.49	1,086.16	18.20	51.20	11.95	8.87	1,373.87
Exchange differences	-	-	-	-	-	-	-
Additions	-	1,685.23	-	82.92	-	6.01	1,774.16
Additions*	-	58.49	-	-	-	-	58.49
Disposals	-	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	<b>197.49</b>	<b>2,829.88</b>	<b>18.20</b>	<b>134.12</b>	<b>11.95</b>	<b>14.88</b>	<b>3,206.52</b>
<b>Accumulated Depreciation and Impairment</b>							
Opening accumulated depreciation	-	383.20	11.86	48.20	7.61	6.71	457.58
Depreciation charged during the year	-	71.70	1.80	3.56	0.55	0.22	77.82
Impairment Loss	-	4.27	-	-	-	-	4.27
Exchange differences	-	-	-	-	-	-	-
Reversal of depreciation reserve(including impairment on assets disposed)	-	-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>459.17</b>	<b>13.66</b>	<b>51.74</b>	<b>8.16</b>	<b>6.93</b>	<b>539.67</b>
<b>Net Carrying Amount</b>	<b>197.49</b>	<b>2,370.71</b>	<b>4.54</b>	<b>82.37</b>	<b>3.79</b>	<b>7.95</b>	<b>2,666.85</b>
<b>Year ended 31 March, 2022</b>							
<b>Gross Carrying Amount</b>							
Opening Gross carrying amount	197.49	2,829.88	18.20	134.12	11.95	14.88	3,206.53
Exchange differences	-	-	-	-	-	-	-
Additions	-	1,275.11	1.46	66.39	-	2.59	1,345.54
Additions **	-	39.21	-	-	-	-	39.21
Disposals	-	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	<b>197.49</b>	<b>4,144.20</b>	<b>19.66</b>	<b>200.51</b>	<b>11.95</b>	<b>17.47</b>	<b>4,591.28</b>
<b>Accumulated Depreciation and Impairment</b>							
Opening accumulated depreciation	-	459.17	13.66	51.74	8.16	6.95	539.68
Depreciation charge during the year	-	96.11	0.92	7.74	0.49	0.92	106.18
Amortisation charge during the year **	-	12.10	-	-	-	-	12.10
Impairment Loss	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-
Reversal of depreciation reserve(including impairment on assets disposed)	-	-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>567.38</b>	<b>14.58</b>	<b>59.48</b>	<b>8.65</b>	<b>7.87</b>	<b>657.96</b>
<b>Net Carrying Amount</b>	<b>197.49</b>	<b>3,576.82</b>	<b>5.08</b>	<b>141.03</b>	<b>3.30</b>	<b>9.60</b>	<b>3,933.32</b>

\*\* Additions to fixed assets includes commission that are directly attributable to negotiating and arranging lease. These costs are added to the asset and are amortised over the lease term in compliance with Ind AS 116.

Note 4B: Capital Work In Progress

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Opening carrying amount	173.20	901.55
Expenditure recognised in the carrying amount	1,199.04	1,026.07
Expenditure capitalised and recognised under Fixed assets	(1,338.95)	(1,754.42)
<b>Closing carrying amount</b>	<b>33.29</b>	<b>173.20</b>

- (i) Borrowing cost capitalised during the year - ₹0.28 lakhs (Previous Year : ₹ 129.36 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.

CWIP	Amount in CWIP for a period of					Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years		
Projects in progress	33.29					33.29
Projects temporarily suspended						

**Note 4C: Investment Property**

<b>Particulars</b>	<b>As at</b>	
	<b>March 31, 2022</b>	<b>March 31, 2021</b>
Gross Carrying amount		
Opening Gross Carrying amount	8.53	8.53
Additions	-	-
Closing Gross Carrying amount	(A) 8.53	8.53
Accumulated Depreciation		
Opening Accumulated Depreciation	-	-
Depreciation charged	-	-
Closing Accumulated Depreciation	(B) -	-
<b>Net Carrying Amount</b>	<b>(A - B) 8.53</b>	<b>8.53</b>
Rental income from investment properties	-	-
Direct operating expenses(includeing repairs & maintenance) generating rental income	-	-
Income from investment properties before depreciation	-	-
Depreciation	-	-
<b>Income arising from investment properties (Net)</b>	<b>-</b>	<b>-</b>

The company has not estimated the fair value of the investment properties as at the year end; and hence the value of the investment properties has been disclosed at book value.

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

There are no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance or enhancements.

**CELLA SPACE LIMITED**  
(Formerly Sree Sakthi Paper Mills Limited)  
CIN : L93000KL1991PLC006207  
SREE KAILAS 57/2993 /94  
PALIAM ROAD ERNAKULAM KL 682016  
Notes forming part of the Financial Statements

**NOTE 5 - Intangible Assets**

Particulars	(₹ in Lakh)	
	Computer Software	Total
<b>Year ended 31 March 2021</b>		
<b>Gross Carrying Amount</b>		
Opening Gross Carrying amount	0.16	0.16
Additions	-	-
<b>Closing Gross Carrying Amount</b>	<b>0.16</b>	<b>0.16</b>
<b>Accumulated Depreciation</b>		
Opening Accumulated Depreciation	-	-
Amortisation charge during the year	0.16	0.16
Impairment Charge	-	-
<b>Closing Accumulated Depreciation</b>	<b>0.16</b>	<b>0.16</b>
<b>Net Carrying Amount</b>	<b>-</b>	<b>-</b>
<b>Year ended 31 March 2022</b>		
<b>Gross Carrying Amount</b>		
Opening Gross Carrying amount	0.16	0.16
Additions	-	-
<b>Closing Gross Carrying Amount</b>	<b>0.16</b>	<b>0.16</b>
<b>Accumulated Depreciation</b>		
Opening Accumulated Depreciation	0.16	-
Amortisation charge during the year	-	-
Impairment Charge	-	0.16
<b>Closing Accumulated Depreciation</b>	<b>0.16</b>	<b>0.16</b>
<b>Net Carrying Amount</b>	<b>-</b>	<b>-</b>

**NOTE 6 : Non Current Financial Assets**

**NOTE 6A - Investment**

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Investment carried at fair value through other comprehensive income		
Quoted		
- Equity Instruments	-	-
Unquoted		
- Equity Instruments	1.00	1.00
	<b>1.00</b>	<b>1.00</b>
Investment carried at amortized cost		
- Investments in Subsidiaries	14.10	14.10
	<b>14.10</b>	<b>14.10</b>
Total investment	<b>15.10</b>	<b>15.10</b>

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

**\* Details of investment**

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Quoted Non-Trade Investments:</b>	-	-
	<b>-</b>	<b>-</b>
<b>Unquoted Non-Trade Investments:</b>		
Investment in Equity Instruments		
<b>Investments in Subsidiaries</b>		
- 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
<b>Investment In Others</b>		
- Kerala Enviro Infrastructure Ltd (10,000 Equity Shares Of Rs 10 Each Fully Paid Up)	1.00	1.00
	<b>15.10</b>	<b>15.10</b>

**NOTE 6B -Deposits**

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Unsecured considered good</b>		
- Security Deposits	24.86	25.00
<b>Unsecured Considered Doubtful</b>		
- Security Deposits	23.99	23.99

- Provision for doubtful deposits	(23.99)	(23.99)
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Fixed Deposits held with bank with maturity of more than 12 months

141.57	
<b>166.43</b>	<b>25.00</b>

**NOTE 7 : Other Non Current Assets**

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Unsecured, considered good</b>		
- Advance to related parties	1.90	1.69
- Capital Advances	-	-
<b>Unsecured, considered doubtful</b>		
- Capital Advances	83.12	83.12
Less: Provision for doubtful advances	(83.12)	(83.12)
	<b>1.90</b>	<b>1.69</b>

**\* Details of Advance to related parties**

Particulars	As at March 31, 2022	As at March 31, 2021
Jalashaayi Alamparathode Hydro Power Ltd.	0.31	0.23
Sree Kailas Palchuram Hydro Power Ltd	1.22	1.12
Sree Adisakthi Mukkuttathode Hydro Power Ltd	0.37	0.34
	<b>1.90</b>	<b>1.69</b>

**NOTE 8: Current Financial Assets**

**NOTE 8A : Trade Receivables**

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
- More than six months from the date they became due	-	-
<b>Unsecured</b>		
- Considered Good		
(i) Exceeding Six Months From they become Due	-	-
(ii) Others	36.78	32.95
- Considered Doubtful	682.47	682.47
Provision for doubtful debts	(682.47)	(682.47)
	<b>36.78</b>	<b>32.95</b>

**Trade Receivables ageing schedule**

(Rs. In Lakhs)

Particulars	Outstanding for following periods from due date of					Total
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables – considered good	36.78			0.00		36.78

**A. Receivables from related parties**

Particulars	As at March 31, 2022	As at March 31, 2021
Directors	-	-
Officers	-	-
Firms in which any director is a partner	26.55	11.78
Private Companies in which any Director is a director or member	-	-
	<b>26.55</b>	<b>11.78</b>

**NOTE 8B : Cash and cash equivalents**

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Balance with Banks</b>		
- In Current Accounts	18.40	0.63
- In Deposit Accounts	105.17	0.79
<b>Cash in Hand</b>	0.56	0.10
	<b>124.13</b>	<b>1.52</b>

**NOTE 8C : Loans**

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Security deposit</b>		
- Unsecured	27.60	27.60
Less: Provision for doubtful deposits	(27.60)	(27.60)
	<b>-</b>	<b>-</b>

## NOTE 9 : Other Current Assets

(₹ in Lakh)

Particulars	As at	
	March 31, 2022	March 31, 2021
Income Tax Prepaid	50.89	24.87
Balance with Revenue authorities	35.19	10.62
Earmarked deposits	-	1.19
Other receivables	14.12	4.52
Advances	6.20	-
	<b>106.40</b>	<b>41.20</b>

## NOTE 10 :Equity share capital

## A. Authorised Share Capital

(₹ and Nos in Lakhs)

Particulars	Equity shares		Preference shares	
	Shares	Amount	Shares	Amount
As at April 2021	380.00	3,800.00	120.00	1,200.00
- Increase during the year	-	-	-	-
As at 31 March 2022	380.00	3,800.00	120.00	1,200.00
- Increase during the year	-	-	-	-

## B. Issued, Subscribed &amp; fully paid up

Particulars	As at March 31, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
year	191.51	1,915.12	191.51	1,915.12
Issued during the year	-	-	-	-
Balance at the end of the	191.51	1,915.12	191.51	1,915.12

## Rights, Preferences and Restrictions attached to equity Shares

- 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.
- 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.
- 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
- No shares have been forfeited till date.
- Out of the total share capital issued and called up, no calls are outstanding as unpaid.
- 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 bought back any shares.
- The following shareholders hold more than 5% of the equity shares:

(Nos in Lakh)

Name	As at 31-03-2022		As at 31-03-2021	
	No of Shares	% of holding	No of Shares	% of holding
S.Rajkumar	94.61	49.40%	94.61	49.40%

Equity Shares held by promoters at the end of the year				
S. No	Promoter name	No. of Shares**	%of total shares	% Change during the year
1	A GANESH	1,22,195	0.64	0.04
2	S RAJKUMAR .	94,61,205	49.40	0
3	RAJEE RAJKUMAR	3,10,406	1.62	0
4	E KAMALAM	1,74,533	0.91	0
5	SUBRAMONIAM SIVATHANU PILLAI	66,757	0.35	0
6	VIGNESH R	3,19,561	1.67	0.23
7	VISAKH RAJKUMAR**	3,21,019	1.68	0.96
8	N SUBRAMANIAN	12,738	0.07	0
	<b>TOTAL</b>	<b>1,07,88,414</b>	<b>56.34</b>	

\*\*The above shareholding includes 45,562 equity shares acquired by Mr. Visakh Rajkumar on 30.03.2022 and 31.03.2022 which got settled and credited to the holding account only after 31.03.2022

## NOTE 11 :Other equity

(₹ in Lakh)

Particulars	As at	
	March 31, 2022	March 31, 2021
Capital Reserve	36.68	36.68
General Reserve	533.00	533.00
Retained earnings	(6,489.20)	(6,586.64)
Securities premium	1,694.39	1,694.39
Other comprehensive income		
- Actuarial gain/(loss) on defined benefit obligation	(7.18)	(12.76)
- Equity instrument through other comprehensive income	(1.85)	(1.85)
	<b>(4,234.16)</b>	<b>(4,337.18)</b>

## 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 2021	(6.74)
Remeasurements	(0.44)	(5.52)
Remeasurements utilized during the year	-	-
As at 31st march 2022	<b>(7.18)</b>	<b>(12.76)</b>

**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) <span style="float: right;">(₹ in Lakh)</span>		
Particulars	For period ended 31-Mar-22	For period ended 31-Mar-21
<b>Basic Earnings per Share (EPS)</b>		
Profit (loss) for the year, attributable to the equity holders	103.42	38.07
Weighted average number of equity shares outstanding at the end of the year	191.51	191.51
Basic Earnings per Share (EPS)	0.54	0.20
<b>Diluted Earnings Per Share (EPS)</b>		
Profit / (loss) for the year, attributable to the equity holders, adjusted for the effect of potential equity shares	103.42	38.07
Weighted average number of equity shares outstanding at the end of the year, including the potential equity shares	191.51	191.51
Diluted Earnings Per Share (EPS)	0.54	0.20

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

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Non-current Borrowings</b>		
Long term borrowings from banks*	4,214.55	2,727.16
6.00% Preference shares Redeemable **	1,041.20	1,152.27
11.25% Preference shares Redeemable **	5.77	-
	<b>5,261.52</b>	<b>3,879.43</b>

\*Current maturities of long term borrowings are disclosed under "Current borrowings"

**\* Notes to Long Term Borrowings**

Term Loan , with balance of Rs. 44.79 Crores (Previous Year 27.27 Crores) on balance sheet date has a carrying interest @ 7.00 % p.a. The Loan is repayable in 157 equal monthly instalments. The Loan is primarily secured by Lease rent receivables and Collaterally secured by Land and Industrial Buildings of the company

**\*\* Notes to Preference shares**

- The Company has two classes of Preference Shares (non-convertible cumulative redeemable ) having a face value of Rs.10/- per share.
- Preference shares carries dividend rates of 6.00 % and 11.25%
- The company shall redeem the non-convertible redeemable cumulative preference shares at par upon completion of a period of 10 years from the date on which they are issued. The tenure shall exceed
- Details of shares held by each shareholder holding more than 5% of preference shares:

(Nos in Lakhs)

Name	As at 31-03-2022		As at 31-03-2021	
	No of Shares	% of holding	No of Shares	% of holding
S.Rajkumar	99.51	99.51%	99.51	99.51%
	-	-	-	-

Preference Shares held by promoters at the end of the year				
S.No	Promoter name	No. of Shares**	%of total shares	% Change during the year
1	S. Rajkumar	99,51,200	99.51	-
2	Subramoniam Sivathanu Pillai	48,800	0.49	-
Total		1,00,00,000	100.00	

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

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Secured Loans from Banks</b>		
Current Maturity of Long Term Debt	264.72	208.73
<b>Sub-Total</b>	<b>264.72</b>	<b>208.73</b>
<b>Unsecured Loans</b>		
Intercorporate Loan	-	-
Loan from Related Parties		
- From Directors	354.70	743.29
- From Companies in which directors are interested	51.39	104.56
<b>Sub-Total</b>	<b>406.09</b>	<b>847.85</b>
<b>Total</b>	<b>670.81</b>	<b>1,056.58</b>

\* Current Borrowings - Unsecured

(₹ in Lakh)

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Related parties</b>		
- Loan from Directors	354.70	743.29
- Loan from Group Companies	51.39	104.56
	<b>406.09</b>	<b>847.85</b>

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	As at
	March 31, 2022	March 31, 2021
<b>Non-Current Provisions</b>		
<b>Provision for Employee benefits</b>		
- Gratuity	20.24	17.10
	<b>20.24</b>	<b>17.10</b>
<b>Current Provisions</b>		
Provision for Expenses	-	20.00
	<b>-</b>	<b>20.00</b>

The company has estimated the liability for Gratuity based on the report obtained from an independent consulting actuary as at 31.03.2022

Reconciliation of the net defined benefit liability

Particulars	Type of Plan	
	Gratuity	Leave plan
<b>As at 1 April 2021</b>	<b>9.65</b>	
Expected return on plan assets	-	-
Interest Cost	0.54	-
Current service cost	1.39	-
Actuarial loss/(gain) on obligation	5.52	-
Employer contribution to plan assets	-	-
Net effect of benefit payments	-	-
<b>As at 31 March 2022</b>	<b>17.10</b>	<b>-</b>
Expected return on plan assets	-	-
Interest Cost	0.87	-
Current service cost	1.83	-
Actuarial loss/(gain) on obligation	0.44	-
Employer contribution to plan assets	-	-
Net effect of benefit payments	-	-
<b>As at 31 March 2022</b>	<b>20.24</b>	<b>-</b>

Expense recognised in profit or loss

Particulars	TYPE OF PLAN	
	Gratuity	Leave plan
<b>For the period ended 31 March 2021</b>		
Expected return on plan assets	-	-
Interest Cost	0.54	-
Current service cost	1.39	-
Actuarial loss/(gain) on obligation, recognised in OCI at the end of the year	5.52	-
Claims received w.r.t previous years	-	-
<b>Total amount recognised in profit or loss</b>	<b>7.45</b>	<b>-</b>
<b>For the period ended 31 March 2022</b>		
Expected return on plan assets	-	-
Interest Cost	0.87	-
Current service cost	1.83	-
Actuarial loss/(gain) on obligation	0.44	-
Employer contribution to plan assets recognised in P/L	-	-
<b>Total amount recognised in profit or loss</b>	<b>3.15</b>	<b>-</b>

Remeasurements recognised in other comprehensive income

Particulars	TYPE OF PLAN			
	Gratuity		Leave plan	
	31-03-2022	31-03-2021	31-03-2022	31-03-2021
Actuarial loss/(gain) on obligation	0.44	5.52	-	-
Balance as at the end of the year	<b>0.44</b>	<b>5.52</b>	<b>-</b>	<b>-</b>

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

Particulars	31-03-2022	31-03-2021
Mortality table	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2012-14)
Discount Rate	5.10%	5.10%
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, 2022
a) Defined Benefit Obligation - Discount rate + 100 basis points		(7,047.00)
b) Defined Benefit Obligation - Discount rate - 100 basis points		8,004.00
c) Defined Benefit Obligation - Salary Escalation Rate + 100 basis points		7,932.00
d) Defined Benefit Obligation - Salary Escalation Rate - 100 basis points		(7,117.00)

**NOTE 16 :Deferred tax liabilities**

(₹ in Lakh)

Particulars	As at March 31, 2022	As at March 31, 2021
<b>Deferred Tax Liabilities</b>		
- Property, Plant & Equipment		-
<b>Deferred Tax Asset</b>		
- Provision for unrecognised expense	(70.83)	(70.69)
- Provision for Gratuity	(5.06)	(4.38)
- Provision for Doubtful Debts/Claims	(223.27)	(223.27)
<b>Net Deferred Tax Liabilities/(Assets)</b>	<b>(299.16)</b>	<b>(298.34)</b>
Deferred Tax Asset on account of carried forward loss	(748.86)	(774.78)
<b>Net Deferred Tax Liabilities / (Asset)</b>	<b>(1,048.02)</b>	<b>(1,073.12)</b>
Less: Deferred Tax Liabilities / (Assets) unrecognised (Refer Note No.3.3B)	(1,048.02)	(1,073.12)
<b>Net Deferred Tax Liabilities / (Assets) to Balance Sheet</b>	<b>-</b>	<b>-</b>

\* 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 2021	(774.78)	-	(70.69)	(4.38)	(223.27)	
(+)/(-) Deferred Tax Liability / (Asset) for the current year	25.92	-	(0.14)	(0.68)		
Deferred Tax Liability / (Asset) at the year end	(748.86)	-	(70.83)	(5.06)	(223.27)	
Less: Deferred Tax asset not recognised		-	(70.83)	(5.06)	(223.27)	
Charged to -						
Profit / Loss	-	-	-	-	-	
Other Comprehensive Income	-	-	-	-	-	
<b>At 31 March 2022</b>	<b>(748.86)</b>	<b>-</b>	<b>(70.83)</b>	<b>(5.06)</b>	<b>(223.27)</b>	<b>(1,048.02)</b>

**NOTE 17 : Other non-current liabilities**

Particulars	As at March 31, 2022	As at March 31, 2021
Rent Deposit from Tenants	447.70	265.34
	<b>447.70</b>	<b>265.34</b>

**NOTE 18 :Trade Payables**

Particulars	As at March 31, 2022	As at March 31, 2021
Payable to Micro Small & Medium Enterprises	-	-
Other Trade Payables		
Payables to related parties	230.85	10.83
Others	24.44	39.54
	<b>255.29</b>	<b>50.37</b>

Trade Payables ageing schedule

(Rs in lakhs)

Particulars	Outstanding for following periods from				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	1.94				1.94
(ii)Others	251.86	1.22	0.27		253.35
(iii) Disputed dues - MSME					
(iv) Disputed dues - Others					



**A. Payables to related parties**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Directors	-	-
Officers	-	-
Firms in which any director is a partner	10.08	5.10
Public Companies in which any Director is a director or member	220.77	5.73
	<b>230.85</b>	<b>10.83</b>

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

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

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end	1.97	-
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	-	-
The amount of interest due and payable for the period of delay in making payment	0.03	-
The amount of interest accrued and remaining unpaid at the end of the year	0.03	-
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.	-	-

**NOTE 19 : Other current financial liabilities**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Dividend payable	-	1.19
	<b>-</b>	<b>1.19</b>

**NOTE 20 : Other Current Liabilities**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Other liabilities		
- Salaries and Other Benefits	7.02	6.50
- Retrenchment Compensation	11.14	15.02
- Statutory Dues Payable	41.90	56.88
- Other Payables	29.30	19.68
	<b>89.36</b>	<b>98.08</b>

**NOTE 21 : Revenue From Operations**

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
(i) Sale of products:		
- Sale of Paper and Paper Products	30.69	20.17
(ii) Sale of service		
- Lease Rental Income	503.22	307.61
(iii) Other operating revenue	-	-
	<b>533.91</b>	<b>327.78</b>

**NOTE 22 : Other Income**

Particulars	(₹ in Lakh)	
	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
(i) Interest income:		
- On deposits with banks [Tax Deducted at Source Rs 0.04 Lakhs (Previous year Rs 0.16 Lakhs)]	4.47	0.58
- On Advances	0.14	0.16
(ii) Sale of Scrapped Fixed Assets	7.54	13.44
(iii) Dividend income	-	0.05
(iv) Other non-operating income	3.29	32.65
(v) Credits no longer payable, forfeited	4.84	15.71
(vi) Provision for Projects Written back	-	3.25
	<b>20.28</b>	<b>65.84</b>

**Details of Other non-operating income**

Particulars	(₹ in Lakh)	
	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Miscellaneous income	3.29	32.65
	<b>3.29</b>	<b>32.65</b>

**NOTE 23 : Employee Benefit Expenses**

Particulars	(₹ in Lakh)	
	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Salaries, Wages & Allowances	13.66	10.33
Remuneration to Directors	24.00	24.00
Gratuity	2.71	1.92
Staff Welfare Expenses	1.48	8.38
Employer's Contribution to PF	0.42	0.31
Employer's Contribution to ESI	0.10	0.15
Allowances and expenses to contract workers	1.13	0.85
Others	7.15	7.44
	<b>50.65</b>	<b>53.38</b>

**NOTE 24 : Finance Cost**

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
<b>Interest Cost on Financial liabilities carried at amortised cost</b>		
- Interest expense	264.52	122.33
- Other borrowing cost	3.67	1.65
- Gain on remeasurement of fair value ( Preference shares)	(105.31)	16.77
	<b>162.88</b>	<b>140.75</b>

**NOTE 25 : Depreciation and amortisation expenses**

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Depreciation on Property, Plant & Equipment	106.18	77.83
Amortisation of Deferred Commission	12.10	4.27
	<b>118.28</b>	<b>82.10</b>

**NOTE 26 : Other Expenses**

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Payment to auditor	1.40	1.48
Repairs and maintenance (other than buildings and machinery)	10.32	4.95
Insurance charges	4.28	2.16
Donations	0.57	2.17
Pooja Expenses	2.34	1.86
Advertisement Expenses	1.45	1.57
Rates and Taxes	10.41	10.68
Manpower Supply	2.40	3.31
Professional charges	28.30	10.95
Penalty to BSE	-	6.60
Sitting fees to Directors	2.70	4.10
Travelling Expenses	4.61	4.37
Other Expenses	4.68	5.08
	<b>73.46</b>	<b>59.28</b>

**NOTE 26A : Payment to auditors**

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Statutory Audit Fee	0.70	0.70
Tax Audit Fee	0.25	0.25
Fee for other services	0.45	0.50
Audit fee for certification	-	0.03
	<b>1.40</b>	<b>1.48</b>

**NOTE 28 : Tax Expense**

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Current Tax	-	-
Deferred Tax	-	-
	<b>-</b>	<b>-</b>

**Income tax recognized in other income**

Particulars	For the year ended 31/03/2022			For the year ended 31/03/2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Remeasurement of defined benefit liability	(0.44)	-	(0.44)	(1.92)	-	(1.92)
Remeasurement of Equity Instruments through OCI	-	-	-	(5.52)	-	(5.52)

**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 31/03/2022		For the year ended 31/03/2021	
<b>Profit from continuing operations before income tax expense</b>		103.41		38.07
Effect of items that are not deductible/ added in determining taxable Profit		(253.66)		(101.44)
<b>Taxable Profit</b>		<b>(150.25)</b>		<b>(63.37)</b>
Tax on accounting profit at 25.17% (P.Y 26%)		-		-
Less: Tax Credit on account of non-taxable incomes		-		-
(+)(-): Tax effect on account of Deferred Tax		-		-
Net tax credit (asset) for the year		-		-
Less: Tax Credit not recognised during the year		-		-
Tax Credit /(liability) relating to earlier years reversed		-		-
(+)(-): Tax effect of Deferred Tax on account of unabsorbed losses		-		-
Tax credit relating to current year losses, not recognised		-		-
Tax credit on account of unabsorbed losses relating to earlier years		-		-
Less: Tax Credit relating to earlier years, not recognised		-		-
<b>Total income tax expense/(credit)</b>		<b>-</b>		<b>-</b>
(+)(-) Tax adjustments for the earlier years		-		-
<b>Income Tax expense / (credit) as per Profit and Loss</b>		<b>-</b>		<b>-</b>

Statement of changes in equity for the period ended March 31, 2022

A. Equity share capital

(Figs in ₹ in Lakh)

Particulars	Opening balance as at 1 Apr 2020	Changes in equity share capital during the year	Closing balance as at 31 Mar 2021	Changes in equity share capital during the year	Closing balance as at 31 Mar 2022
Equity shares of Rs.10 each	1,915.12	0.00	1,915.12	-	1,915.12
<b>Total</b>	<b>1,915.12</b>	<b>0.00</b>	<b>1,915.12</b>	<b>-</b>	<b>1,915.12</b>

(₹ in Lakh)

Particulars	Opening balance as at 1 Apr 2021	Changes in accounting policy/ prior period errors	Restated balance as at 1 Apr 2021	Total comprehensive income for the year	Dividends	Transfer to retained earnings	Tax on other comprehensive income	Closing balance as at 31 Mar 2022
Capital Reserve	36.68	-	36.68	-	-	-	-	36.68
General Reserve	533.00	-	533.00	-	-	-	-	533.00
Retained earnings	(6,586.65)	(6.02)	(6,592.67)	-	-	103.47	-	(6,489.20)
Securities premium	1,694.39	-	1,694.39	-	-	-	-	1,694.39
Money received against share warrants	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-
- Actuarial gain/(loss) on defined benefit obligation	(12.76)	6.02	(6.74)	(0.44)	-	(0.44)	-	(7.18)
- Equity instrument through other comprehensive income	(1.85)	-	(1.85)	-	-	-	-	(1.85)
<b>Total reserves</b>	<b>(4,337.19)</b>	<b>-</b>	<b>(4,337.19)</b>	<b>(0.44)</b>	<b>-</b>	<b>103.03</b>	<b>-</b>	<b>(4,234.16)</b>

Particulars	Opening balance as at 1 Apr 2020	Changes in accounting policy/ prior period errors	Restated balance as at 1 Apr 2020	Total comprehensive income for the year	Dividends	Transfer to retained earnings		Closing balance as at 31 Mar 2021
Capital Reserve	36.68	-	36.68	-	-	-	-	36.68
General Reserve	533.00	-	533.00	-	-	-	-	533.00
Securities premium	(6,624.73)	-	(6,624.73)	-	-	38.08	-	(6,586.65)
Money received against share warrants	1,694.39	-	1,694.39	-	-	-	-	1,694.39
Other comprehensive income	-	-	-	-	-	-	-	-
- Actuarial gain/(loss) on defined benefit obligation	-	-	-	-	-	-	-	-
- Equity instrument through other comprehensive income	(7.24)	-	(7.24)	(5.52)	-	(5.52)	-	(12.76)
Total reserves	(1.85)	-	(1.85)	-	-	-	-	(1.85)
<b>Total reserves</b>	<b>(4,369.74)</b>	<b>-</b>	<b>(4,369.74)</b>	<b>(5.52)</b>	<b>-</b>	<b>32.56</b>	<b>-</b>	<b>(4,337.19)</b>

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

Sd/-  
Deepa Praveen, FCA  
Partner (M No. 232410)  
UDIN : 22232410AJWMJF8459

Cochin - 11  
28-05-2022

For and on behalf of the Board,

Sd/-  
S Rajkumar  
Vice Chairman &  
Managing Director

Sd/-  
V N Sridharan  
Chief Financial Officer

Chennai-17  
28-05-2022

Sd/-  
Visakh Rajkumar  
Executive Director

Sd/-  
Jiju George  
Company Secretary

**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)	
			2021-22	2020-21
Key Managerial Personnel ( Managing Director )	1 Mr. S Rajkumar	Repayment of unsecured Loan (net)	388.59	278.61
		Remuneration	12.00	12.00
Key Managerial Personnel ( Director )	2 Mrs. Rajee Rajkumar	Sitting Fees	0.50	30.15
Key Managerial Personnel ( Director )	3 Mr. Visakh Rajkumar	Remuneration	12.00	12.00
Key Managerial Personnel ( Director )	4 Mr. G Raghavan	Sitting Fees	0.60	1.10
Key Managerial Personnel ( Director )	5 Mr. N Subramanian	Sitting Fees	0.75	1.10
Key Managerial Personnel ( Non Executive Director )	6 Mr. Akhilesh Agarwal	Sitting Fees	0.75	1.00
Key Managerial Personnel ( Non Executive Director )	7 Mr. Kul Bhushan Jain	Sitting Fees	0.10	-
Key Managerial Personnel ( Chief Financial Officer )	8 Mr. V.N Sridharan	Remuneration	10.07	2.59
		Expenses payable	0.05	0.05
Key Managerial Personnel ( Company Secretary )	9 Jiju George	Remuneration	7.80	7.02
		Expenses payable	0.05	0.05
Enterprises over which any person mentioned in 1 to 7 above is able to exercise significant influence	10 Shri Kailash Logistics Chennai LTD	Expenses reimbursement	2.98	1.90
		Repayment of unsecured Loan (net)	2.60	2.16
		Interest on Unsecured Loan	4.98	3.25
	11 Cartopacks	Sale of goods	33.55	12.32
	12 Aditya Papers	Purchase of goods	10.08	10.09
	13 Aditya Fibers	Sale of goods	0.52	2.46
	14 Visakh Homes LTD	Repayment of unsecured Loan (net)	47.85	58.00
		Interest on Unsecured Loan	2.34	0.23
		Contract expenses	673.27	596.45
Commision for marketing warehouse		46.27	55.50	
15 Maharaj Continental Trades Limited	Expenses reimbursement	24.36		
16 Aadrik Industrial and Logistics Private Limited	Repayment of Trade payables	8.00		
Subsidiaries	17 Sree Adisakthi Mukkuttathode Hydro Power LTD	Advance for expenses	0.03	0.17
		Interest on advance	0.03	0.02
	18 Jalashaayi Alamparathodu Hydro Power LTD	Advance Received	0.01	4.06
		Interest on advance	0.10	0.03
	19 Sree Kailas Palchuram Hydro Power LTD	Advance given	0.02	0.05
	Interest on advance	0.10	0.10	
	Advance Received	0.01	-	

#### D. Additional Regulatory Information

**(i) Title deeds of Immovable property not held in name of the company**

The company does not hold any immovable property whose title deeds are not in the name of the company

**(ii) Revaluation of Property, Plant and Equipment**

The Company has not revalued its Property, Plant and Equipment during the financial year.

**(iii) Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.**

(i) repayable on demand or

(ii) without specifying any terms or period of repayment

Type of Borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Related Parties	1,90,480.23	100.00

**(d) Capital-work-in-progress (CWIP)**

The capital work in progress as on the balance sheet date amounts to Rs.33.29 Lakhs

**(e) Intangible Assets under Development**

The company does not have any intangible assets under development

**(f) Details of Benami Property held**

No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**(g)** The borrowings from HDFC Bank is secured by Assignment of rent receivables, disclosed as current assets as on balance sheet date

**(h) Wilful defaulter**

Company is not declared as wilful defaulter by any bank or financial Institution or other lender.

**(i) Relationship with Struck off Companies**

The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

**(j) Registration of charges or satisfaction with Registrar of Companies**

The Company does not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

**(k) Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

## (l) Ratios

Particulars	Unit of measurement	Items Included in Numerator	Items Included in Denominator	2021-22	2020-21	Change in Ratio %	Reasons for Changes in the Ratios to the extent of 25%
(a) Current Ratio,	Times	Current Assets	Current Liability	0.26	0.06	326.64	(1.) increase of fixed deposit held in Bank , (2) Increase in amount of Tax Deducted at Source during FY 2021-22 compared to FY 2020-21 on account of increase in rental revenue of the Company.
(b) Debt-Equity Ratio,	Times	Loans+Preference share capital	Equity Shareholders fund	(240.52)	(173.11)	38.94	Increase in the borrowed capital from bank and also due to marginal improvement in accumulated loss .
(c) Debt Service Coverage Ratio,	Times	Earning before interest, taxes, depreciation, amortisation	Debt Service	84.85	85.61	(0.89)	
(d) Return on Equity Ratio,	Percentage	Net Profit	Sharecapital+Reserves and Surplus	(4.44)	(1.34)	230.38	The reduction in the ratio is due to increase in the rental income and also marginal increase in the kraft paper sale
(e) Inventory turnover ratio,	Times	Net sales from Kraft Paper	Average Inventory	-	-		Not Applicable
(f) Trade Receivables turnover ratio	Times	Revenue from operations	Trade receivables	1,451.66	994.86	45.92	Increase in the turnover of the Company resulting from higher rental income
(g) Trade payables turnover ratio	Times	Purchases of Kraft paper	Trade Payables	178.60	139.33	28.18	This ratio represents insignificant part of the purchase of kraft paper which has gone up during the current year
(h) Net capital turnover ratio,	Times	Revenue from operations	Equity Share Capital	18.02	10.69	68.68	Increase in net turnover of the company resulting from increased rental income
(i) Net profit ratio,	Percentage	Net Profit	Revenue from operations	18.58	8.27	124.68	Increase in net profit due to higher turnover
(j) Return on Capital employed,	Percentage	Earning before interest and taxes	Equity Share Capital	3.55	2.84	25.05	The % increase in EBIT is more than the % increase in Loan obtained from bank
(k) Return on investment.	Percentage	Earnings after Taxes	Preference share capital	10.30	3.26	216.33	Not Applicable

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

Sd/-  
Deepta Praveen, FCA  
Partner (M No. 232410)  
UDIN : 22232410AJWMJF8459

Cochin - 11  
28-05-2022

For and on behalf of the Board,

Sd/-  
S Rajkumar  
Vice Chairman &  
Managing Director

Sd/-  
V N Sridharan  
Chief Financial Officer

Sd/-  
Visakh Rajkumar  
Executive Director

Sd/-  
Jiju George  
Company Secretary  
Chennai-17  
28-05-2022

## **Independent Auditor's Report**

To the Members of M/s. Cella Space Limited, Kochi

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

#### **Opinion**

We have audited the accompanying consolidated financial statements of M/s. Cella Space Limited Kochi, (CIN :L93000KL1991PLC006207) ("the Company") and its subsidiaries ( the Company and its subsidiaries together referred to as the "Group") which comprises of:-

- a. The Consolidated Balance Sheet as at 31<sup>st</sup> March, 2022
- b. The Consolidated Statement of Profit and Loss (Including other comprehensive income) for the year ended 31<sup>st</sup> March 2022
- c. The Consolidated Statement of Changes in Equity
- d. Consolidated Statement of Cash Flows for the year then ended
- e. A Summary of significant accounting policies and other explanatory information.  
(herein 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 consolidated state of affairs of the Group as at March 31, 2022; and its consolidated profit, consolidated total comprehensive income, the consolidated changes in equity and its consolidated cash flows for the year ended 31<sup>st</sup> March 2022.

#### **Basis for Opinion**

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing(SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the Consolidated Financial Results for the year ended March 31, 2022 under the provisions of the Act and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the consolidated 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 our report.

The Key Audit Matters	How our audit addressed the key audit matter
<b>Recoverabilities of receivable and advances</b>	
<p>As at March 31, 2022, the position of assets included –</p> <ul style="list-style-type: none"> <li>• Trade receivables (Note 8A ): Rs.719.25 lakhs</li> <li>• Security Deposits (Note 6B):Rs.49.23 lakhs</li> <li>• Other Non-Current Assets (Note7) Rs.83.12 lakhs</li> <li>• Security Deposits (EMD) (Note 8C) : Rs.27.60 lakhs</li> </ul> <p>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 and sufficiency of provision made thereon.</p>	<p>Our audit procedures included –</p> <ul style="list-style-type: none"> <li>• Detailed analysis of the long outstanding receivables and advances;</li> <li>• Obtaining management analysis on the realisability of such assets;</li> <li>• Obtaining confirmation of balances for major balances outstanding;</li> </ul> <p>Evaluating the adequacy of provision made by the management for doubtful assets included therein.</p>

### Information Other than the Financial Statements and Auditor’s Report Thereon

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 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 auditor 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 Consolidated 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 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 Company in accordance with the accounting principles generally accepted in India and 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 consolidated 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.

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

### **Auditor's Responsibilities for the Audit of the Consolidated 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 consolidated 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 consolidated 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.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the consolidated 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. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 ("The Order") issued by the Central Government of India in terms of sub-section 11 of section 143 of the Act, to be included in the auditor's report, according to the information and explanations given to us and based on the CARO reports issued by us for the company and its subsidiaries included in the consolidated financial statements of the company to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.
2. (A) 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, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of changes in equity and the consolidated statement of Cash Flow dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid consolidated 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 as on March 31<sup>st</sup> 2022 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2022 from being appointed as a director in terms of sub-section(2) of section 164 of the Companies Act, 2013.
  - f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the company's internal financial controls over financial reporting.
  - g) With respect to the matter to be included in the Auditors' Report under section 197(16) of the Act, in our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is not in excess of the limits laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act

which are required to be commented upon by us.

- h) 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 as at 31st March 2022 on its financial position in its financial statements. (Refer Note No. 31 of notes to financial statements)
- j) The Company has provided for material foreseeable losses, if any related to long term contracts including derivative contracts.
- k) There has been no delay in transferring the amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- l) The Management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the ultimate Beneficiaries;
- m) The Management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ('Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
- n) Based on such audit procedures that the auditor has considered reasonable and appropriate in the circumstances, nothing has come to their notice that has caused them to believe that the representations under sub-clause (i) and (ii) contain any material mis-statement.
- o) No dividend was declared or paid during the year which required compliance with section 123 of the Companies Act, 2013.

**For KPR & Co**  
**Chartered Accountants**  
**FRN:- 05326S**  
**Sd/-**  
**Deepa Praveen , FCA**  
**Partner (M.No.232410)**  
**UDIN:-22232410AJWLUB1412**

**Place:- Kochi**  
**Date:- 28.05.2022**

## **ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON the FINANCIAL STATEMENTS OF M/S. CELLA SPACE LIMITED, KOCHI**

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 31<sup>st</sup> March, 2022 in conjunction with our audit of the consolidated financial statements of the company as at and 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("the ICAI").These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to company's policies , the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of 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 fairly 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.

### **Inherent Limitations of Internal Financial Controls with Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over 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**

In our opinion and to the best of our information and according to the explanations given to us knowledge, the Company and its subsidiary companies 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, 2022, based on the criteria for internal control over the financial reporting criteria established by the respective companies 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.

Place:- Kochi  
Date:- 28.05.2022

**For KPR & Co**  
**Chartered Accountants**  
**FRN:- 05326S**  
**Sd/-**  
**Deepa Praveen, FCA**  
**Partner (M.No.232410)**  
**UDIN:-22232410AJWLUB1412**

**CELLA SPACE LIMITED AND CONSOLIDATED**  
**(Formerly Sree Sakthi Paper Mills Limited)**  
**CIN : L93000KL1991PLC006207**  
SREE KAILAS 57/2993 /94  
PALIAM ROAD ERNAKULAM KL 682016

**Consolidated Balance Sheet as at March 31, 2022**

(Figs in ₹ in Lakh)

Particulars	Note No	As at March 31, 2022	As at March 31, 2021
<b>I. Assets</b>			
<b>1 Non-current assets</b>			
Property, plant & equipment	4A	3,933.36	2,666.90
Capital work-in progress	4B	33.29	173.19
Investment property	4C	8.53	8.53
Intangible assets	5	-	-
Financial assets			
Investments	6A	1.00	1.00
Deposits	6B	166.41	25.00
Deferred tax assets (net)			
Other non-current assets	7	-	-
<b>2 Current Assets</b>			
Inventories		-	-
Financial assets			
Trade receivables	8A	36.78	32.95
Cash and cash equivalents	8B	128.58	5.97
Loans	8C	-	-
Tax Assets (Net)			
Other current assets	9	120.35	55.15
<b>TOTAL</b>		<b>4,428.30</b>	<b>2,968.69</b>
<b>II. Equity &amp; Liabilities</b>			
<b>1 Equity</b>			
Equity share capital	10	1,915.12	1,915.12
Other equity	11	(4,241.34)	(4,344.30)
Non Controlling interest		8.10	8.21
<b>2 Liabilities</b>			
<b>Non-Current Liabilities</b>			
Financial liabilities			
Lease Liabilities			
Non Current Borrowings	14A	5,261.52	3,879.43
Provisions	15	20.24	17.10
Deferred tax liabilities (Net)	16	0.04	0.04
Other non-current liabilities	17	447.70	265.34
<b>3 Current Liabilities</b>			
Financial liabilities			
Lease Liabilities			
Current Borrowings	14B	670.81	1,056.58
Trade payables	18	255.29	50.36
Other current financial liabilities	19	-	1.19
Other current liabilities	20	90.65	99.45
Provisions	15	0.17	20.17
<b>TOTAL</b>		<b>4,428.30</b>	<b>2,968.69</b>

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)  
UDIN : 22232410AJWLUB1412

Cochin - 11  
28-05-2022

For and on behalf of the Board,

Sd/-  
S Rajkumar  
Vice Chairman &  
Managing Director

Sd/-  
V N Sridharan  
Chief Financial Officer

Sd/-  
Visakh Rajkumar  
Executive Director

Sd/-  
Jiju George  
Company Secretary

Chennai-17  
28-05-2022

**CELLA SPACE LIMITED AND CONSOLIDATED**  
**(Formerly Sree Sakthi Paper Mills Limited)**  
**CIN : L93000KL1991PLC006207**  
SREE KAILAS 57/2993 /94  
PALIAM ROAD ERNAKULAM KL 682016

**Consolidated Statement of profit and loss for the period ended March 31, 2022**

(Figs in ₹ in Lakh)

Particulars	Note	For the year ended March 31, 2022	For the year ended March 31, 2021
<b>I Revenue from operations</b>	<b>21</b>	533.91	327.78
<b>II Other income</b>	<b>22</b>	20.14	65.68
<b>III Total Income (I + II)</b>		<b>554.05</b>	<b>393.46</b>
<b>IV Expenses</b>			
- Purchases		30.50	20.04
- Direct Expenses		15.00	-
- Employee Benefit Expenses	<b>23</b>	50.65	53.38
- Finance costs	<b>24</b>	162.88	140.75
- Depreciation and amortisation expenses	<b>25</b>	118.29	82.10
- Other Expenses	<b>26</b>	73.67	63.73
<b>Total expenses (IV)</b>		<b>450.99</b>	<b>360.00</b>
<b>V Profit/(Loss) before, exceptional items and tax (III - IV)</b>		<b>103.06</b>	<b>33.46</b>
<b>VI Exceptional items- Expenses/(Income)</b>	<b>27</b>	-	-
<b>VII Profit/(Loss) before tax (V - VI)</b>		<b>103.06</b>	<b>33.46</b>
<b>VIII Tax expense</b>			
- Current income tax	<b>28</b>	-	-
- Income Tax for Previous Years			0.09
- Deferred Tax	<b>28</b>	-	-
		-	-
<b>IX Profit / (Loss) for the period from continuing operations. (VII+VIII)</b>		<b>103.06</b>	<b>33.37</b>
Attributable to:			
Equity holders of the parent		<b>103.17</b>	<b>35.87</b>
Non Controlling interest		<b>(0.11)</b>	<b>(2.50)</b>
<b>X Other comprehensive income</b>			
- Items that will not be reclassified to Profit or Loss	<b>29</b>	(0.44)	(5.52)
- Income tax relating to items that will not be reclassified to Profit	<b>29</b>	-	-
<b>XI Total comprehensive income for the period (IX + X)</b>		<b>102.62</b>	<b>27.85</b>
Attributable to:			
Equity holders of the parent		<b>102.73</b>	<b>30.35</b>
Non Controlling interest		<b>(0.11)</b>	<b>(2.50)</b>
<b>XII Earnings per Equity shares (of continuing operations) of Rs. 10/- each</b>			
- Basic	<b>13</b>	0.54	0.17
- Diluted	<b>13</b>	0.54	0.17

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)  
UDIN : 22232410AJWLUB1412

Cochin - 11  
28-05-2022

For and on behalf of the Board,

Sd/-  
S Rajkumar  
Vice Chairman &  
Managing Director

Sd/-  
V N Sridharan  
Chief Financial Officer

Sd/-  
Visakh Rajkumar  
Executive Director

Sd/-  
Jiju George  
Company Secretary

Chennai-17  
28-05-2022

**CELLA SPACE LIMITED AND CONSOLIDATED**  
(Formerly Sree Sakthi Paper Mills Limited)  
CIN : L93000KL1991PLC006207

SREE KAILAS 57/2993 /94  
PALIAM ROAD ERNAKULAM KL 682016

**Consolidated Statement of Cash Flow for the period ended March 31, 2022**

(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, 2022	For period ended March 31, 2021
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Total Comprehensive Income</b>	<b>102.62</b>	<b>27.85</b>
<b>Adjustments for :</b>		
Provision for Gratuity	3.15	1.92
Provision for Projects written back	-	(3.25)
Depreciation, amortisation and impairment	118.29	82.10
Interest Income	(4.47)	(0.58)
Finance Cost	162.88	140.75
<b>Operating Profit before working capital changes</b>	<b>382.47</b>	<b>248.79</b>
Decrease(Increase) in Trade receivable	(3.83)	(17.84)
Decrease(Increase) in Deposits	(141.41)	(4.43)
Decrease(Increase) in other non current assets	(0.22)	-
Decrease(Increase) in other current assets	(13.96)	17.13
Increase(Decrease) in Trade payable	204.92	(152.92)
Increase(Decrease) in Provisions	(20.00)	29.02
Increase(Decrease) in Current Liabilities	(9.90)	(47.09)
Increase(Decrease) in Other Non Current Liabilities	182.37	100.61
<b>Cash from Operations</b>	<b>580.44</b>	<b>173.27</b>
Income Tax paid	(50.88)	(25.15)
<b>Cash from Operating before exceptional Items</b>	<b>529.56</b>	<b>148.12</b>
Exceptional Items	-	-
<b>Cash from Operating Activities</b>	<b>529.56</b>	<b>148.12</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(1,384.75)	(1,832.65)
Capital work in progress	139.90	728.35
Interest Income	4.47	0.58
<b>Net Cash from Investing Activities</b>	<b>(1,240.38)</b>	<b>(1,103.72)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
<b>Net Proceeds from</b>		
- Issue of shares	-	600.00
- Borrowings	996.31	1,024.02
Redemption of Shares	-	(600.00)
Interest paid	(162.88)	(140.75)
<b>Net Cash from Financing Activities</b>	<b>833.43</b>	<b>883.27</b>
<b>D TOTAL INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR (A+B+C)</b>	<b>122.61</b>	<b>(72.33)</b>
Cash and cash equivalents at the beginning of the year	5.97	78.30
<b>Cash and cash equivalents at the end of the year</b>	<b>128.58</b>	<b>5.97</b>
<b>Components of cash and cash equivalents</b>		
<b>Balance with Banks</b>		
In Current Accounts	18.95	1.17
In Deposit Accounts	105.17	0.79
Cash in Hand	4.46	4.01
<b>Total cash and cash equivalents</b>	<b>128.58</b>	<b>5.97</b>

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

Sd/-

Deepa Praveen, FCA  
Partner (M No. 232410)  
UDIN : 22232410AJWLUB1412

Cochin - 11  
28-05-2022

For and on behalf of the Board,

Sd/-  
S Rajkumar  
Vice Chairman &  
Managing Director

Sd/-  
Visakh Rajkumar  
Executive Director

Sd/-  
V N Sridharan  
Chief Financial Officer

Sd/-  
Jiju George  
Company Secretary

Chennai-17  
28-05-2022



**CELLA SPACE LIMITED**  
**(Formerly SREE SAKTHI PAPER MILLS LIMITED)**  
**CIN: L93000KL1991PLC006207**

**Annexure to Notes on Consolidated Financial Statements for the Year ended March 31, 2022**

**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.

e) 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.

f) 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.

To commence the logistics operations, the company modified and converted the existing factory building at Edayar into a commercial warehouse. A portion of the warehouse 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 year , the company continued with the construction of other logistics warehouses and has started to generate revenue .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 2022 is included in the concerned notes.

### **g) 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.

## **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 funds. 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:**

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

### **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.

Particulars	Property, Plant & Equipment						Total
	Land	Building	Furniture & fixtures	Plant & machinery	Vehicle	Office equipments	
<b>Year ended 31 March, 2021</b>							
<b>Gross Carrying Amount</b>							
Opening Gross carrying amount	197.49	1,086.16	18.20	51.24	11.95	8.88	1,373.92
Exchange differences	-	-	-	-	-	-	-
Additions	-	1,685.23	-	82.92	-	6.01	1,774.16
Additions*	-	58.49	-	-	-	-	58.49
Disposals	-	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	<b>197.49</b>	<b>2,829.89</b>	<b>18.20</b>	<b>134.15</b>	<b>11.95</b>	<b>14.89</b>	<b>3,206.57</b>
<b>Accumulated Depreciation and Impairment</b>							
Opening accumulated depreciation	-	383.20	11.86	48.20	7.61	6.71	457.58
Depreciation charged during the year	-	71.70	1.80	3.56	0.55	0.22	77.82
Impairment Loss	-	4.27	-	-	-	-	4.27
Exchange differences	-	-	-	-	-	-	-
Reversal of depreciation reserve(including impairment on assets disposed)	-	-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>459.16</b>	<b>13.66</b>	<b>51.76</b>	<b>8.16</b>	<b>6.93</b>	<b>539.67</b>
<b>Net Carrying Amount</b>	<b>197.49</b>	<b>2,370.73</b>	<b>4.54</b>	<b>82.38</b>	<b>3.79</b>	<b>7.96</b>	<b>2,666.90</b>
<b>Year ended 31 March, 2022</b>							
<b>Gross Carrying Amount</b>							
Opening Gross carrying amount	197.49	2,829.89	18.20	134.15	11.95	14.89	3,206.58
Exchange differences	-	-	-	-	-	-	-
Additions	-	1,275.11	1.46	66.39	-	2.59	1,345.54
Additions **	-	39.21	-	-	-	-	39.21
Disposals	-	-	-	-	-	-	-
<b>Closing Gross Carrying Amount</b>	<b>197.49</b>	<b>4,144.22</b>	<b>19.66</b>	<b>200.53</b>	<b>11.95</b>	<b>17.48</b>	<b>4,591.33</b>
<b>Accumulated Depreciation and Impairment</b>							
Opening accumulated depreciation	-	459.16	13.66	51.76	8.16	6.93	539.68
Depreciation charge during the year	-	96.11	0.92	7.74	0.49	0.93	106.19
Amortisation charge during the year **	-	12.10	-	-	-	-	12.10
Impairment Loss	-	-	-	-	-	-	-
Exchange differences	-	-	-	-	-	-	-
Reversal of depreciation reserve(including impairment on assets disposed)	-	-	-	-	-	-	-
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>567.36</b>	<b>14.58</b>	<b>59.51</b>	<b>8.64</b>	<b>7.87</b>	<b>657.97</b>
<b>Net Carrying Amount</b>	<b>197.49</b>	<b>3,576.86</b>	<b>5.08</b>	<b>141.00</b>	<b>3.31</b>	<b>9.61</b>	<b>3,933.36</b>

\*\* Additions to fixed assets includes commission that are directly attributable to negotiating and arranging lease. These costs are added to the asset and are amortised over the lease term in compliance with Ind AS 116.

**Note 4B: Capital Work in Progress**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
Opening carrying amount	173.19	901.54
Expenditure recognised in the carrying amount	1,199.05	1,026.07
Expenditure capitalised and recognised under Fixed assets	(1,338.95)	(1,754.42)
<b>Closing carrying amount</b>	<b>33.29</b>	<b>173.19</b>

(i) Borrowing cost capitalised during the year - ₹0.28 lakhs (Previous Year : ₹ 129.36 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.

CWIP	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	33.29				33.29
Projects temporarily suspended					

**Note 4C: Investment Property**

Particulars	As at	As at
	March 31, 2022	March 31, 2021
<b>Gross Carrying amount</b>		
Opening Gross Carrying amount	8.53	8.53
Additions	-	-
Closing Gross Carrying amount	(A) 8.53	8.53
<b>Accumulated Depreciation</b>		
Opening Accumulated Depreciation	-	-
Depreciation charged	-	-
Closing Accumulated Depreciation	(B) -	-
<b>Net Carrying Amount</b>	<b>(A - B) 8.53</b>	<b>8.53</b>
Rental income from investment properties	-	-
Direct operating expenses(including repairs & maintenance) generating rental income	-	-
Income from investment properties before depreciation	-	-
Depreciation	-	-
<b>Income arising from investment properties (Net)</b>	<b>-</b>	<b>-</b>

The company has not estimated the fair value of the investment properties as at the year end; and hence the value of the investment properties has been disclosed at book value.

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

There are no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance or enhancements.

<b>NOTE 5 - Intangible Assets</b>		(₹ in Lakh)	
Particulars	Computer Software	Total	
<b>Year ended 31 March 2021</b>			
<b>Gross Carrying Amount</b>			
Opening Gross Carrying amount	0.16	0.16	
Additions	-	-	
<b>Closing Gross Carrying Amount</b>	<b>0.16</b>	<b>0.16</b>	
<b>Accumulated Depreciation</b>			
Opening Accumulated Depreciation	-	-	
Amortisation charge during the year	-	-	
Impairment Charge	0.16	0.16	
<b>Closing Accumulated Depreciation</b>	<b>0.16</b>	<b>0.16</b>	
<b>Net Carrying Amount</b>	<b>-</b>	<b>-</b>	
<b>Year ended 31 March 2022</b>			
<b>Gross Carrying Amount</b>			
Opening Gross Carrying amount	0.16	0.16	
Additions	-	-	
<b>Closing Gross Carrying Amount</b>	<b>0.16</b>	<b>0.16</b>	
<b>Accumulated Depreciation</b>			
Opening Accumulated Depreciation	0.16	-	
Amortisation charge during the year	-	-	
Impairment Charge	-	0.16	
<b>Closing Accumulated Depreciation</b>	<b>0.16</b>	<b>0.16</b>	
<b>Net Carrying Amount</b>	<b>-</b>	<b>-</b>	

**NOTE 6 : Non Current Financial Assets**

<b>NOTE 6A - Investment</b>		(₹ in Lakh)	
Particulars	As at March 31, 2022	As at March 31, 2021	
Investment carried at fair value through other comprehensive income			
Quoted			
- Equity Instruments	-	-	
Unquoted			
- Equity Instruments	1.00	1.00	
	<b>1.00</b>	<b>1.00</b>	
Total investment	<b>1.00</b>	<b>1.00</b>	

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

<b>* Details of investment</b>		(₹ in Lakh)	
Particulars	As at March 31, 2022	As at March 31, 2021	
<b>Quoted Non-Trade Investments:</b>			
Investment In Others			
- Kerala Enviro Infrastructure Ltd (10,000 Equity Shares Of Rs 10 Each Fully Paid Up)	1.00	1.00	
	<b>1.00</b>	<b>1.00</b>	

<b>NOTE 6B -Deposits</b>		(₹ in Lakh)	
Particulars	As at March 31, 2022	As at March 31, 2021	
<b>Unsecured considered good</b>			
- Security Deposits	-	-	
<b>Unsecured Considered Doubtful</b>			
- Security Deposits	49.23	49.38	
	<b>49.23</b>	<b>49.38</b>	
- Provision for doubtful deposits	(24.38)	(24.38)	
<b>Fixed Deposits held with bank with maturity of more than 12 months</b>	<b>141.57</b>	<b>25.00</b>	

<b>NOTE 7 : Other Non Current Assets</b>		(₹ in Lakh)	
Particulars	As at March 31, 2022	As at March 31, 2021	
<b>Unsecured considered good</b>			
- Capital Advances	-	-	
<b>Unsecured considered doubtful</b>			
- Capital Advances	83.12	83.12	
Less: Provision for doubtful advances	(83.12)	(83.12)	
Deferred Warehousing Commission	-	-	

**NOTE 8: Current Financial Assets**

**NOTE 8A :Trade Receivables**

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Secured</b>		
- More than six months from the date they became due	-	-
<b>Unsecured</b>		
- Considered Good		
(i) Exceeding Six Months From they become Due	-	-
(ii) Others	36.78	32.95
- Considered Doubtful	682.47	682.47
Provision for doubtful debts	(682.47)	(682.47)
	<b>36.78</b>	<b>32.95</b>

**Trade Receivables ageing schedule**

Particulars	(Rs. In Lakhs)					
	Outstanding for following periods from due date of					
	Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) Undisputed Trade receivables – considered good	36.78		0.00			
(ii) Undisputed Trade Receivables – considered doubtful						
(iii) Disputed Trade Receivables considered good						
(iv) Disputed Trade Receivables considered doubtful						

**A. Receivables from related parties**

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Directors	-	-
Officers	-	-
Firms in which any director is a partner	26.55	11.78
Private Companies in which any Director is a director or member	-	-
	<b>26.55</b>	<b>11.78</b>

**NOTE 8B :Cash and cash equivalents**

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Balance with Banks</b>		
- In Current Accounts	18.95	1.17
- In Deposit Accounts	105.17	0.79
<b>Cash in Hand</b>	4.46	4.01
	<b>128.58</b>	<b>5.97</b>

**NOTE 8C : Loans**

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Security deposit</b>		
- Unsecured	27.60	27.60
Less: Provision for doubtful deposits	(27.60)	(27.60)
	-	-

**NOTE 9 : Other Current Assets**

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Income Tax Prepaid	50.95	25.15
Balance with Revenue authorities	35.41	10.62
Earmarked deposits	-	1.19
Other receivables	14.12	13.18
Advances	19.87	5.00
	<b>120.35</b>	<b>55.15</b>

**NOTE 10 :Equity share capital**

**A. Authorised Share Capital**

Particulars	(₹ and Nos in Lakhs)			
	Equity shares		Preference shares	
	Shares	Amount	Shares	Amount
<b>As at April 2021</b>	380.00	3,800.00	120.00	1,200.00
- Increase during the year	-	-	-	-
<b>As at 31 March 2022</b>	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, 2022		As at March 31, 2021	
	No. of shares	Amount	No. of shares	Amount
At the beginning of the year	191.51	1,915.12	191.51	1,915.12
Issued during the year	-	-	-	-
Balance at the end of the year	191.51	1,915.12	191.51	1,915.12

**Rights, Preferences and Restrictions attached to equity Shares**

- 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.
- 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.
- 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
- 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 bought back any shares.  
7 The following shareholders hold more than 5% of the equity shares:

Name	As at 31-03-2022		As at 31-03-2021	
	No of Shares	% of holding	No of Shares	% of holding
S.Rajkumar	94.61	49.40%	94.61	49.40%

Equity Shares held by promoters at the end of the year				
S. No	Promoter name	No. of Shares**	%of total shares	% Change during the year
1	A GANESH	1,22,195	0.64	0.04
2	S RAJKUMAR	94,61,205	49.4	-
3	RAJEE RAJKUMAR	3,10,406	1.62	-
4	E KAMALAM	1,74,533	0.91	-
5	SUBRAMONIAM SIVATHANU PILLAI	66,757	0.35	-
6	VIGNESH R	3,19,561	1.67	0.23
7	VISAKH RAJKUMAR**	3,21,019	1.68	0.96
8	N SUBRAMANIAN	12,738	0.07	-
	<b>TOTAL</b>	<b>10788414</b>	<b>56.34</b>	

\*\*The above shareholding includes 45,562 equity shares acquired by Mr. Visakh Rajkumar on 30.03.2022 and 31.03.2022 which got settled and credited to the holding account only after 31.03.2022

#### NOTE 11 :Other equity

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
Capital Reserve	36.68	36.68
General Reserve	533.00	533.00
Retained earnings	(6,496.38)	(6,593.76)
Securities premium	1,694.39	1,694.39
<b>Other comprehensive income</b>		
- Actuarial gain/(loss) on defined benefit obligation	(7.18)	(12.76)
- Equity instrument through other comprehensive income	(1.85)	(1.85)
	<b>(4,241.34)</b>	<b>(4,344.30)</b>

#### NOTE 12 : Analysis of items of other comprehensive income (OCI), net of tax

Particulars	(₹ in Lakh)	
	Defined benefit plans	Equity instrument through OCI
<b>As at 1st April 2021</b>	(6.74)	(7.24)
Remeasurements	(0.44)	(5.52)
Remeasurements utilized during the year	-	-
<b>As at 31st march 2022</b>	<b>(7.18)</b>	<b>(12.76)</b>

#### 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:

Particulars	(₹ in Lakh)	
	For period ended 31-Mar-22	For period ended 31-Mar-21
<b>Basic Earnings per Share (EPS)</b>		
Profit (loss) for the year, attributable to the equity holders	103.06	33.37
Weighted average number of equity shares outstanding at the end of the year	191.51	191.51
Basic Earnings per Share (EPS)	0.54	0.17
<b>Diluted Earnings Per Share (EPS)</b>		
Profit / (loss) for the year, attributable to the equity holders, adjusted for the effect of potential equity shares	103.06	33.37
Weighted average number of equity shares outstanding at the end of the year, including the potential equity shares	191.51	191.51
Diluted Earnings Per Share (EPS)	0.54	0.17

#### NOTE 14 : Financial Liabilities

##### NOTE 14A: Non Current Borrowings

Particulars	(₹ in Lakh)	
	As at March 31, 2022	As at March 31, 2021
<b>Non-current Borrowings</b>		
Long term borrowings from banks*	4,214.55	2,727.16
6.00% Preference shares Redeemable **	1,041.20	1,152.27
11.25% Preference shares Redeemable **	5.77	-
	<b>5,261.52</b>	<b>3,879.43</b>

\*Current maturities of long term borrowings are disclosed under "Current borrowings"

##### \* Notes to Long Term Borrowings

Term Loan , with balance of Rs. 44.79 Crores (Previous Year 27.27 Crores) on balance sheet date has a carrying interest @ 7.00 % p.a . The Loan is repayable in 157 equal monthly instalments  
The Loan is primarily secured by Lease rent receivables and Collaterally secured by Land and Industrial Buildings of the company

##### \*\* Notes to Preference shares

- The Company has two classes of Preference Shares (non-convertible cumulative redeemable ) having a face value of Rs.10/- per share.
- Preference shares carries dividend rates of 6.00 % and 11.25%
- The company shall redeem the non-convertible redeemable cumulative preference shares at par upon completion of a period of 10 years from the date on which they are issued. The tenure shall exceed 10 years from the date of issue, but shall in no circumstances exceed 20 years from the date of issue. However any variation (extension or reduction) in the tenure of the preference shares will be subject to mutual agreement of both the parties

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

Name	As at 31-03-2022		As at 31-03-2021	
	No of Shares	% of holding	No of Shares	(Nos in Lakhs)
S.Rajkumar	99.51	99.51%	99.51	99.51%

Preference Shares held by promoters at the end of the year				
S. No	Promoter name	No. of Shares**	%of total shares	% Change during the year
1	S. Rajkumar	99,51,200	99.51	-
2	Subramoniam Sivathanu Pillai	48,800	0.49	-
Total		1,00,00,000	100.00	

**NOTE 14B: Current Borrowings**

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Secured Loans from Banks</b>		
Current Maturity of Long Term Debt	264.72	208.73
<b>Sub-Total</b>	<b>264.72</b>	<b>208.73</b>
<b>Unsecured Loans</b>		
Intercorporate Loan	-	-
Loan from Related Parties		
- From Directors	354.70	743.29
- From Companies in which directors are interested	51.39	104.56
<b>Sub-Total</b>	<b>406.09</b>	<b>847.85</b>
<b>Total</b>	<b>670.81</b>	<b>1,056.58</b>

**\* Current Borrowings - Unsecured**

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Related parties</b>		
- Loan from Directors	354.70	743.29
- Loan from Group Companies	51.39	104.56
	<b>406.09</b>	<b>847.85</b>

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**

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Non-Current Provisions</b>		
<b>Provision for Employee benefits</b>		
- Gratuity	20.24	17.10
	<b>20.24</b>	<b>17.10</b>
<b>Current Provisions</b>		
Provision for Income Tax	0.17	0.17
Provision for Expenses	-	20.00
	<b>0.17</b>	<b>20.17</b>

The company has estimated the liability for Gratuity based on the report obtained from an independent consulting actuary as at 31.03.2022

**Reconciliation of the net defined benefit liability**

Particulars	TYPE OF PLAN	
	Gratuity	Leave plan
<b>As at 1 April 2021</b>	<b>9.65</b>	
Expected return on plan assets	-	-
Interest Cost	0.54	-
Current service cost	1.39	-
Actuarial loss/(gain) on obligation	5.52	-
Employer contribution to plan assets	-	-
Net effect of benefit payments	-	-
<b>As at 31 March 2022</b>	<b>17.10</b>	
Expected return on plan assets	-	-
Interest Cost	0.87	-
Current service cost	1.83	-
Actuarial loss/(gain) on obligation	0.44	-
Employer contribution to plan assets	-	-
Net effect of benefit payments	-	-
<b>As at 31 March 2022</b>	<b>20.24</b>	

**Expense recognised in profit or loss**

Particulars	TYPE OF PLAN	
	Gratuity	Leave plan
<b>For the period ended 31 March 2021</b>		
Expected return on plan assets	-	-
Interest Cost	0.54	-
Current service cost	1.39	-
Actuarial loss/(gain) on obligation, recognised in OCI at the end of the year	5.52	-
Claims received w.r.t previous years	-	-
<b>Total amount recognised in profit or loss</b>	<b>7.45</b>	
<b>For the period ended 31 March 2022</b>		
Expected return on plan assets	-	-



Interest Cost		0.87	-
Current service cost		1.84	-
Actuarial loss/(gain) on obligation		0.44	-
Employer contribution to plan assets recognised in P/L			-
<b>Total amount recognised in profit or loss</b>		<b>3.15</b>	<b>-</b>

**Remeasurements recognized in other comprehensive income**

Particulars	TYPE OF PLAN			
	Gratuity		Leave plan	
	31-03-2022	31-03-2021	31-03-2022	31-03-2021
Actuarial loss/(gain) on obligation	0.44	5.52	-	-
Balance as at the end of the year	<b>0.44</b>	<b>5.52</b>	-	-

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

Particulars	31-03-2022		31-03-2021	
	Indian Assured Lives Mortality (2012-14)		Indian Assured Lives Mortality (2012-14)	
Mortality table				
Discount Rate		5.10%		5.10%
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, 2022

a) Defined Benefit Obligation - Discount rate + 100 basis points	(7,047.00)
b) Defined Benefit Obligation - Discount rate - 100 basis points	8,004.00
c) Defined Benefit Obligation - Salary Escalation Rate + 100 basis points	7,932.00
d) Defined Benefit Obligation - Salary Escalation Rate - 100 basis points	(7,117.00)

**NOTE 16 :Deferred tax liabilities**

(₹ in Lakh)

Particulars	As at	
	March 31, 2022	March 31, 2021
<b>Deferred Tax Liabilities</b>		32.48
- Property, Plant & Equipment		
<b>Deferred Tax Asset</b>		
- Provision for unrecognised expense	(70.69)	(70.69)
- Provision for Gratuity	(5.30)	(4.38)
- Provision for Doubtful Debts/Claims	(223.27)	(223.27)
<b>Net Deferred Tax Liabilities/(Assets)</b>	<b>(299.26)</b>	<b>(265.86)</b>
Deferred Tax Asset on account of carried forward loss	(748.84)	(774.78)
<b>Net Deferred Tax Liabilities / (Asset)</b>	<b>(1,048.10)</b>	<b>(1,040.64)</b>
<b>Less: Deferred Tax Liabilities / (Assets) unrecognised (Refer Note No.3.3B)</b>	<b>(1,048.10)</b>	<b>(1,040.64)</b>
<b>Net Deferred Tax Liabilities / (Assets) to Balance Sheet</b>	<b>0.04</b>	<b>0.04</b>

\* 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
<b>At 1st April 2021</b>	(774.78)	-	(70.69)	(4.38)	(223.27)	
(+)/(-) Deferred Tax Liability / (Asset) for the current year	25.94	-	-	(0.92)	-	
Deferred Tax Liability / (Asset) at the year end	(748.84)	-	(70.69)	(5.30)	(223.27)	
Less: Deferred Tax asset not recognised		-	(70.69)	(5.30)	(223.27)	
Charged to -						
Profit / Loss	-	-	-	-	-	
Other Comprehensive Income	-	-	-	-	-	
<b>At 31 March 2022</b>	(748.84)	-	(70.69)	(5.30)	(223.27)	(1,048.09)

**NOTE 17 : Other non-current liabilities**

Particulars	As at	
	March 31, 2022	March 31, 2021
Rent Deposit from Tenants	447.70	265.34
	<b>447.70</b>	<b>265.34</b>

**NOTE 18 :Trade Payables**

Particulars	As at	
	March 31, 2022	March 31, 2021
Payable to Micro Small & Medium Enterprises	-	-
Other Trade Payables		
Payables to related parties	230.85	10.83
Others	24.44	39.53
	<b>255.29</b>	<b>50.36</b>

**Trade Payables ageing schedule**

(Rs in lakhs)

Particulars	Outstanding for following periods from				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i)MSME	1.94				1.94
(ii)Others	251.86	1.22	0.27		253.35
(iii) Disputed dues – MSME					
(iv) Disputed dues - Others					

**A. Payables to related parties**

Particulars	As at	
	March 31, 2022	March 31, 2021
Directors	-	-
Officers	-	-

Firms in which any director is a partner	10.08	5.10
Public Companies in which any Director is a director or member	220.77	5.73
	<b>230.85</b>	<b>10.83</b>

**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, 2022	For the year ended March 31, 2021
	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end	1.97	-
	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	-	-
	The amount of interest due and payable for the period of delay in making payment	0.03	-
	The amount of interest accrued and remaining unpaid at the end of the year	0.03	-
	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.	-	-
		-	-

**NOTE 19 : Other current financial liabilities**

		As at March 31, 2022	As at March 31, 2021
<b>Particulars</b>			
Dividend payable		-	1.19
		<b>-</b>	<b>1.19</b>

**NOTE 20 : Other Current Liabilities**

		As at March 31, 2022	As at March 31, 2021
<b>Particulars</b>			
Other liabilities			
- Salaries and Other Benefits		7.02	6.50
- Retrenchment Compensation		11.14	15.02
- Statutory Dues Payable		41.90	56.88
- Other Payables		30.59	21.05
		<b>90.65</b>	<b>99.45</b>

**NOTE 21 : Revenue From Operations**

		For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Particulars</b>			
(i) Sale of products:			
- Sale of Paper and Paper Products		30.69	20.17
(ii) Sale of service			
- Lease Rental Income		503.22	307.61
(iii) Other operating revenue		-	-
		<b>533.91</b>	<b>327.78</b>

**NOTE 22 : Other Income**

			(₹ in Lakh)
		For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Particulars</b>			
(i) Interest income:			
- On deposits with banks [Tax Deducted at Source Rs 0.04 Lakhs (Previous year Rs 0.16 Lakhs)]		4.47	0.58
(ii) Sale of Scrapped Fixed Assets		7.54	13.44
(iii) Dividend income		-	0.05
(iv) Other non-operating income		3.29	32.65
(v) Credits no longer payable, forfeited		4.84	15.71
(vi) Provision for Projects Written back		-	3.25
		<b>20.14</b>	<b>65.68</b>

**Details of Other non-operating income**

			(₹ in Lakh)
		For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Particulars</b>			
Miscellaneous income		3.29	32.65
		<b>3.29</b>	<b>32.65</b>

**NOTE 23 : Employee Benefit Expenses**

			(₹ in Lakh)
		For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Particulars</b>			
Salaries, Wages & Allowances		13.66	10.33
Remuneration to Directors		24.00	24.00
Gratuity		2.71	1.92
Staff Welfare Expenses		1.48	8.38
Employer's Contribution to PF		0.42	0.31
Employer's Contribution to ESI		0.10	0.15
Allowances and expenses to contract workers		1.13	0.85
Others		7.15	7.44
		<b>50.65</b>	<b>53.38</b>

**NOTE 24 : Finance Cost**

		For the year ended March 31, 2022	For the year ended March 31, 2021
<b>Particulars</b>			
Interest Cost on Financial liabilities carried at amortised cost			
- Interest expense		264.52	122.32
- Other borrowing cost		3.66	1.65
- Cost on Preference Shares, adjusted for the fair value		(105.30)	16.78
		<b>162.88</b>	<b>140.75</b>

**NOTE 25 : Depreciation and amortisation expenses**

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Depreciation on Property, Plant & Equipment	106.19	77.83
Amortisation of Deferred Commission	12.10	4.27
	<b>118.29</b>	<b>82.10</b>

**NOTE 26 : Other Expenses**

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Payment to auditor	1.54	1.48
Repairs and maintenance (other than buildings and machinery)	10.32	4.95
Insurance charges	4.28	2.16
Donations	0.57	2.17
Pooja Expenses	2.34	1.86
Advertisement Expenses	1.45	1.57
Rates and Taxes	10.49	10.68
Manpower Supply	2.40	3.31
Professional charges	28.30	10.95
Penalty to BSE	-	6.60
Sitting fees to Directors	2.70	4.10
Travelling Expenses	4.61	4.37
Other Expenses	4.67	9.53
	<b>73.67</b>	<b>63.73</b>

**NOTE 26A : Payment to auditors**

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Statutory Audit Fee	0.84	0.70
Tax Audit Fee	0.25	0.25
Fee for other services	0.45	0.50
Audit fee for certification	-	0.03
	<b>1.54</b>	<b>1.48</b>

**NOTE 28 : Tax Expense**

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Current Tax	-	-
Deferred Tax	-	-
	<b>-</b>	<b>-</b>

**Income tax recognized in other income**

Particulars	For the year ended 31/03/2022			For the year ended 31/03/2021		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Remeasurement of defined benefit liability	(0.44)	-	(0.44)	(1.92)	-	(1.92)
Remeasurement of Equity instruments through OCI	-	-	-	(5.52)	-	(5.52)

**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 31/03/2022		For the year ended 31/03/2021	
<b>Profit from continuing operations before income tax expense</b>		103.06		33.37
Effect of items that are not deductible/ added in determining taxable Profit		(253.72)		(101.53)
<b>Taxable Profit</b>		<b>(150.66)</b>		<b>(68.16)</b>
Tax on accounting profit at 25.17% (P.Y 26%)		-		-
Less: Tax Credit on account of non-taxable incomes		-		-
(+)(-): Tax effect on account of Deferred Tax				
Net tax credit (asset) for the year				
Less: Tax Credit not recognised during the year				
Tax Credit (liability) relating to earlier years reversed				
(+)(-): Tax effect of Deferred Tax on account of unabsorbed losses				
Tax credit relating to current year losses, not recognised				
Tax credit on account of unabsorbed losses relating to earlier years		-		-
Less: Tax Credit relating to earlier years, not recognised				
<b>Total income tax expense/(credit)</b>		<b>-</b>		<b>-</b>
(+)(-) Tax adjustments for the earlier years				
<b>Income Tax expense / (credit) as per Profit and Loss</b>		<b>-</b>		<b>-</b>

**NOTE 29 : Other comprehensive income**

(₹ in Lakh)

Particulars	For the year ended	For the year ended
	March 31, 2022	March 31, 2021
Actuarial gain/(loss) on defined benefit obligation	0.44	5.52
	<b>0.44</b>	<b>5.52</b>

**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	31.03.2022		31.03.2021	
	Significant observable inputs		Significant observable inputs	
	Level 1	Level 3	Level 1	Level 3
<b>Financial Assets</b>				
<b>Investment in Unquoted instruments</b>				
Kerala Enviro Infrastructure Limited		1.00		1.00
<b>Financial Liabilities</b>				
Preference shares		1,046.97		1,152.27

**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**

Particulars	As at	
	March 31, 2022	March 31, 2021
Amount of Income tax liabilities disputed in appeal	22.18	22.18
Income Tax liability on account of TDS default.	-	4.21
Excise duty disputed under appeal	350.79	350.79
Customs duty liability under EPCG claim	58.79	58.79
Employee Providend Fund demand under appeal	34.17	34.17
	<b>465.93</b>	<b>470.14</b>

**NOTE 32 : Additional Information**

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

Particulars	As at 31st march 2021	Provision made during the year	Provision utilized during the year	As at 31st march 2022
Trade receivables	682.47	-	-	682.47
Gratuity and Leave Encashment	17.10	3.14	-	20.24
Capital Advances	83.12	-	-	83.12
Deposits	26.28	-	1.42	24.86
Advance for Power Project	40.56	-	-	40.56
Temporary Advances	281.46	-	-	281.46
Investments	3.00	-	-	3.00

**Details of Lease Rentals pursuant to Ind AS 116- Leases**

Particulars	Particulars	Particulars	Particulars	Particulars	Particulars
Lessee	Qwik Supply Chain Private Limited ( Formerly known as Fine Tech Corporation Private Limited)	LG Electronics India Private Limited	VIP Industries Limited	Reliance Projects & Property Management Services Limited	PPC Technologies India Private Limited
Security Deposit	93,45,146.00	1,47,66,768.00	16,76,240.00	5,92,128.00	1,83,90,079.00
Lease Term	15 Years	7 Years	9 Years	5 Years	9 Years
<b>Lease Rental</b>					
22-23	1,43,22,687.00	3,17,85,463.00	41,77,190.00	17,14,306.00	1,91,13,587.00
23-24	1,50,38,821.00	3,33,74,736.00	43,86,050.00	-	1,96,86,995.00
24-25	1,57,90,762.00	3,50,43,473.00	46,05,353.00	-	2,02,77,605.00
25-26	1,65,80,300.00	3,67,95,647.00	48,35,621.00	-	2,08,85,933.00
Remaining years	17,00,73,319.00	5,84,24,305.00	1,73,93,369.00	-	11,26,06,986.00

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

Sd/-  
Deepa Praveen, FCA  
Partner (M No. 232410)  
UDIN : 22232410AJWLUB1412

Cochin - 11  
28-05-2022

For and on behalf of the Board,

Sd/-  
S Rajkumar  
Vice Chairman &  
Managing Director

Sd/-  
V N Sridharan  
Chief Financial Officer

Sd/-  
Visakh Rajkumar  
Executive Director

Sd/-  
Jiju George  
Company Secretary

Chennai-17  
28-05-2022

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)	
			2021-22	2020-21
Key Managerial Personnel ( Managing Director )	1 Mr. S Rajkumar	Repayment of unsecured Loan (net)	388.59	278.61
		Remuneration	12.00	12.00
Key Managerial Personnel ( Director )	2 Mrs. Rajee Rajkumar	Sitting Fees	0.50	30.15
Key Managerial Personnel ( Director )	3 Mr. Visakh Rajkumar	Remuneration	12.00	12.00
Key Managerial Personnel ( Director )	4 Mr. G Raghavan	Sitting Fees	0.60	1.10
Key Managerial Personnel ( Director )	5 Mr. N Subramanian	Sitting Fees	0.75	1.10
Key Managerial Personnel ( Non Executive Director )	6 Mr. Akhilesh Agarwal	Sitting Fees	0.75	1.00
Key Managerial Personnel ( Non Executive Director )	7 Mr. Kul Bhushan Jain	Sitting Fees	0.10	-
Key Managerial Personnel ( Chief Financial Officer )	8 Mr. V.N Sridharan	Remuneration	10.07	2.59
		Expenses payable	0.05	0.05
Key Managerial Personnel ( Company Secretary )	9 Jiju George	Remuneration	7.80	7.02
		Expenses payable	0.05	0.05
Enterprises over which any person mentioned in 1 to 7 above is able to exercise significant influence	10 Shri Kailash Logistics Chennai LTD	Expenses reimbursement	3.19	1.90
		Repayment of unsecured Loan (net)	2.60	2.16
		Interest on Unsecured Loan	4.98	3.25
	11 Cartopacks	Sale of goods	33.55	12.32
	12 Aditya Papers	Purchase of goods	10.08	10.09
	13 Aditya Fibers	Sale of goods	0.52	2.46
	14 Visakh Homes LTD	Repayment of unsecured Loan (net)	47.85	58.00
		Interest on Unsecured Loan	2.34	0.23
		Contract expenses	673.27	596.45
		Commision for marketing warehouse	46.27	55.50
		Expenses reimbursement	24.36	
	15 Maharaj Continental Trades Limited	Repayment of Trade payables	8.00	
	16 Aadrik Industrial and Logistics Private Limited	Advance for expenses	0.03	0.17

Statement of changes in equity for the period ended March 31, 2022

A. Equity share capital

(Figs in ₹ in Lakh)

Particulars	Opening balance as at 1 Apr 2019	Changes in equity share capital during the year	Closing balance as at 31 Mar 2020	Changes in equity share capital during the year	Closing balance as at 31 Mar 2021
Equity shares of Rs.10 each	1,915.12	0.00	1,915.12	-	1,915.12
<b>Total</b>	<b>1,915.12</b>	<b>0.00</b>	<b>1,915.12</b>	<b>-</b>	<b>1,915.12</b>

Particulars	Opening balance as at 1 Apr 2021	Changes in accounting policy/ prior period errors	Restated balance as at 1 Apr 2021	Total comprehensive income for the year	Dividends	Transfer to retained earnings	Tax on other comprehensive income	Closing balance as at 31 Mar 2022
Capital Reserve	36.68	-	36.68	-	-	-	-	36.68
General Reserve	533.00	-	533.00	-	-	-	-	533.00
Retained earnings	(6,594.26)	-	(6,594.26)	-	-	97.88	-	(6,496.38)
Securities premium	1,694.39	-	1,694.39	-	-	-	-	1,694.39
Money received against share warrants	-	-	-	-	-	-	-	-
Other comprehensive income	-	-	-	-	-	-	-	-
- Actuarial gain/(loss) on defined benefit obligation	(12.26)	-	(12.26)	(0.44)	-	5.52	-	(7.18)
- Equity instrument through other comprehensive income	(1.85)	-	(1.85)	-	-	-	-	(1.85)
<b>Total reserves</b>	<b>(4,344.30)</b>	<b>-</b>	<b>(4,344.30)</b>	<b>(0.44)</b>	<b>-</b>	<b>103.40</b>	<b>-</b>	<b>(4,241.34)</b>

Particulars	Opening balance as at 1 Apr 2020	Changes in accounting policy/ prior period errors	Restated balance as at 1 Apr 2020	Total comprehensive income for the year	Dividends	Transfer to retained earnings	#REF!	Closing balance as at 31 Mar 2021
Capital Reserve	36.68	-	36.68	-	-	-	-	36.68
General Reserve	533.00	-	533.00	-	-	-	-	533.00
General Reserve	(6,630.12)	-	(6,630.12)	-	-	35.86	-	(6,594.26)
Retained earnings	1,694.39	-	1,694.39	-	-	-	-	1,694.39
Securities premium	-	-	-	-	-	-	-	-
Money received against share warrants	-	-	-	-	-	-	-	-
Other comprehensive income	(6.74)	-	(6.74)	(5.52)	-	(5.52)	-	(12.26)
- Actuarial gain/(loss) on defined benefit obligation	(1.85)	-	(1.85)	-	-	-	-	(1.85)
<b>Total reserves</b>	<b>(4,374.64)</b>	<b>-</b>	<b>(4,374.64)</b>	<b>(5.52)</b>	<b>-</b>	<b>30.34</b>	<b>-</b>	<b>(4,344.30)</b>

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

Sd/-  
Deepa Praveen, FCA  
Partner (M No. 232410)  
UDIN : 22232410AJWLUB1412

Cochin - 11  
28-05-2022

For and on behalf of the Board,

Sd/-  
S Rajkumar  
Vice Chairman &  
Managing Director

Sd/-  
Visakh Rajkumar  
Executive Director

Sd/-  
V N Sridharan  
Chief Financial Officer

Sd/-  
Jju George  
Company Secretary

Chennai-17  
28-05-2022

**D. Additional Regulatory Information**

**(i) Title deeds of Immovable property not held in name of the company**

The company does not hold any immovable property whose title deeds are not in the name of the company

**(ii) Revaluation of Property, Plant and Equipment**

The Company has not revalued its Property, Plant and Equipment during the financial year.

**(iii) Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person.**

(i) repayable on demand or

(ii) without specifying any terms or period of repayment

Type of Borrower		Amount of loan or advance in the nature of loan outstanding	Percentage to the total Loans and Advances in the nature of loans
Related Parties		-	-

**(d) Capital-work-in-progress (CWIP)**

The capital work in progress as on the balance sheet date amounts to Rs.33.29 Lakhs

**(e) Intangible Assets under Development**

The company does not have any intangible assets under development

**(f) Details of Benami Property held**

No proceedings have been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

**(g) The borrowings from HDFC Bank is secured by Assignment of rent receivables, disclosed as current assets as on balance sheet date**

**(h) Willful defaulter**

Company is not declared as willful defaulter by any bank or financial Institution or other lender.

**(i) Relationship with Struck off Companies**

The company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956

**(j) Registration of charges or satisfaction with Registrar of Companies**

The Company does not have any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period.

**(k) Compliance with number of layers of companies**

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

**(l) Ratios**

Particulars	Unit of measurement	Items Included in Numerator	Items Included in Denominator	2021-22	2020-21	Change in Ratio %	Reasons for Changes in the Ratios to the extent of 25%
(a) Current Ratio,	Times	Current Assets	Current Liability	0.28	0.08	266.69	(1.) increase of fixed deposit held in Bank , (2) Increase in amount of Tax Deducted at Source during FY 2021-22 compared to FY 2020-21 on account of increase in rental revenue of the Company.
(b) Debt-Equity Ratio,	Times	Loans+Preference share capital	Equity Shareholders fund	(239.77)	(172.60)	38.92	Increase in the borrowed capital from bank and also due to marginal improvement in accumulated loss .
(c) Debt Service Coverage Ratio,	Times	Earning before interest, taxes, depreciation, amortisation	Debt Service	84.77	84.03	0.88	
(d) Return on Equity Ratio,	Percentage	Net Profit	Sharecapital+Reserves and Surplus	(4.41)	(1.15)	284.84	The reduction in the ratio is due to increase in the rental income and also marginal increase in the kraft paper sale
(e) Inventory turnover ratio,	Times	Net sales from Kraft Paper	Average Inventory	-	-	-	Not Applicable
(f) Trade Receivables turnover ratio,	Times	Revenue from operations	Trade receivables	1,451.66	994.86	45.92	Increase in the turnover of the Company resulting from higher rental income
(g) Trade payables turnover ratio,	Times	Purchases of Kraft paper	Trade Payables	178.60	139.33	28.18	This ratio represents insignificant part of the purchase of kraft paper which has gone up during the current year
(h) Net capital turnover ratio,	Times	Revenue from operations	Equity Share Capital	18.02	10.69	68.68	Increase in net turnover of the company resulting from increased rental income
(i) Net profit ratio,	Percentage	Net Profit	Revenue from operations	18.52	7.08	161.71	Increase in net profit due to higher turnover
(j) Return on Capital employed,	Percentage	Earning before interest and taxes	Equity Share Capital	3.54	2.76	28.37	The % increase in EBIT is more than the % increase in Loan
(k) Return on investment.	Percentage	Earnings after Taxes	Preference share capital	10.26	2.78	268.53	Not Applicable

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

Sd/-  
Deepa Praveen, FCA  
Partner (M No. 232410)  
UDIN : 22232410AJWLUB1412

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