REVATHI EQUIPMENT LIMITED

Listing Department BSE Limited 25th Floor, PJ Towers, Dalal Street, Mumbai – 400 001. **Scrip Code: 505368**	Listing Department National Stock Exchange Limited Exchange Plaza, C-1 Block G, Bandra Kurla Complex, Bandra, East Mumbai – 400 051. **Scrip Code: REVATHI**

20-08-2019

Dear Sir / Madam,

Sub: Submission of Annual Report for the year 2018 – 19.

Pursuant to regulation 34 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we herewith attached soft copy of the Annual Report of the company for the year 2018 -19 for your records.

Thanking You,

Sincerely,

For Revathi Equipment Limited

K. Maheswaran
Company Secretary and Compliance Officer

Revathi Equipment Limited
331, Pollachi Road, Coimbatore - 641 050. India. Phone : 0422 - 2610851, 0422 - 6655100, Fax : 0422 - 6655199
CIN No. : L29120TZ1977PLC000780 E-mail : spares@revathi.in Website : www.revathi.com

REVATHI EQUIPMENT LIMITED

CIN: L29120TZ1977PLC000780
Registered Office: Pollachi Road, Malumachampatti P O., Coimbatore- 641 050
E-mail: compliance.officer@revathi.in Website: www.revathi.in
Phone No.: 0422 - 6655111 Fax: 0422 - 6655199

NOTICE TO MEMBERS

NOTICE is hereby given that the 42nd Annual General Meeting of the Shareholders of the Company will be held on Tuesday, the 10th day of September, 2019 at 3.00 p.m at Pollachi Road, Malumachampatti Post, Coimbatore – 641 050, the Registered Office of the Company to transact the following business:

Ordinary Business

1. To receive, consider and adopt standalone and consolidated Annual Financial Statements including Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statements of changes in Equity for the financial year ended 31st March, 2019, the Balance Sheet as at that date, the Report of the Board of Directors' and the Auditor's thereon.
2. To appoint a Director in the place of Mrs.Deepali Dalmia (DIN: 00017415) who retires by rotation and being eligible offers herself for re-appointment.

Special Business:

3. To consider and if thought fit, to pass the following resolution as a **Special Resolution**

   RESOLVED that pursuant to the provisions of Section 196, 197, 203, Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification thereto from time to time or any re-enactment thereof for the time being in force) (the "Act") read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the consent of the members of the company be and is hereby accorded for payment of remuneration to Mr.Abhishek Dalmia (DIN 00011958), Executive Chairman of the Company for a remaining period of 2 years with effect from 1st April, 2019 on the terms and conditions of the agreement as recommended by the Nomination and Remuneration Committee and approved by the Board of Directors at their meeting held on 29th May, 2019 which has been set out in the explanatory statement.

   RESOLVED FURTHER that in the event of loss or inadequacy of profits in any financial year during his tenure of office, the remuneration payable to the Executive Chairman shall be subject to the limits mentioned in Section II of Para II of Schedule V of the Companies Act, 2013.

4. To consider and if thought fit, to pass the following resolution as a **Special Resolution**

   RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 160 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI Listing Regulations) as amended and as per the recommendations of the Nomination and Remuneration Committee and Board of Directors, Mr.B.V.Ramanan (DIN: 00934602), who has given his consent for appointment as an Independent Director of the Company and has also submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, to hold office for his second term of five consecutive years, with effect from 29th September, 2019 and is not liable to retire by rotation.

   RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.

5. To consider and if thought fit, to pass the following resolution as a **Special Resolution**

   RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152 and 160 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the relevant provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, (SEBI Listing Regulations) as amended and

as per the recommendations of the Nomination and Remuneration Committee, Mr.Kishore Sidhwani (DIN: 02428735), who has given his consent for appointment as an Independent Director of the Company and has also submitted a declaration that he meets the criteria of independence under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and who is eligible for re-appointment, be and is hereby re-appointed as an Independent Director of the Company, to hold office for his second term of five consecutive years, with effect from 22nd January, 2020 and is not liable to retire by rotation.

RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof) and / or Company Secretary of the Company, be and are hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.

6. To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution.**

RESOLVED THAT pursuant to the provisions of Section 188 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014; SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in accordance with the prevailing provisions of the Companies Act, 2013 read with rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof or the time being in force) and subject to such other approvals, consents, permissions and sanctions of any authorities as may be necessary, consent of the Members be and is hereby accorded to the Board of Directors of the Company to enter into related party transaction(s) including material related party transactions with M/s.Semac Construction Technologies India LLP ("SCTIL") for investment of funds and sale, purchase, transfer or receipt of products, goods, materials, assets or services, for an amount in excess of 10% of the annual consolidated turnover of the company, on such terms and conditions as may be mutually agreed upon between the Company and SCTIL.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to decide upon the nature and value of the investments, products, goods, materials, assets or services to be transacted with SCTIL within the aforesaid limits.

RESOLVED FURTHER THAT the Board of Directors and/or the Audit Committee as may be applicable from time to time authorised to settle any question, difficulty or doubt, that may arise in giving effect to this resolution and to do all such acts and things as may be considered necessary and expedient for the purpose of giving effect to this resolution.

7. To consider and if thought fit, to pass the following resolution as a **Special Resolution**

RESOLVED that pursuant to the provisions of Section 186 and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act'), and the rules framed thereunder including any statutory modification or re-enactment thereof for the time being in force, and such other approvals as may be required in that behalf, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as 'the Board' which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to:

- make loans from time to time on such terms and conditions as it may deem expedient to any person or other bodies corporate;
- give on behalf of any person, body corporate, any guarantee, or provide security in connection with a loan made by any other person to, or to any other person by any body corporate; and
- acquire by way of subscription, purchase or otherwise the securities of any other body corporate,

in excess of the limits prescribed under Section 186 of the Act up to an aggregate sum of Rs.175 crores, notwithstanding that the aggregate of loans and investments so far made, the amounts for which guarantee or security so far provided to, along with the investments, loans, guarantee or security proposed to be made or given by the Board may exceed sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

FURTHER RESOLVED that the consent of the Company be and is hereby accorded to the Board to invest in the Subsidiaries, Associates, Related Parties, make loans to them; provide guarantees/security on their behalf, to person, within the limits, if any, as may be applicable from time to time and on such terms and conditions as may be deemed fit and expedient.

FURTHER RESOLVED that the Board be and is hereby authorised to negotiate the terms and conditions of the above said investments, loan(s), security(ies) or guarantee(s) as they deem fit and in the best interest of the Company and take all such steps as may be necessary to complete the same.

FURTHER RESOLVED that the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary and with power to settle questions, difficulties or doubts that may arise in this regard without requiring the Board to secure any further approval of the Members of the Company.

STATMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO: 3

Mr.Abhishek Dalmia (DIN 00011958), was re-appointed as Executive Chairman of the Company for a period of 5 years from 1st April, 2016 and the terms and conditions for payment of remuneration for a period of three years upto 31st March, 2019 was duly approved by the Members of the Company at the Annual General Meeting held on 15th September, 2016.

The Nomination and Remuneration Committee and Audit Committee recommended the revision of remuneration to the Executive Chairman, for a further period of 2 years with effect from 01st April, 2019 as per the terms and conditions set out in the agreement executed with Executive Chairman. The Board of Directors of the Company at their meeting held on 29th May, 2019 have approved the payment of remuneration to Mr.Abhishek Dalmia, Executive Chairman for the remaining period of 2 years with effect from 1st April, 2019 as set out below:

PERIOD OF REMUNERATION:

The remuneration as set out below shall be for a period of 2 years from 01.04.2019 to 31.03.2021.

SALARY:

Rs.3,80,064 (Rupees Three Lakhs Eighty Thousand and Sixty Four only) p.m. with effect from April 1, 2019 with such annual increments but not exceeding 30%, as the Board at its sole discretion may decide.

ALLOWANCES / PERQUISITES:

In addition to the above salary, the Executive Chairman shall be entitled to perquisites and allowances such as house maintenance, medical reimbursement, medical insurance, leave travel, club fees etc., upto 35% of his salary.

Perquisites will be valued as per Income Tax Rules wherever applicable and in the absence of such rules at actual costs.

COMMISSION:

Not exceeding 5% of the net profits of the Company in each year computed in accordance with Section 198 of the Companies Act, 2013 subject to such limit as may be decided by the Board in accordance with such performance parameters as may be given to the Executive Chairman by the Board.

OTHER BENEFITS:

Contribution to Provident Fund (PF) and Superannuation Fund as applicable to other managers of the company.

He shall be entitled for Gratuity at the rate of one month salary for each completed year of service effective from the date of his appointment.

Provision of car for use on Company's business and telephone at residence, including long distance calls shall not be considered as perquisites.

The Executive Chairman shall be entitled to reimbursement of travelling expenses and entertainment expenses actually incurred in the course of the Company's business.

One month leave per year on full pay (salary plus perquisites) with liberty to accumulate such leave upto 50% of entitlement and encashment of unavailed leave at the end of tenure. In addition, the Executive Chairman shall be entitled to such casual leave and sick leave as is applicable to other managers of the company.

Contribution to PF, Superannuation, Gratuity, leave encashment, provision for car, shall not be considered as perquisites in the computation of ceiling on perquisites.

The remuneration payable to the Executive Chairman in the event of loss or inadequacy of profits in any financial year during the aforesaid period, shall be subject to the limits mentioned in Section II of Part II of Schedule V of the Companies Act, 2013.

In view of the qualification, experience, past performance, increased responsibilities and time spent by Mr.Abhishek Dalmia (DIN 00011958), Executive Chairman for the prospects of the Company, the Board of Directors of the Company recommend for remuneration payable to him, commensurate with the trend in the industry levels while compared to the remuneration paid to the Executive Chairman of Companies of similar size and responsibilities shouldered by him as recommended by

the Nomination and Remuneration Committee and approved by the Audit Committee of the Company at their meeting held on 29th May, 2019 as set out above, and the same is within the limits specified in Part II of Schedule V to the Companies Act,2013.

The Board of Directors, after taking into consideration the said substantial and significant contribution made by Mr.Abhishek Dalmia, Executive Chairman for the rapid growth of the Company and also taking into account the future plans of the Company have accepted the proposal of the Nomination and Remuneration Committee and the Audit Committee, subject to the approval of the members by means of a Special Resolution at the ensuing Annual General Meeting.

The Board of Directors recommend the resolution set out at Item no. 3 of the Notice for your approval.

Except Mr.Abhishek Dalmia being the appointee and Mrs.Deepali Dalmia, being the relative of Mr.Abhishek Dalmia, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution for appointment as set out in item no. 3 of this notice.

ITEM NO. 4

Mr.B.V.Ramanan (DIN: 00934602) was appointed as Independent Non-Executive Director of the Company by the Members at the 37th Annual General Meeting held on 29th September, 2014 to hold office for five (5) consecutive years for a term upto 28th September, 2019.

As per Section 149(10) of the Companies Act, 2013 ('the Act'), an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company but shall be eligible for re-appointment on passing a Special Resolution by the Company for another term of upto five consecutive years.

Mr.B.V.Ramanan shall be completing his first term of appointment upon completion of five years with effect from 29th September 2014 to 28th September 2019, he is eligible for re-appointment for another term of five consecutive years subject to the approval of the members by way of passing a Special Resolution.

Brief profile of Mr.B.V.Ramanan and his other directorships has been included in this Notice.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of report of performance evaluation of Mr.B.V.Ramanan has recommended his re-appointment as Independent Director for a second term of five (5) consecutive years, subject to the approval of Members, to hold office with effect from 29th September, 2019. Further, the Board of Directors are of the opinion that the continued association of Mr.B.V.Ramanan would be immensely beneficial to the Company.

Mr.B.V.Ramanan is not disqualified from being appointed as Director in terms of Section 164 of the Act and not debarred from holding the office of Director by virtue of any SEBI order or any other such authority. He has given his consent to act as Director along with the declaration stating that they meet the criteria of independence as prescribed under the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

In the opinion of the Board, Mr.B.V.Ramanan fulfill the conditions specified under the Act read with the rules made thereunder and the Listing Regulations for his re-appointment as Independent Non-Executive Director of the Company and is independent of the management.

The Company has also received notice in writing from member under Section 160 of the Act proposing the candidature of Mr.B.V.Ramanan for the office of Independent Director of the Company.

Copy of the draft letter for appointment of Mr.B.V.Ramanan as Independent Non-Executive Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (8:00 am to 4:00 pm) on any business day.

Accordingly, the Board recommends Special Resolution in relation to eligibility and re-appointment of Mr.B.V.Ramanan as Independent Director for another term of five (5) consecutive years, for approval by the shareholders of the Company.

During the tenure of appointment of Mr.B.V.Ramanan, he shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The disclosures as required under Regulation 36 of Listing Regulations and Secretarial Standards 2 are furnished and forms a part of this Notice.

Except Mr.B.V.Ramanan, the appointee Independent Director, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution for appointment as set out in item no. 4 of this notice.

ITEM NO. 5

Mr.Kishore Sidhwani (DIN: 02428735) was appointed as Independent Non-Executive Director of the Company by the Members at the Postal Ballot Meeting dated 22nd January, 2015 to hold office for five (5) consecutive years for a term upto 21st January, 2020.

As per Section 149(10) of the Companies Act, 2013 ('the Act'), an Independent Director shall hold office for a term of upto five consecutive years on the Board of a Company but shall be eligible for re-appointment on passing a Special Resolution by the Company for another term of upto five consecutive years.

Mr.Kishore Sidhwani shall be completing his first term of appointment upon completion of five years with effect from 22nd January, 2015 to 21st January, 2020, he is eligible for re-appointment for another term of five consecutive years subject to the approval of the members by way of passing a Special Resolution.

Brief profile of Mr.Kishore Sidhwani and his other directorships has been included in this Notice.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of report of performance evaluation of Mr.Kishore Sidhwani has recommended his re-appointment as Independent Director for a second term of five (5) consecutive years, subject to the approval of Members, to hold office with effect from 22nd January, 2020. Further, the Board of Directors are of the opinion that the continued association of Mr.Kishore Sidhwani would be immensely beneficial to the Company.

Mr.Kishore Sidhwani is not disqualified from being appointed as Director in terms of Section 164 of the Act and not debarred from holding the office of Director by virtue of any SEBI order or any other such authority. He has given his consent to act as Director along with the declaration stating that they meet the criteria of independence as prescribed under the Act and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

In the opinion of the Board, Mr.Kishore Sidhwani fulfill the conditions specified under the Act read with the rules made thereunder and the Listing Regulations for his re-appointment as Independent Non-Executive Director of the Company and is independent of the management.

The Company has also received notice in writing from member under Section 160 of the Act proposing the candidature of Mr.Kishore Sidhwani for the office of Independent Director of the Company.

Copy of the draft letter for appointment of Mr.Kishore Sidhwani as Independent Non-Executive Director setting out the terms and conditions would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours (8:00 am to 4:00 pm) on any business day.

Accordingly, the Board recommends Special Resolution in relation to eligibility and re-appointment of Mr.Kishore Sidhwani as Independent Director for another term of five (5) consecutive years, for approval by the shareholders of the Company.

During the tenure of appointment of Mr.Kishore Sidhwani, he shall not be liable to retire by rotation as provided under Section 152(6) of the Companies Act, 2013.

The disclosures as required under Regulation 36 of Listing Regulations and Secretarial Standards 2 are furnished and forms a part of this Notice.

Except Mr.Kishore Sidhwani, the appointee Independent Director, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution for appointment as set out in item no.5 of this notice.

ITEM NO. 6

M/s. Semac Construction Technologies India LLP ("SCTIL") is a 'Related Party' within the meaning of Section 2(76) of the Companies Act, 2013 and Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. ("Listing Regulations")

In terms of the provisions of Section 188 of the Companies Act, 2013 and the Listing Regulations, the contracts/ arrangements/ transactions relating to Investment, sale, purchase, transfer or receipt of products, goods, materials, assets or services with SCTIL are material in nature as these transactions are likely to exceed ten percent of the turnover of the Company. Therefore,

in terms of Regulation 23 and other applicable regulations of the Listing Regulations the material Contracts/ Arrangements/ Transactions with SCTIL require the approval of the Members of the Company by way of ordinary resolution. The particulars of the Material Related Party Contracts/ Arrangements/ Transactions are as under:

Name of the related party: M/s. Semac Construction Technologies India LLP.

Name of the director or Key managerial personnel who is related and relationship: Mr.Abhishek Dalmia, Executive Chairman of the Company.

Material Terms of the Contracts/ Arrangements/Transactions: Investment, Sale, purchase, transfer or receipt of products, goods, materials, assets or services on arm's length basis.

Monetary Value: The value of transactions is in excess of 10% of the Annual Consolidated Turnover of the company.

Other information: M/s. Semac Construction Technologies India LLP is a vendor and all prices are agreed based on market competitiveness. The material contracts/arrangements/transactions with SCTIL have been approved by the Audit Committee and Board of Directors for recommending the same to the Members of the Company for their approval.

Except Mr. Abhishek Dalmia and Mrs. Deepali Dalmia, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution for appointment as set out in item no. 6 of this notice.

The Board recommends the ordinary resolution as set out in Item 6 of the Notice for the approval by the Members.

ITEM NO. 7

The Company has been making investments in, giving loans and guarantees to and providing securities in connection with loans to various persons and bodies corporate (including its subsidiary) from time to time, in compliance with the applicable provisions of the Act.

The provisions of Section 186 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, as amended to date, provides that no company is permitted to, directly or indirectly, (a) give any loan to any person or other body corporate; (b) give any guarantee or provide security in connection with a loan to any other body corporate or person; and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more. Further, the said Section provides that where the giving of any loan or guarantee or providing any security or the acquisition as provided under Section 186(2) of the Act, exceeds the limits specified therein, prior approval of Members by means of a Special Resolution is required to be passed at a general meeting.

The Company has been investing/making loans/providing guarantees/security. In order to enable the Company to invest/ make loans/provide guarantees/security, it is considered necessary to obtain the approval of the members to make loan/ invest/provide guarantees/security, for an amount not exceeding Rs.175 crores, under the provisions of Section 186 of the Companies Act, 2013.

In view of the above and considering the long term business plans of the Company, which requires the Company to make sizeable loans / investments and issue guarantees / securities to persons or bodies corporate, from time to time, prior approval of the Members is being sought for enhancing the said limits. Hence, the Special Resolution at Item No.6 of the Notice, notwithstanding the fact that the same exceeds the limits provided under Section 186 of the Act.

Accordingly, the Board recommends the Special resolution as set out in Item 6 of the Notice for the approval by the Members.

Except Mr.Abhishek Dalmia and Mrs.Deepali Dalmia, none of the other Directors or Key Managerial Personnel of the Company or their relatives is concerned or interested, financially or otherwise, in the resolution for appointment as set out in item no. 6 of this notice.

NOTES:

1. **A member entitled to attend and vote at the Annual General Meeting (the "meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company.**

   The instrument appointing the proxy should, however, be deposited at the registered office of the company not less than forty-eight hours before the commencement of the meeting. A proxy form for the Annual General Meeting is enclosed.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. Members may note that M/s.S.S.Kothari Mehta & Co, (Firm Registration No.000756N), Chartered Accountants, New Delhi, the Statutory Auditors of the Company were appointed by the Shareholders at their Annual General Meeting (AGM) held on 21st December, 2015, to hold office for a period of 5 years till the conclusion of AGM to be held during the year 2020, subject to ratification by the shareholders at every AGM. However, the Ministry of Corporate Affairs vide notification dated 7th May, 2018 has amended Section 139 of the Companies Act, 2013 by omitting the requirement of seeking ratification of the members for appointment of statutory auditors at every AGM. Hence, no resolution is being proposed for ratification of appointment of Statutory Auditors at this 42nd Annual General Meeting.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. Members / Proxies should bring the attendance slips duly filled and signed for attending the meeting.
5. Details under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and Secretarial Standards issued by ICSI in respect of the Director seeking re-appointment at the Annual General Meeting is furnished and forms a part of the notice.
6. The register of members and share transfer books of the company will remain closed from 04.09.2019 to 10.09.2019 (both days inclusive).
7. Members holding shares in electronic form are hereby informed that bank particulars registered against their depository accounts will be used by the Company for payment of dividend. The Company or the Registrars cannot act on any request received directly from the members holding shares in electronic form for any such change in bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant by the Members. Members holding shares in physical form and desirous of either registering bank particulars already registered against their respective folios for payment of dividend are requested to write to the Registrars and Share Transfer Agents of the Company.
8. Members holding shares in physical form are requested to notify immediately any change in their address along with respective address proof and Bank particulars to the Company or its Registrar & Share Transfer Agent and in case their shares are held in dematerialized form, this information should be passed on directly to their respective Depository Participants and not to the Company / Registrars & Share Transfer Agent.
9. Members desirous and requiring any information on the accounts or operations of the Company are requested to forward his/her queries to the Company at least seven working days prior to the meeting, so that the required information may be made available at the meeting.
10. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or Registrar and Share Transfer Agent, the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such members after making requisite changes thereon.
11. Members holding shares in Physical form are requested to convert their holdings to dematerialized form to eliminate all risks associated with Physical shares.
12. In terms of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, securities of listed companies can only be transferred in dematerialised form with effect from April 1st, 2019. In view of the above, members are advised to dematerialise shares held by them in physical form.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in Physical form can submit their PAN to the Company or to M/s. SKDC Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641006.

14. The members are requested to forward their share transfer deed(s) and other communications directly to the Registrar and share transfer agent of the company M/s. SKDC Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641006.
15. Members are requested to register / update their Email address in respect of shares held in dematerialized form with their respective Depository Participants and in respect of shares held in physical form with M/s. SKDC Consultants Limited.
16. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote
17. Electronic copy of the Annual Report for 2019, the Notice of the 42nd Annual General Meeting of the Company and instructions for e-voting, along with the Attendance Slip and Proxy Form, are being sent to all the members whose email IDs are registered with the Company / Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2019 is being sent in the permitted mode.
18. Members are requested to note that the venue of the 42nd Annual General Meeting is Pollachi Road, Malumachampatti Post, Coimbatore – 641 050, the Registered Office of the Company and route map containing the complete particulars of the venue is printed to this Notice.
19. Pursuant to the provisions of Section 72 of the Companies Act, 2013, Members may file Nomination Forms in respect of their physical shareholdings. Any Member willing to avail this facility may submit to the Company's Registrar & Share Transfer Agent in the prescribed Statutory Form. Should any assistance be desired, Members should get in touch with the Company's Registrar & Share Transfer Agent.
20. Members may also note that the Notice of 42nd Annual General Meeting and the Annual Report 2018-19 will be available on the Company's website at www.revathi.in
21. Voting through electronic means:

    I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company is pleased to provide its members the facility to exercise their right to vote at the 42nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

    II. The facility for voting, either through electronic voting system or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their vote through polling paper at the Annual General Meeting.

    III. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

    The instructions for shareholders voting electronically are as under:

    (i) The voting period begins on Saturday, the 07th September, 2019 at 9.00 AM and ends on Monday, the 09th September, 2019 at 5.00 PM. During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date of 03rd September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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

    (iii) Click on Shareholders.

    (iv) 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. Members holding shares in Physical Form should enter Folio Number registered with the Company.

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

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

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

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) ● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. ● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. ● If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members 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.

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

(xi) Click on the EVSN for the relevant REVATHI EQUIPMENT LIMITED on which you choose to vote.

(xii) 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.

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

(xiv) 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.

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

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

(xvii) 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.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

IV. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 03rd September, 2019.

V. Mr.M.D.Selvaraj FCS of MDS & Associates, Company Secretaries, Coimbatore has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

VI. The Scrutinizer shall immediately after the conclusion of the Annual General Meeting first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

VII. The Results shall be declared within 2 days of the conclusion of the Annual General Meeting. The results declared along with the Consolidated Scrutinizer's Report shall be placed on the Company's website www.revathi.in and on the website of CDSL and communicated to the Stock Exchanges where the Company's shares are listed.

Statement of information relevant to Mr. Abhishek Dalmia, Executive Chairman of the Company as per Schedule V of the Companies Act, 2013

I. GENERAL INFORMATION

1. Nature of Industry

   Engineering Industry

2. Date or expected date of commencement of commercial production

   The company was incorporated on May 30, 1977 and commenced commercial production subsequently in the same year

3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus

   Not Applicable

4. Financial performance based on given indicators (Amount in Lakhs)

Particulars	2018-19	2017-18
Sales & other income	7650.31	4700.47
Profit/ (Loss) before tax	986.88	194.25
Profit/ (Loss) after tax	932.70	(590.91)
Paid-up equity capital	306.69	306.69
Reserves and Surplus	15575.18	14643.38
Basic Earning per share	30.41	(19.27)

5. Foreign Investments or collaborations, if any. Nil

II. INFORMATION ABOUT THE APPOINTEE

1. Background details

   Mr. Abhishek Dalmia aged 49 years has been the Executive Chairman of the Company from April 1, 2003. He has expertise in identifying low risk and reasonably rewarding opportunities in the area of investment.

2. Past remuneration

   The total remuneration paid to Mr.Abhishek Dalmia for the Year 2018-19 is Rs.75 Lakhs.

3. Recognition or awards : Nil

4. Job profile and his suitability

   Mr.Abhishek Dalmia as Executive Chairman of the Company shall have all powers and duties as the Board may determine from time to time. He has been associated with the Company for the past 17 years.

5. Remuneration proposed

   Details of proposed remuneration have been disclosed in Item No. 3.

6. 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)

   Taking into consideration the size of the company, profile of Mr.Abhishek Dalmia, responsibility shouldered by him and the industry standard, the remuneration paid is commensurate with the remuneration packages paid to Managerial Personnel in similar other companies.

7. Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any Besides the remuneration being received, the Executive Chairman does not have any pecuniary relationship with the company. He is not related to any director of the Company except Mrs. Deepali Dalmia.

III. OTHER INFORMATION

8. Reasons for loss or inadequate profits.

   Not applicable

9. Steps taken or proposed to be taken for improvement.

   Not applicable

10. Expected increase in productivity and profits in measurable terms.

    Not applicable

IV. DISCLOSURES

The following disclosures shall be mentioned in the Board of Directors' report under the heading "Corporate Governance", if any, attached to the financial statement.

(i) All elements of remuneration package such as salary, benefits, bonuses, stock options, pension etc. of all the directors

Disclosed in Corporate Governance Report attached

(ii) Details of fixed component and performance linked incentives along with the performance criteria

Disclosed

(iii) Service contracts, notice period, severance fees

Disclosed

(iv) Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable

The Company has not issued any Stock option

Additional information on Directors recommended for appointment / re-appointment as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard issued by ICSI.

Name	**Mrs. Deepali Dalmia**	**Mr. Abhishek Dalmia**
DIN	00017415	00011958
Date of Birth/Nationality	29.10.1970/Indian	06.05.1969/ Indian
Date of appointment on the Board	08.08.2014	17.08.2002
Inter-se relationship with other directors	She is related to Mr.Abhishek Dalmia, Executive Chairman of the Company	Mr. Abhishek Dalmia is related to Mrs.Deepali Dalmia, Director of the Company
Qualification	B A History (Hons)	B.Com (H), FCA, AICWA
Experience/Expertise in functional areas	Business Strategist	He graduated from Shri Ram College of Commerce in 1989 in Delhi University, completed his articles from Price Waterhouse and got an all-India rank in the Intermediate as well as Final Chartered Accountancy examinations in 1992. He became a member of Institute of Cost & Works Accountants of India in 1990. After spending about five years working in various family businesses, he became an investor. Started with secondary market equities and graduated into private equity after spending about ten years in business. Being a part of one of the oldest business families in India, his approach to investing is more in the Berkshire Hathaway mould, where he tends to hold his investments permanently, with some exceptions. He considers himself as value investor. He has been deeply influenced by the writings and work of Warren Buffett, Charlie Munger and Ben Graham. It is his endeavor to compound capital at high rates for long periods of time. After acquiring majority stakes in a few companies and minority in a few, he has been shepherding those investments. Revathi Equipment and Semac Consultants were amongst the investments made by him. He provides strategic direction to the investee companies. He also guides the senior management teams of these companies on various aspects of the business. His expertise is identifying low-risk and reasonable rewarding opportunities in the area of investment.
No. of shares held	Nil	Nil
Board position held	Director	Executive Chairman
Terms and conditions of appointment / re-appointment	Retire by rotation	N.A.
Remuneration sought to be paid	Sitting fees	As per Agenda item no.3
Remuneration last drawn	Sitting fees of Rs. 2 Lakhs	Rs. 75 Lakhs
Number of Board meetings attended during the year	4 (Four)	4 (Four)

Directorships held in other companies	1. Revathi Equipment Ltd 2. Sunglow Agriculture Farms Private Limited 3. SWBI Design Informatics Pvt Ltd 4. Priyadarshany Agri Farms Private Limited 5. Sohna Agri Farms Private Limited 6. Renaissance Asset Management Company Private Limited 7. Renaissance Advanced Consultancy Ltd. 8. Semac Consultants Private Limited	1. Rajratan Global Wire Ltd 2. Ashiana Housing Ltd 3. SWBI Design Informatics Private Limited 4. Renaissance Stocks Ltd 5. Renaissance Advanced Consultancy Ltd 6. Aditya Infotech Ltd 7. Renaissance Steel India Pvt Ltd 8. YPO South Asia Chapter (Sec 25 company) 9. Shogun Organics Ltd 10. Semac Consultants Private Limited 11. Avalokiteshwar Valinv Limited 12. Aakash Educational Services Limited 13. Priyadarshany Agri Farms Private Limited 14. Renaissance Asset Management Company Private Limited
Membership in other Committees	M/s. Semac Consultants Private Limited: Corporate Social Responsibility Committee - Member	1. Avalokiteshvar Valinv Limited: Shareholder Grievance Committee – Member Share Transfer Committee - Member Corporate Social Responsibility Committee – Member 2. Renaissance Advanced Consultancy Limited: Shareholder Grievance Committee – Member Stakeholder Relationship Committee – Member Corporate Social Responsibility Committee – Member 3. Ashiana Housing Limited: Nomination and Remuneration Committee – Member Corporate Social Responsibility Committee – Member 4. Semac Consultants Private Limited: Corporate Social Responsibility Committee - Member

Name	**Mr. B.V. Ramanan**	**Mr. Kishore Sidhwani**
DIN	00934602	02428735
Date of Birth/Nationality	03.03.1960 / Indian	17.04.1952/ Indian
Date of appointment on the Board	04.10.2010	25.11.2014
Inter-se relationship with other directors	Not related to any Director	Not related to any Director
Qualification	B.Tech., M.S., (Chemical Engineering)	Bachelor of Engineering, Masters in Management Science.
Experience/Expertise in functional areas	More than 3 decades in Engineering & Mining industry and he held positions as Chairman, Confederation of Indian Industry, Trichy Zone and Member of Board Governors, National Institute of Technology, Trichy.	He has 38 years of experience in the Construction and Mining Industry. He served as General Manager and Country Head with Atlas Copco India Ltd for Construction and Mining Equipment Business Area in India for a period of 15 years. During this period he grew the business manifolds, introduced new high technology products and successfully integrated the Ingersol Rand Drilling business.

Experience/Expertise in functional areas	1984-85 – Project Manager, Chemfab Group: He was instrumental in setting up the first Membrane Cell Caustic Soda manufacturing plant in India at Pondicherry. Also set up a Potassium and Sodium Chlorate plant in Pondicherry. 1986-87: As part of Chemfab Group, he was involved with the Government of India in preparing the preliminary work for building a facility to produce Cryogenic Fuel for Rockets and Military applications. 1988 Onwards: Chairman & Managing Director of Livia Polymer Bottles Pvt. Ltd., Mandaiyur Salai, Mandaiyur, Pudukkottai District, Tamil Nadu.	For a period of 3 years, as Vice President Global for Chicago Pneumatic Construction Equipment, a company within Atlas Copco Group, he was responsible for the business operations globally for the business unit. Strong business development with focus on building the brand and an effective distribution network in key markets. His core expertise is in International Operations, Acquisition Integration, Business Strategy and Brand Development.
No. of shares held	Nil	Nil
Board position held	Director	Director
Terms and conditions of appointment / re-appointment	Re-appointment as Independent Director	Re-appointment as Independent Director
Remuneration sought to be paid	Sitting fees	Sitting fees
Remuneration last drawn	Sitting fees of Rs.2 Lakhs	Sitting fees of Rs.2 Lakhs
Number of Board meetings attended during the year	4 (Four)	4 (Four)
Directorships held in other companies	1. Livia Polymer Bottles Private Limited 2. Semac Consultants Private Limited	Nil
Membership in other Committees	M/s. Semac Consultants Private Limited: Corporate Social Responsibility Committee - Chairman	Nil

By Order of the Board
For Revathi Equipment Limited

Place: Bangalore
Date: 08.08.2019

K Maheswaran
Company Secretary

ROUTE MAP OF AGM VENUE

REVATHI EQUIPMENT LIMITED

42ND

ANNUAL REPORT 2018-19

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CHAIRMAN'S LETTER 2018-19

Our increase in consolidated net worth at the end of FY19 was ₹103 million, which increased the per share book value by 7.0%. Over the last seventeen years (that is, since the present owners took over) per share book value, has grown from ₹151 to ₹525 (₹602 after ignoring the effect of goodwill write-offs), which, after factoring in dividend paid during this period, works out to a rate of 8.9% (9.9%) compounded annually.

It has been an eventful year at Revathi. A year marked by some new initiatives that would impact the balance sheet and both sides of the profit and loss account.

Balance sheet first. Shortly after we acquired the company, I had taken a view that using internal accruals in the business leads to inefficiencies in working capital management. As such, I decided to build a treasury with the surplus cash and started managing it actively. It was invested in a variety of asset classes, including public market equities, power assets including wind and a group captive gas-powered project, a joint development real estate project and minority as well as majority stakes in operating businesses.

Excluding the capital employed for acquiring majority stakes in operating businesses, about which I have been sharing my thoughts over the years, our average capital employed in Treasury operations has been about ₹28 crores (currently at ₹17 crores, invested in the real estate project). On this, we earned pre-tax profits of approximately ₹2 crores annually. This excludes the unrealized gains on the real estate investment. If we include that, the figure would more than double to about ₹4.5 crores. This works out to an average return of c.16% annualized.

The real estate market in general and specifically the real estate market in Mumbai has been unusually tough for unusually long. Over the years, I have been updating you about the challenges we have faced in liquidating this investment. The latest challenge arises out of the drying up of liquidity for developers from lenders of last resort, i.e., NBFCs. Our partner acquired several joint development projects but is being able to work on only about twenty per cent of these. The rest are in a state of limbo due to tight liquidity in the market.

Our attempt to sell our stake in this project was very near conclusion last year, but unfortunately fell through as the acquirer could not arrange the finances to acquire it. Now that Revathi's balance sheet is debt free, the pressure to sell the project has eased. We are no longer in a hurry to exit this project. Having said that, we continue to be sellers and if we find an interested buyer at a fair price, we will seriously consider an exit.

I had shared in my letter for FY16, how an event led to the acquisition of Semac. It also led to significant build-up of debt, which almost trebled from the pre-acquisition level of ₹30 crores. As soon as that deal fell through in FY10, we knew it would be an uphill task to clean up the balance sheet. Due to losses in the Construction Equipment business, debt stayed at an uncom-

fortably high level for eight long years. It started winding down meaningfully only in FY17 and I am happy to report that by the end of FY19, we were debt free again.

The lesson in all of this is only one – avoid debt or at the very least, have very conservative levels of debt. The external environment has plenty of uncertainties which contribute to the risks a business faces. Why add a new and potentially lethal source of risk by way of debt? Having debt also crimps on the ability to invest in the core business to strengthen it. Thankfully, the bad dream is finally over!

Now turning to the Income statement. The Drilling Solutions business has had fairly stable Revenues. While that means, there has not been much growth, it has also meant that there has not been much volatility in the Revenues. In this sort of a business, keeping costs under control becomes an important lever to maintain profitability. Due to inflation, keeping costs under check requires a cost control mindset. When a business is consistently profitable, as the Drilling Solutions business has been, the cost control culture is not automatic. Over the years, we have had periods when the costs raged out of control (FY11 to FY14) and there have been years we pulled things back. Our total overheads peaked at ₹22 crores at EBIT level (FY17) and at ₹27 crores at pre-tax level (FY13). In FY13, we had almost ₹10 crores of costs relating to interest (that four-letter word again - debt) and warranty costs on a poorly structured annual maintenance contract with a large customer. Taking those extraordinary costs out, our normalized overheads have been in the ₹17-18 crore range. Over the past two years, we have scaled the overheads down from ₹25 crores in FY17 to the ₹18-19 crore range at present. Until we find a sustainable way to grow the business, we will continue to stay mindful of our cost structure.

The Income statement also has, well, the Income side. Early this year, we split the business into three verticals to bring greater focus on each. These are Equipment, Spares & Service and Exports. Each vertical is headed by a seasoned hand. By doing this, we intend to have greater focus on each segment, including demonstrating greater intent on growing our exports. In the past, we have exported equipment to several parts of the world including some of the biggest mining markets such as the US, Australia, Indonesia and Brazil. We have also exported to markets closer home like Jordan, Tunisia, Serbia, Zimbabwe, etc. All these export efforts were sporadic. As a result, we got limited success.

By making this organizational change, we intend to invest consistently in building our exports business, such as visiting potential customers in target markets, participating in exhibitions, building distribution channels and perhaps even enter into joint ventures with local partners. We are exploring all these options and we hope that over the next few years, we will have a meaningful and repeat exports business.

A short commentary on the financial results now follows. Ever since the old management (which we inherited with the business) retired in FY10, we have had only two good years (FY16 and FY17), in comparison with our history up until FY10. Our average pre-tax margin in the second period (FY11 onwards) has been half the average margins we used to make in the period leading upto FY10. The good news is we got back to those historical levels in FY19, after adjusting for a couple of big write-offs, that do not pertain to actions taken in the current year. We wrote-off unusable inventory worth ₹1.5 crores and bad debts worth almost ₹2 crores during the year. Without these write-offs, our margins climbed fifty percent over the average margins during the second period. To be sure, some of these write-offs are unavoidable and will happen in the future also. But not of this magnitude and not in a single year.

Another metric to focus on is the return on capital employed. In the

Drilling Solutions business, in three of the last four years, our return on capital has ranged in the early to mid-twenties. This is in line with the historical average of the period upto FY10.

The underperformance of Semac, relative to the ₹90 crores of capital deployed, has been a drag our overall performance. A quick recap of our journey with Semac so far is in order. Management transitions, especially of founders who have built the business over several decades, in a service-oriented business (as opposed to manufacturing), are disruptive. At the time of purchase of the two businesses, we had put in suitable covenants to align their interests to ours as well as some non-compete covenants. Unfortunately, neither of those covenants led to a smooth transition from the old leadership to new leadership.

We delayed the inevitable, buying time to prepare for the eventual disruption. The upside of this was that we had only one loss year in the eight years post acquisition, despite the Lehman blow up, which led to a serious disruption in the global (and Indian) economy for several years right after our acquisition and despite the prolonged slowdown in the Indian economy, which led to a significant slowdown in industrial capex, which continues to this day. The profits were not outstanding (in relation to the investment made), but fairly consistent at c. ₹8 crores pre-tax. The downside was these Principals ran the business on such a hands-on basis that it was very tough to build the next line of leadership under them. As a result, we were able to postpone the inevitable but not avoid it altogether.

That inevitable finally hit us in FY17, which was the first year post the exit of Principals. While we had been developing new leadership at some of our offices, we were not able to groom anyone for taking on the role of a CEO. This forced us to hire two CEOs in quick succession, neither of whom was able to fill the large shoes of the Founders.

After two years of trying out hired guns, at the end of the first quarter of FY19, I did what I should have done sooner - promoting people from within to take up the role. By that time, our order pipeline had significantly depleted as the new CEOs failed to bring in enough work to replenish our order book. Inheriting a weak order book means at least a few quarters of pain, since the sales cycles in this business is three to six months. This is when the economy and capex cycle are normal. When the capex cycle is slow, as it has been, the pain gets prolonged. To make up for lost time, we bid for projects worth about ₹10,000 crores, in a short span of three quarters. However, we saw decision making for new capex get delayed even at bellweather companies like Tata Consultancy Services. Given our focused strategy, the quality of clients we are working with and the kind of competitors we are winning against, I am quite hopeful that these dark days will end sooner than later.

There is of course a silver lining to our underperformance in the Design business. That is the Design Build business, which has gone from a startup with no team and no Revenues at the beginning of FY16 to ₹80 crores in Revenues this year. This business has consistently earned low teens pre-tax margins with very little capital employed. So far, the business model seems to be holding up and therefore we should be able to continue to grow the business with similar financial characteristics.

In the FY14 letter, I had written about a company that was wholly owned by Revathi – Renaissance Construction Technologies. That company was into the business of providing project management services. Post our exit, it also got into construction of projects, as distinct from Design Build described above. At the time, the business was quite new and there were a lot of risks involved in the business, including the liability of torts. Besides, Revathi's balance sheet was under a lot of stress due to underperformance in the Construction Equipment business, soft Drill business and a leveraged balance sheet. Keeping the overall circumstances in mind, the Board decided that being a startup in a non-core business, it was adding extra risk to Revathi, which was not advisable. Hence, Revathi sold the business to Revathi's promoters in FY14.

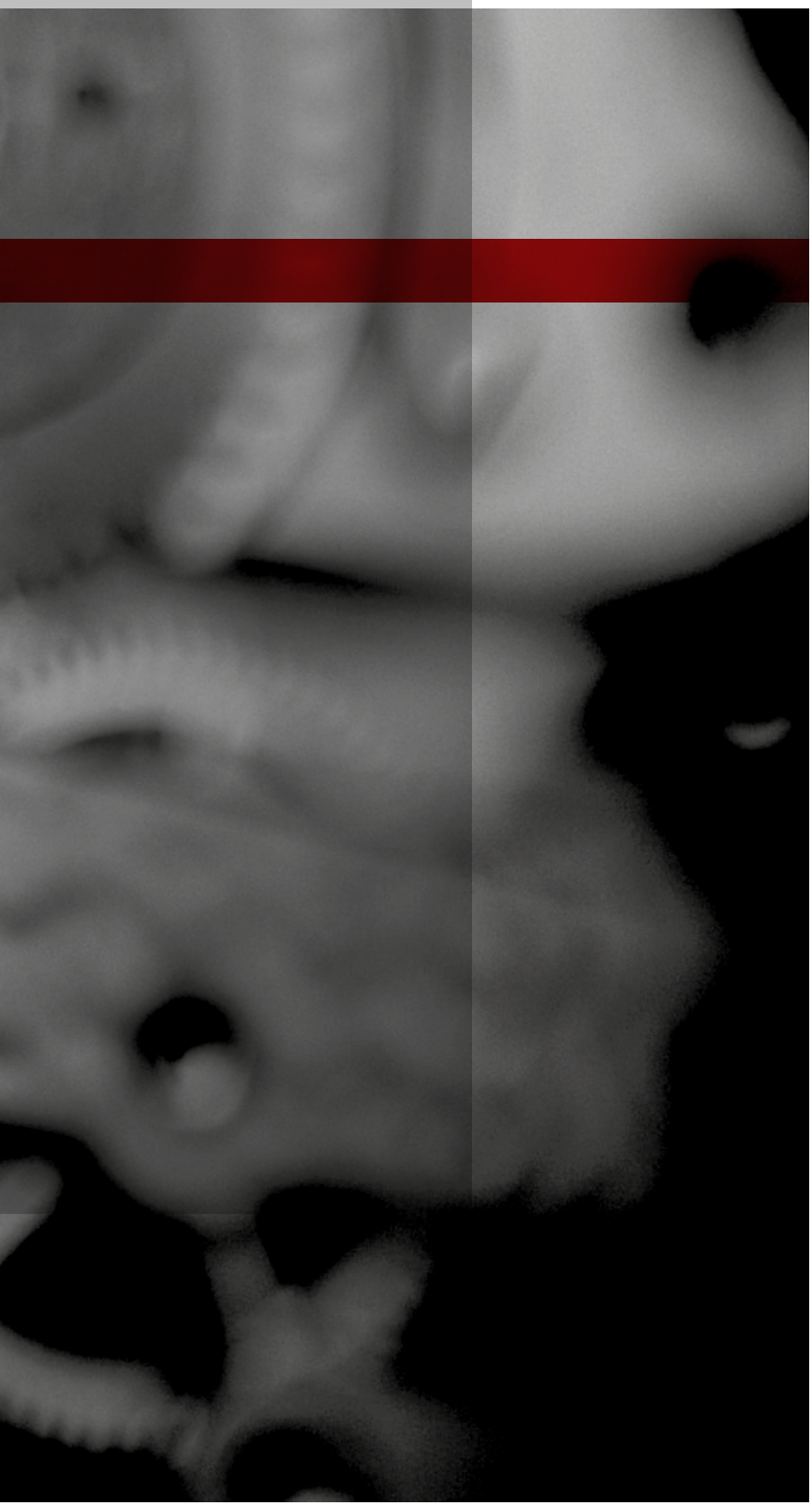
Semac's performance in recent years has been quite soft. As a result, banks were uncomfortable in extending non-fund based facilities to the Design Build business. Given the success of the business, we were getting more business than Semac could handle due to the limitation imposed by banks. Therefore, we decided to take on the spillover work in Semac Construction Technologies (SCTIL) (erstwhile Renaissance Construction Technologies). FY19 was the first year in which SCTIL took on its one and only Design Build project.

Now that the business is stable and proven and given that Revathi's balance sheet is now healthy, it makes sense to grow this business under the direct ownership of Revathi, so that there are no conflicts of interest between Semac and SCTIL, going forward. Given this would be a related party transaction, shareholders will be asked to vote on this proposed corporate action.

I would like to thank each and every member of Revathi and Semac and their families for batting for the company, during tough times. It takes belief in the management, when there are no results to show for all the talk. I want to express gratitude to everyone for standing behind me like a rock and working twice as hard to row our boat away from the stormy seas towards calmer waters. I am quite confident that there is pot of gold at the end of the rainbow.

I would also like to thank our shareholders for being patient in these difficult times. All of you have suffered due to my mistakes and I am committed to come good and make your journey with us worthwhile.

CORPORATE DATA



BOARD OF DIRECTORS

ABHISHEK DALMIA
Executive Chairman

DEEPALI DALMIA

B.V.RAMANAN

KISHORE SIDHWANI

V.V.SUBRAMANIAN

SUNIL PURI (upto 10.11.2018)

CEO & Executive Director

S.C.KATYAL (upto 08.06.2018)

S.HARIHARAN (upto 08.06.2018)

COMPANY SECRETARY

M.N.SRINIVASAN (upto 29.07.2018)

K.MAHESWARAN (w.e.f 19.12.2018)

BANKERS

BANK OF INDIA

STATE BANK OF INDIA

ICICI BANK LIMITED

BANK OF BARODA

AUDITORS

S.S.KOTHARI MEHTA & CO
NEW DELHI

CHIEF FINANCIAL OFFICER

R.SUDHIR

SHARE TRANSFER AGENTS

S.K.D.C. CONSULTANTS LTD
KANAPATHY TOWERS
3rd FLOOR, 139/A-1, SATHY ROAD,
GANAPATHY,
COIMBATORE-641006

REGISTERED OFFICE

POLLACHI ROAD
MALUMACHAM PATTI POST
COIMBATORE – 641 050.
Website : http://www.revathi.in

SECRETARIAL AUDITORS

MDS & ASSOCIATES, COIMBATORE

ACQUISITION CRITERIA

We use this space to communicate with potential sellers and their representatives, what we look for in a potential acquisition. If you, the reader, have no personal connection with a business that might be of interest to us but have a friend who does, perhaps you could pass this message on to him.

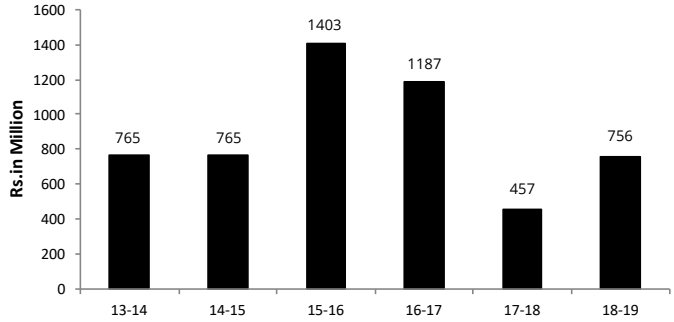
Here's the sort of business we are looking for:

1. Enterprise value in the region of ₹ 100 crores (₹ 1 billion),
2. Demonstrated consistent earning power (future projections are of little interest to us, nor are "turnaround" situations),
3. Businesses earning good returns on equity while employing of no dept
4. Management in place,
5. Simple businesses,
6. An offering price.

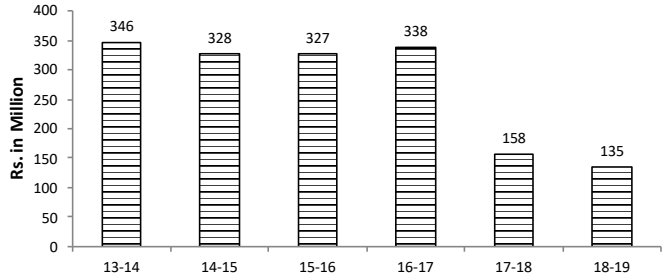
We will not engage in unfriendly takeovers. We can promise complete confidentiality and a very fast as to whether we are interested. We prefer to buy for cash, but will consider issuing stock when we receive as much in intrinsic business value as we give.

Our favorite form of purchase is one where the company's owner-managers generate significant amounts of cash, sometimes for themselves, but often for their families or inactive shareholders. At the same time, these managers wish to remain significant owners who continue to run their companies just as they have in the past. We think we offer a particularly good fit for owners with such objectives. We invite potential sellers to check us out by contacting people with whom we have done business in the past

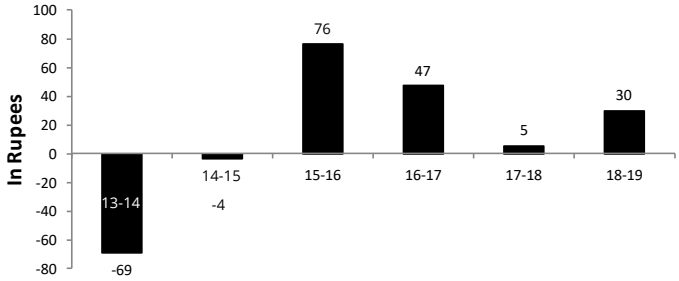
SALES



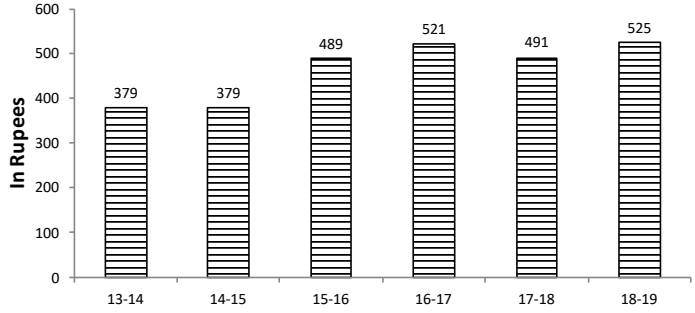
GROSS FIXED ASSETS



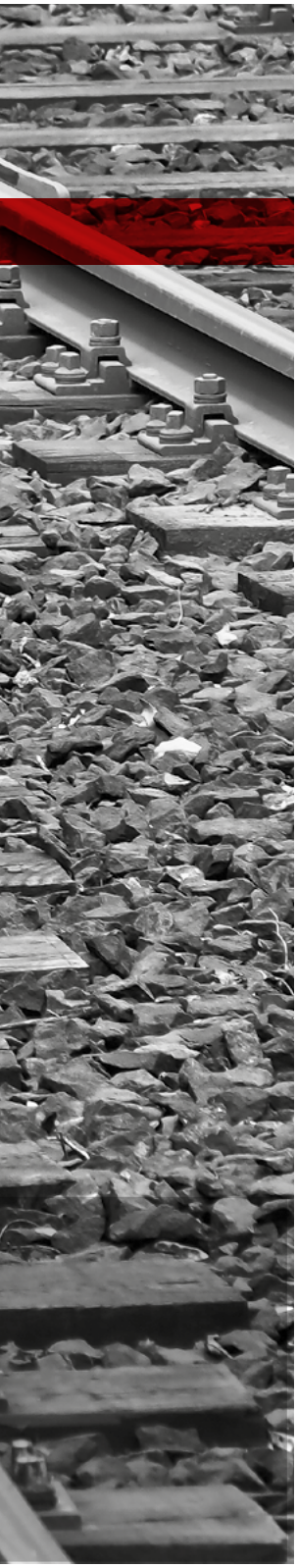
EARNING PER SHARE



BOOK VALUE PER SHARE



REVATHI'S CORPORATE PERFORMANCE VS. THE NIFTY



YEAR	ANNUAL PERCENTAGE CHANGE IN		RELATIVE RESULTS
	Per Share Book Value of Revathi (1)	Nifty 50 with dividend included (2)	(1) - (2)
2002-03	9.0%	-11.7%	20.7%
2003-04	21.6%	86.3%	-64.7%
2004-05	41.3%	17.3%	24.0%
2005-06	19.1%	70.0%	-50.9%
2006-07	11.6%	13.8%	-2.2%
2007-08	16.6%	25.7%	-9.1%
2008-09	-2.5%	-35.4%	32.9%
2009-10	3.6%	75.3%	-71.7%
2010-11	6.0%	12.4%	-6.4%
2011-12	-2.9%	-8.2%	5.3%
2012-13	2.8%	8.7%	-5.9%
2013-14	-10.9%	19.5%	-30.4%
2014-15	-0.1%	28.2%	-28.3%
2015-16	29.1%	-7.8%	36.9%
2016-17	6.4%	20.2%	-13.8%
2017-18	-5.7%	11.8%	-17.5%
2018-19	6.8%	16.5%	-9.7%
Average Annual Gain (FY03 - FY19)	8.9%	16.4%	-7.5%
Overall gain (FY 03 - FY 19)	**260.6%**	**1213.8%**	**-953.2%**

Notes:
1. All data is for financial years and includes dividends paid, if any.

2. The Nifty-50 numbers are pre-tax and assume that dividends were reinvested, whereas the number for Revathi are after tax.

3. We think our investors should measure our performance against their general experience in the equity markets. While the Nifty-50 is not perfect (nor is anything else) as a measure our performance, it has the advantage of being widely known and reflects with reasonable accuracy the experiance of investors generally with the market.

4. The reason we have used the “growth in book value” as against stock price is, that over time, we intend measuring our performance by checking if a rupee retained has created a rupee worth of market value.

5. If you expect, as we do, that owing a representative stock index would produce resonably satisfactory results over a period of time, it follows that, for long-term investors, gaining small advantages over that index must prove rewarding.

REPORT OF DIRECTORS AND MANAGEMENT DISCUSSION AND ANALYSIS REPORT – FOR FY 2018-19

Dear Shareholders,

Your Directors have pleasure in presenting the 42nd Report together with the Audited Accounts of your Company for the year ended 31st March, 2019.

Financial Highlights

The highlights of the performance of your Company during the fiscal are given hereunder;

(₹ in Lakhs)

PARTICULARS	31.03.2019	31.03.2018
Total Income	**7650**	4700
Total Expenditure	**6663**	4506
Profit before Tax	**987**	194
Less: Tax expense	**54**	37
Profit from continuing operations	**933**	157
Loss from discontinuing operations	**-**	(748)
Profit/loss for the period	**933**	(591)

Operations / Performance review

Net Sales of your company increased to ₹ 75.56 Crores in FY 19 from ₹45.73 Crores in FY 18. Due to increased sales, profitability signs upstream.

Change in the Nature of Business, if any

There was no change in the nature of business of the Company during the financial year ended 31st March, 2019

Management discussion and analysis Structure And Developments, Opportunities And Threats, Outlook, Risk and Concern:

OVERVIEW OF THE ECONOMY

India has emerged as the fastest growing major economy in the world and is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships.

India's GDP is estimated to have increased 7.2 per cent in 2017-18 and 7 per cent in 2018-19. India has retained its position as the third largest startup base in the world with over 4,750 technology start-ups.

India's gross domestic product (GDP) is expected to reach US$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms.

India's revenue receipts are estimated to touch Rs 28-30 trillion (US$ 385-412 billion) by 2019, owing to Government of India's measures to strengthen infrastructure and reforms like demonetisation and Goods and Services Tax (GST).

BUSINESS ENVIRONMENT, OUTLOOK & PROSPECTS FOR FY 2018-19.

Coal India targets more than 8 percent growth in production at 660 million tonnes in 2019-20. CAPEX target has been set at ₹ 10,000 Crores.

Coal may account for half of India's power generation in 2030 despite a boom in solar and wind energy project.
We are exploring the possibility of entering the new unexplored market in Africa, Middle East. Now we have lot of representatives working in these territories. We are pitching our product against the world leaders in these field, with our strength of low owning and operating cost compared to them. This will bring a lot of prospects for REL in the years to come.

TRANSFER TO RESERVES

The Company has not transferred any amount to its reserves during the year under review. However, the net profit of ₹933 Lakhs has been carried forward to the Surplus in the Profit and Loss account of the Company.

DIVIDEND

No dividend has been declared keeping in view the requirements of funds for future growth.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed Dividend, the provisions of Section 124 & 125 of the Companies Act, 2013 relating to transfer of Unclaimed dividend to Investor Education and Protection fund does not arise.

SHARE CAPITAL

The issued, subscribed and paid-up share capital of the Company as at 31.03.2019 stood at ₹3,06,69,430 /- divided into 30,66,943 equity shares of ₹10/- each. During the year under review the Company has not made any fresh issue of shares.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return pursuant to the provisions of Section 92 of the Companies Act, 2013 read with Rule 12 of the Companies (Management and Administration) Rules, 2014, is furnished in **Annexure A** and is attached to this report.

BOARD MEETINGS CONDUCTED DURING THE PERIOD UNDER REVIEW

During the year under review, 6 Meetings of the Board of Directors, 6 Meetings of the Audit Committee, 3 Meetings of the Nomination and Remuneration Committee, 4 Meetings of the Stakeholders Relationship Committee and 1 Corporate Social Responsibility Committee were held. Further details of the same have been enumerated in the Corporate Governance Report annexed herewith.

STATEMENT ON COMPLIANCE WITH SECRETARIAL STANDARDS

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively. The Company has duly complied with the Secretarial Standards issued by the Institute of Company Secretaries of India on meeting of the Board of Directors (SS-1) and General Meeting (SS-2).

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 134(3)(c) of the Companies Act 2013, with respect to Directors' Responsibility Statement, the Board hereby confirm that –

a) in the preparation of the annual accounts, the applicable accounting standards had been followed and there were no material departure from those standards;

b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for that period;

c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) the directors had prepared the annual accounts on a going concern basis; and

e) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and

f) the directors had devised proper system to ensure compliance with the provisions of all the applicable laws and such systems were adequate and operating effectively;

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

There were no instances of frauds identified or reported by the Statutory Auditors during the course of their audit pursuant to Section 143(12) of the Companies Act, 2013.

DECLARATION OF INDEPENDENT DIRECTORS

The independent directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as independent directors under the provisions of the Companies Act, 2013 and the relevant rules and SEBI (Listing Obligations and Disclosure Requirements) Rules 2015.

COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND OTHER MATTERS PROVIDED UNDER SECTION 178(3) OF THE COMPANIES ACT, 2013

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for fixing and revising remuneration of Directors, Key Managerial Personnel, Senior Management Personnel and employees of the Company. The Remuneration policy of the Company is annexed herewith as **Annexure B** and can also be accessed on the Company's website at the link http://www.revathi.in/wp-content/themes/rel/pdf/Nomination-Remuneration-Policy.pdf

COMMENTS ON AUDITORS' REPORT:

There are no qualifications, reservations or adverse remarks or disclaimers made by M/s. S.S. Kothari Mehta & Co., Statutory Auditors and Mr. M.D. Selvaraj, Proprietor of MDS & Associates, Secretarial Auditor in their report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the company during the year under review pursuant to Section 186 of the Companies Act, 2013. However, the details in respect of investments and corporate guarantee provided to its subsidiary M/s. Semac Consultants Private Limited in the earlier year have been disclosed in the notes to the Financial Statements.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into with related parties as defined under the Companies Act, 2013 during the financial year 2018-19 were in the ordinary course of business and on an arm's length basis. Since there are no transactions which are not on an arm's length basis and material in nature the requirement of disclosure of such related party transactions in form AOC-2 does not arise.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company which has occurred between the financial year ended 31st March, 2019 and the date of the report.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The information pertaining to conservation of energy, technology absorption, Foreign Exchange earnings and outgo as required under section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in **Annexure C** and is attached to this report.

STATEMENT CONCERNING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY OF THE COMPANY

The Company has been addressing various risks impacting the business of the Company and risk mitigation measures are being taken then and there.

Lower than expected GDP growth in infrastructure sector, particularly in coal and construction segment may impact your company's prospects.

DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES.

The Corporate Social Responsibility (CSR) Committee comprises of three Directors namely: 1. Mr.Abhishek Dalmia, 2. Mr.B.V.Ramanan and 3. Mr. V.V.Subramanian as members. The Company's CSR objective is to promoting education, including special education and employment enhancing vocational skills to children, women and differently abled persons, measures for the benefit of armed forces, war widows etc. The Company has developed Corporate Social Responsibility policy in line with the activities mentioned in Schedule VII of the Companies Act, 2013. The company has done CSR spending in FY 19 – i.e. contribution of Rs 20.00 Lakhs to M/s. International Foundation for Research and Education. The annual report on CSR activities has been given in **Annexure D.**

ANNUAL EVALUATION OF THE BOARD ON ITS OWN PERFORMANCE AND OF THE INDIVIDUAL DIRECTORS AND COMMITTEES.

On the advice of the Board of Directors, the Nomination and Remuneration Committee of the Board of Directors of the Company formulated criteria for evaluation of the performance of the Board of Directors & its committees, Independent Directors, Non–Independent Directors and the Executive Chairman/Whole-time Director of the Board. Based on that, performance evaluation has been undertaken. The Independent Directors of the Company have also convened a separate meeting for this purpose.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Mrs.Deepali Dalmia (DIN: 00017415), Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for re-appointment. Your Directors recommended her re-appointment.

Mr.Sunil Puri was appointed as Additional Director and Executive Director of the Company w.e.f. 01.04.2018. The members at their Annual General Meeting held on 25.09.2018 has accorded its approval for the appointment of Mr.Sunil Puri as Director and Executive Director of the Company. Subsequently he resigned from the position of Director & Executive Director w.e.f. 10.11.2018. The Board recorded its appreciation for the services rendered by Mr.Sunil Puri during his tenure as Director & Executive Director of the Company.

Mr.R.Sudhir has been appointed as Chief Financial Officer of the Company w.e.f. 09.06.2018.

Mr.S.Hariharan (DIN: 06363724) Whole-time Director & CFO and Mr.M.N. Srinivasan, Company Secretary retired from the services with effect from 08.06.2018 and 29.07.2018 respectively. Mr. S.C.Katyal has resigned from the Directorship with effect from 08.06.2018.

Mr.K.Maheswaran has been appointed as Company Secretary of the Company w.e.f. 19.12.2018.

Key Managerial Personnel of the Company as required pursuant to Section 2(51) and 203 of the Companies Act, 2013 are Mr.Abhishek Dalmia, Executive Chairman, Mr.R.Sudhir, Chief Financial Officer and Mr.K.Maheswaran, Company Secretary.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES.

The company has two subsidiaries namely M/s. Semac Consultants Private Limited – a material subsidiary within the definition of SEBI (Listing Obligations and Disclosure Requirements) Rules 2015 and M/s. Semac and Partners, LLC – step down subsidiary. Further, the company is a subsidiary of M/s. Renaissance Advanced Consultancy Limited.

A report containing the salient features of the subsidiaries and joint ventures as required under Section 129(3) of the

Companies Act 2013 has been annexed herewith in AOC – 1 and is attached as **Annexure E** to this report.

The policy on determination of material subsidiaries of the company as approved by the Board of Directors has been uploaded on the website of the Company and can be accessed at the link http://www.revathi.in/wp-content/themes/rel/pdf/Material-Subsidiary-Policy.pdf.

The consolidated financial statements of the company and its subsidiaries were prepared in accordance with the applicable accounting standards have been annexed to the Annual Report.

The annual accounts of the subsidiary companies are posted on the website of the Company viz. www.revathi.in and will also be kept open for inspection by any shareholder at the Registered Office of the Company. The Company shall also provide the copy of the annual accounts of subsidiary companies to the shareholders upon their request.

FIXED DEPOSITS

The Company has not accepted any fixed deposit and hence there are no unclaimed deposits as on 31st March, 2019.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATION IN FUTURE

There is no significant and material order passed by the regulators or courts or tribunals impacting the going concern status and company's operation in future.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has implemented and evaluated the Internal Financial Controls which provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes and policies, safeguarding of assets, prevention and detection of frauds, accuracy and completeness of accounting records. Further, the Board annually reviews the effectiveness of the Company's internal control system. The Directors and Management confirm that the Internal Financial Controls (IFC) are adequate with respect to the operations of the Company. A report of Auditors pursuant to Section 143(3)(i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors report.

AUDITORS

Statutory auditors

M/s. S.S. Kothari Mehta & Co (Firm Registration No. 000756N), Chartered Accountants, New Delhi were appointed as the Statutory Auditors of the Company for a period of five years at the 38th Annual General Meeting of the Company held on 21st December, 2015. The Company has received a certificate from the Statutory Auditors to the effect that their appointment as the Statutory Auditors of the Company, would be within the limits prescribed under section 139 of the Companies Act, 2013.

Secretarial auditors

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr.M.D.Selvaraj, MDS & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The report of the Secretarial Auditor is annexed herewith as **Annexure G** to this report.

PARTICULARS OF EMPLOYEES

The disclosure as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed herewith as **Annexure F** and is attached to this report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has been employing women employees in various cadres within the Office / factory premises. The Company has in place an Anti-harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There was no compliant received from any employee during the financial year 2018-19 and hence no complaint is outstanding as on 31.03.2019 for redressal.

CORPORATE GOVERNANCE

A report on Corporate Governance is annexed and forms part of this report. The Company has complied with the conditions relating to Corporate Governance as stipulated in Regulation 27 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015

AUDIT COMMITTEE

Audit Committee is in existence in accordance with the provisions of Section 177 of the Companies Act, 2013. Kindly refer to the Section on Corporate Governance, under the head, 'Audit Committee' for matters relating to the composition, meetings, and functions of the Committee. The Board accepted the Audit Committee recommendations during the year whenever required, hence no disclosure required under Section 177(8) of the Companies Act, 2013 with respect to rejection of any recommendations of Audit Committee by Board.

VIGIL MECHANISM (WHISTLE BLOWER POLICY)

The Company has provided for adequate safeguards to deal with instances of fraud and mismanagement and to report concerns about unethical behavior or any violation of the Company's code of conduct. The policy can be accessed on the Company's website at http://www.revathi.in/wp-content/themes/rel/pdf/Whistle-Blower-Policy.pdf

CEO/CFO CERTIFICATION

As required under SEBI (Listing Obligations and Disclosure Requirements) Rules 2015, the Executive Director & Chief Executive Officer and the Chief Financial Officer have furnished necessary certificate to the Board on the financial statements presented.

HUMAN RESOURCES

Your company realizes that it has to re-orient its organization as dynamics of business are changing fast. The company is taking steps to retain its talent pool, enhance skill of existing people and recruit the most suited talent to spearhead its growth initiatives

CAUTIONARY NOTE

Certain statements in "management discussions and analysis" section may be forward looking and are stated as required by law and regulations. Many factors, both external and internal, may affect the actual results which could be different from what the directors envisage in terms of performance and outlook.

APPRECIATION

The Directors express their sincere appreciation of dedicated efforts put in by our employees. The Directors also place on record their appreciation of the continued support and recognition provided by our esteemed customers and bankers.

By Order of the Board
For Revathi Equipment Limited

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

PLACE: BANGALORE
DATE: 08.08.2019

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

i. Registration and other details:

CIN : L29120TZ1977PLC000780
Registration Date : 30/05/1977
Name of the Company : REVATHI EQUIPMENT LIMITED
Category / Sub-Category of the Company : Company Limited by Shares / Non-Government Company
Address of the Registered office and contact details : Pollachi Road, Malumichampatti Post, Coimbatore - 641050
T: 0422-6655111 | F:. 0422-6655199
E: compliance.officer@revathi.in | W: www.revathi.in
Whether listed company : Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any : SKDC CONSULTANTS LIMITED
Kanapathy Towers, 3rd Floor
1391/A1, Sathy Road, Ganapathy , Coimabtore - 641006
T: 0422-4958995 / 2539835 / 2539836 | F:. 0422-2539837
E: info@skdc-consultants.com

ii. Principal business activities of the company

All the business activities contributing 10 % or more of the total turnover of the company shall be stated:-

S. NO.	NAME AND DESCRIPTION OF MAIN PRODUCTS / SERVICES	NIC CODE OF THE PRODUCT/ SERVICE	% TO TOTAL TURNOVER OF THE COMPANY
1	Blast hole drilling and water well drilling equipments	28242	94.8

iii. Particulars of holding, subsidiary and associate companies

S. NO.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY / ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Renaissance Advanced Consultancy Ltd. B-45/47, 2nd Floor, Connaught Place, New Delhi -110001	U4140DL2014PLC271039	Holding Company	57.7	2(46)
2	Semac Consultants Pvt.Ltd Pollachi Road, Malumachampatti post, Coimbatore-641050	U85110TZ1987PTC017564	Subsidiary Company	77.0	2(87)(ii)
3	Semac & Partners LLC Muscat, Sultanate of Oman	NA	Step Down Subsidiary Company	Nil	2(87)(ii)

iv. Share Holding Pattern (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-Wise **Share Holding**

CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR [AS ON 01-APRIL-2018]				NO. OF SHARES HELD AT THE END OF THE YEAR [AS ON 31-MARCH-2019]				% CHANGE DURING THE YEAR
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. PROMOTERS									
(1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	2225953	-	2225953	72.6	2225953	-	2225953	72.6	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub- Total (A)(1)	**2225953**	**-**	**2225953**	**72.6**	**2225953**	**-**	**2225953**	**72.6**	**-**
(2) Foreign									
a) NRIs- Individuals	-	-	-	-	-	-	-	-	-
b) Others- Individual	-	-	-	-	-	-	-	-	-
c) Bodies corporate	-	-	-	-	-	-	-	-	-
d) Banks/ FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
Sub- Total (A)(2)									
TOTAL SHAREHOLDING OF PROMOTER (A) = (A)(1)+(A)(2)	**2225953**	**-**	**2225953**	**72.6**	**2225953**	**-**	**2225953**	**72.6**	**-**
B. PUBLIC SHARE-HOLDING									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	100	-	100	0.0	100	-	100	0.0	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1):-	100	-	100	0.0	100	-	100	0.0	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	37490	165	37655	1.2	25937	165	26102	0.9	-0.4
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	528378	63473	591851	19.3	549480	48196	597676	19.5	0.2

CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR [AS ON 01-APRIL-2018]				NO. OF SHARES HELD AT THE END OF THE YEAR [AS ON 31-MARCH-2019]				% CHANGE DURING THE YEAR
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	146927	-	146927	4.8	151364	-	151364	4.9	0.2
c) Others									
Directors & their Relatives	47	2	49	0.0	19	0	19	0.0	0.0
Non Resident Indians	16509	132	16641	0.5	13659	132	13791	0.5	-0.1
Clearing Members	10206	-	10206	0.3	6004	0	6004	0.2	-0.1
Hindu Undivided Families	37561	-	37561	1.2	45934	0	45934	1.5	0.3
SUB-TOTAL (B)(2):-	**777118**	**63772**	**840890**	**27.4**	**792397**	**48493**	**840890**	**27.4**	**-**
TOTAL PUBLIC SHAREHOLDING (B)=(B)(1)+ (B)(2)	777118	63772	840890	27.4	792397	48493	840890	27.4	-
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	3003171	63772	3066943	100.0	3018450	48493	3066943	100.0	-

II) SHAREHOLDING OF PROMOTER

S. NO	SHAREHOLDER'S NAME	SHAREHOLDING AT THE BEGINNING OF THE YEAR			SHAREHOLDING AT THE END OF THE YEAR			% CHANGE IN SHAREHOLDING DURING THE YEAR
		No. of Shares	% of Total Shares of the Company	% of Shares Pledged / encumbered to Total Shares	No. of Shares	% of Total Shares of the Company	% of Shares Pledged/ encumbered to Total Shares	
1.	Renaissance Advanced Consultancy Limited	1768953	57.7	-	1768953	57.7	-	-
2.	Renaissance Stocks Limited	457000	14.9	-	457000	14.9	-	-
	TOTAL	2225953	72.6	-	2225953	72.6	-	-

III) CHANGE IN PROMOTERS' SHAREHOLDING

PARTICULARS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
	No. of shares	% of Total Shares of the Company	No. of shares	% of Total Shares of the Company
At the beginning of the year Increase / Decrease in Promoters Shareholding during the year At the end of the year	There has been no changes in Shareholding of the Promoters during the year			

IV) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS: (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS)

S. NO	NAME OF TOP 10 SHAREHOLDERS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	**DIPAK KANAYALAL SHAH**				
	At the beginning of the year	**59052**	**1.9**		
	Transfer of shares on 22.06.2018	948	0.0	60000	2.0
	Transfer of shares on 28.09.2018	(20000)	(0.7)	40000	1.3
	Transfer of shares on 05.10.2018	100	0.0	40100	1.3
	Transfer of shares on 19.10.2018	88	0.0	10188	1.3
	Transfer of shares on 23.11.2018	25	0.0	40213	1.3
	Transfer of shares on 30.11.2018	150	0.0	40363	1.3
	Transfer of shares on 14.12.2018	100	0.0	40463	1.3
	Transfer of shares on 25.01.2019	537	0.0	41000	1.3
	Transfer of shares on 15.02.2019	105	0.0	41105	1.3
	Transfer of shares on 01.03.2019	84	0.0	41189	1.3
	At the end of the year			**41189**	**1.3**
2	**SUDHIR CHUKKAPALLI**				
	At the beginning of the year	**35322**	**1.2**		
	Increase/Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			**35322**	**1.2**
3	**VENKATA RAO CHUKKAPALLI**				
	At the beginning of the year	17751	0.6		
	Transfer of shares on 15.06.2018	300	0.0	18051	0.6
	Transfer of shares on 27.07.2018	3000	0.1	21051	0.7
	Transfer of shares on 27.07.2018	(3000)	(0.1)	18051	0.6
	At the end of the year			**18051**	**0.6**
4	**SHYAM PATTABIRAMAN**				
	At the beginning of the year	12737	0.4		
	Transfer of shares on 04.05.2018	550	0.0	13287	0.4
	At the end of the year			**13287**	**0.4**
5	**CHUKKAPALLI RENUKA**				
	At the beginning of the year	11565	0.4		
	Transfer of shares on 06.04.2018	200	0.0	11765	0.4
	At the end of the year			**11765**	**0.4**
6	**HARESH MULCHAND POLADIA**				
	At the beginning of the year	9650	0.3		
	Transfer of shares on 25.05.2018	1500	0.1	11150	0.4
	At the end of the year			**11150**	**0.4**
7	**ALOK LODHA**				
	At the beginning of the year	10500	0.3		
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			**10500**	**0.3**
8	**RHEA DIPAK SHAH****				
	At the beginning of the year	-	-	-	-
	Transfer of shares on 28.09.2018	10000	0.3	10000	0.3

S. NO	NAME OF TOP 10 SHAREHOLDERS	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
	Transfer of shares on 14.12.2018	100	0.0	10100	0.3
	At the end of the year			**10100**	**0.3**
9	**NEKA DIPAK SHAH****				
	At the beginning of the year	-	-	-	-
	Transfer of shares on 28.09.2018	10000	0.3	10000	0.3
	At the end of the year			**10000**	**0.3**
10	**VEENA K JAGWANI**				
	At the beginning of the year	7930	0.3	7930	0.3
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			**7930**	**0.3**
11	**ZEN SECURITIES LTD##**				
	At the beginning of the year	6189	0.2		
	Transfer of shares on 06.04.2018	(50)	(0.0)	6139	0.2
	Transfer of shares on 13.04.2018	30	0.0	6169	0.2
	Transfer of shares on 20.04.2018	(39)	(0.0)	6130	0.2
	Transfer of shares on 11.05.2018	(100)	(0.0)	6030	0.2
	Transfer of shares on 08.06.2018	11	0.0	6041	0.2
	Transfer of shares on 30.06.2018	36	0.0	6077	0.2
	Transfer of shares on 06.07.2018	(36)	(0.0)	6041	0.2
	Transfer of shares on 31.08.2018	10	0.0	6051	0.2
	Transfer of shares on 07.09.2018	45	0.0	6096	0.2
	Transfer of shares on 14.09.2018	(75)	(0.0)	6021	0.2
	Transfer of shares on 21.09.2018	3	0.0	6024	0.2
	Transfer of shares on 28.09.2018	(3)	(0.0)	6021	0.2
	Transfer of shares on 12.10.2018	(11)	(0.0)	6010	0.2
	Transfer of shares on 19.10.2018	1	0.0	6011	0.2
	Transfer of shares on 16.11.2018	(11)	(0.0)	6000	0.2
	Transfer of shares on 18.01.2019	10	0.0	6010	0.2
	Transfer of shares on 25.01.2019	(10)	(0.0)	6000	0.2
	Transfer of shares on 01.03.2019	39	0.0	6039	0.2
	Transfer of shares on 08.03.2019	(39)	(0.0)	6000	0.2
	At the end of the year			**6000**	**0.2**
12	**GLOBE CAPITAL MARKET LTD##**				
	At the beginning of the year	6725	0.2		
	Transfer of shares on 06.04.2018	(6100)	(0.2)	725	0.0
	Transfer of shares on 11.05.2018	(525)	(0.0)	100	0.0
	Transfer of shares on 13.07.2018	(100)	(0.0)	0	0.0
	Transfer of shares on 14.09.2018	15	0.0	15	0.0
	Transfer of shares on 12.10.2018	5	0.0	20	0.0
	Transfer of shares on 23.11.2018	(15)	(0.0)	5	0.0
	Transfer of shares on 25.01.2019	(5)	(0.0)	0	0.0
	At the end of the year			-	-

** Not in the list of Top 10 shareholders as on 31.03.2018. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2019. ## Ceased to be in the list of Top 10 shareholders as on 31.03.2019. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2018.

V) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

S. NO	SHAREHOLDING OF EACH DIRECTORS AND EACH KEY MANAGERIAL PERSONNEL	SHAREHOLDING AT THE BEGINNING OF THE YEAR		CUMULATIVE SHAREHOLDING DURING THE YEAR	
		No. of Shares	% of Total Shares of the Company	No. of Shares	% of Total Shares of the Company
1	**ABHISHEK DALMIA**				
	At the beginning of the year	-	-		
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year				-
2	**DEEPALI DALMIA**				
	At the beginning of the year	-	-		
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			-	-
3	**KISHORE NANIK SIDHWANI**				
	At the beginning of the year	19	0.0		
	Increase / Decrease in Shareholding during the year	-	-		-
	At the end of the year			**19**	**0.0**
4	**B V RAMANAN**				
	At the beginning of the year	-	-		
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			-	-
5	**V V SUBRAMANIAN**				
	At the beginning of the year	-	-		
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			-	-
6	**R SUDHIR** (CFO) (appointed on 09.06.2018)				
	At the beginning of the year	-	-		
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			-	-
7	**K MAHESWARAN** (CS) (appointed on 19.12.2018)				
	At the beginning of the year	-	-		
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			-	-
8	**SATISH CHANDRA KATYAL** (Resigned w.e.f. 08.06.2018)				
	At the beginning of the year	28	0.0	28	0.0
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			**28**	**0.0**
9	**S.HARIHARAN** (Retired w.e.f. 08.06.2018)				
	At the beginning of the year	2	-	2	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	**2**	-	**2**	-
10	**M.N.SRINIVASAN** (CS) (Retired w.e.f. 29.07.2018)				
	At the beginning of the year	2	-	2	-
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year	**2**	-	**2**	-

v. Indebtedness

Indebtedness of the Company including interest outstanding/accrued but not due for payment

PARTICULARS	SECURED LOANS EXCLUDING DEPOSITS	UNSECURED LOANS	DEPOSITS	TOTAL INDEBTEDNESS
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,63,071	-	-	2,63,071
ii) Interest due but not paid		-	-	-
iii) Interest accrued but not due		-	-	-
TOTAL (i+ii+iii)	**2,63,071**	-	-	**2,63,071**
Change in Indebtedness during the financial year				
* Addition	-	-	-	-
* Reduction	2,63,071	-	-	2,63,071
Net Change	**(2,63,071)**	-	-	**(2,63,071)**
Indebtedness at the end of the financial year				
i) Principal Amount	-	-	-	-
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
TOTAL (i+ii+iii)	-	-	-	-

vi. Remuneration of Directors and Key Managerial Personnel

A. REMUNERATION TO MANAGING DIRECTOR, WHOLE-TIME DIRECTORS AND/ OR MANAGER :

S. NO.	PARTICULARS OF REMUNERATION	NAME OF MD/WTD/MANAGER			TOTAL AMOUNT (₹)
		Abishek Dalmia Executive Chairman	S Hariharan # Whole-time Director & CFO (upto 08.06.2018)	Sunil Puri ## Executive Director (upto 10.11.2018)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	45,02,160	8,51,740	17,60,916	71,14,816
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	14,91,840	4,03,628	22,34,152	41,29,619
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others.	-	-	-	-
5	Others, Contribution to funds & Leave salary	15,06,048	1,35,243	2,99,088	19,40,379
	Total (A)	**75,00,048**	**13,90,611**	**42,94,155**	**131,84,814***
	Ceiling as per the Act	As per Schedule V of the Companies Act,2013			

* Total remuneration to Managing Director, Whole Time Director and other Directors (being the total of A & B.)
# Retired on 08.06.2018.
Resigned on 10.11.2018.

B. REMUNERATION TO OTHER DIRECTORS

S. NO.	PARTICULARS OF REMUNERATION	NAME OF DIRECTORS					TOTAL AMOUNT
		Deepali Dalmia	B V Ramanan	Kishore Nanik Sidhwani	VV Subramanian	S.C.Katyal (upto 08.06.2018)	
1	**Independent Directors**						
	Fee for attending board committee meetings	-	2,00,000	2,00,000	2,50,000	1,00,000	**7,50,000**
	Commission	-	-	-	-	-	**-**
	Others Fee for attending sub committee meetings	-	-	-	-	-	**-**
	TOTAL – (1)	**-**	**2,00,000**	**2,00,000**	**2,50,000**	**1,00,000**	**7,50,000**
2	**Other Non-Executive Directors**						
	Fee for attending board committee meetings	2.00,000	-	-	-	-	**2,00,000**
	Commission	-	-	-	-	-	**-**
	Others	-	-	-	-	-	**-**
	Fee for attending sub committee meetings	-	-	-	-	-	-
	Consulting Fees	-	-	-	-		**-**
	TOTAL – (2)	**2,00,000**	**-**	**-**	**-**	**-**	**2,00,000**
	TOTAL B = (1+2)						**9,50,000**
	Total Managerial Remuneration						**141,34,814**
	Overall Ceiling as per the Act	The maximum Sitting fee payable per meeting to each Director is 1 lakh as per the Companies Act, 2013.					

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

S. NO.	PARTICULARS OF REMUNERATION	KEY MANAGERIAL PERSONNEL			TOTAL
		CS	CFO	CS	
		M.N.Srinivasan $ (upto 29.07.2018)	R.Sudhir (w.e.f 09.06.2018)	K Maheswaran (w.e.f 19.12.2018)	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	2,13,421	8,40,000	95,516	11,48,937
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	1,91,694	10,55,196	79,749	13,26,639
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	others, specify	2,31,834	2,30,204	28,556	4,90,594
5	Others - Contributions to funds	-	-	-	-
	TOTAL	**6,36,949**	**21,25,400**	**2,03,821**	**29,66,170**

vii. Penalties/ Punishment/ Compounding of Offences

TYPE	SECTION OF THE COMPANIES ACT	BRIEF DESCRIPTION	DETAILS OF PENALTY / PUNISHMENT/ COMPOUNDING FEES IMPOSED	AUTHORITY [RD / NCLT/ COURT]	APPEAL MADE, IF ANY (GIVE DETAILS)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

NIL

By Order of the Board
For Revathi Equipment Limited

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

PLACE: BANGALORE
DATE: 08.08.2019

ANNEXURE - B

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

Definitions :

"Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

"Key Managerial Personnel" means:
i) the Chief Executive Officer or the Managing Director or the Manager;
ii) the Company Secretary;
iii) the Whole-time director;
iv) the Chief Financial Officer, and
v) such other officer as may be prescribed.

"Senior Managerial Personnel" or "Senior Management" means the officers / personnel of the company who are members of its core management team excluding Board of Directors and comprises of all members of management one level below the Chief Executive Officer / Managing Director / Whole-time Director / Manager including Chief Executive Officer / Manager, in case they are not part of the Board, and including Company Secretary, Chief Financial Officer and all functional heads.

Objective:

a) to guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
b) to evaluate the performance of the members of the Board and Provide necessary report to the Board for further evaluation of the Board.
c) to recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

Role of the Committee :

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.

- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To recommend to the Board, all remuneration, in whatever form, payable to Senior Management.
- To devise a policy on Board diversity, composition, size. Succession planning for replacing Key Executives and overseeing.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification,
  amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

Appointment and Removal of Director, Key Managerial Personnel and Senior Management

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.

b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the position.

c) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

Term / Tenure

MANAGING DIRECTOR/WHOLE-TIME DIRECTOR:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

INDEPENDENT DIRECTOR:

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company or such other number as may be prescribed under the Act.

Evaluation

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

Removal

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Companies Act, 2013, rules and regulations and the policy of the Company.

Retirement

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Policy for Remuneration to Directors/Kmp/ Senior Management Personnel

1) Remuneration to Managing Director / Whole-time Directors:

a) The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director / Whole-time Directors.

2) Remuneration to Non- Executive / Independent Directors:

a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of

sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

b) All the remuneration of the Non- Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

c) Any remuneration paid to Non- Executive / Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:

i) The Services are rendered by such Director in his capacity as the professional; and

ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

3) Remuneration to Key Managerial Personnel and Senior Management:

a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay/ commission/ incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.

b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund etc. as decided from to time.

c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

Implementation

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may delegate any of its powers to one or more of its members.
- The Nomination and Remuneration Policy has been reviewed and approved at the Board Meeting held on 29th January, 2019.

By Order of the Board
For Revathi Equipment Limited

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

PLACE: BANGALORE
DATE: 08.08.2019

PARTICULAR PURSUANT TO SEC. 134 (3)(m) OF THE COMPANIES ACT, 2013 READ WITH THE COMPANIES (ACCOUNTS) RULES, 2014:

Conservation of Energy:

(i) Steps Taken for conservation of Energy:
As regards conservation of energy, company continued its efforts by elimination of waste, improvement in power factor and by good maintenance of various equipments.

(ii) Steps Taken by the Company for utilizing alternate sources of energy:
As the cost of energy in the total cost is insignificant and considering the nature of our industry, utilization of alternate source of energy has not been undertaken.

(iii) Capital Investment on energy conservation equipment:
No capital investment was made during the year in this regard

Technology absorption and Research & Development

Technology Absorption, Adaptation and Innovation:

1) Efforts made towards technology absorption, adaptation and innovation: NIL
2) Benefits derived as a result of the above efforts: Not applicable
3) Information of Imported Technology (imported during the last 5 years from the beginning of the Financial Year): Not applicable

Research and Development (R&D) and benefits derived thereon

1) Specific areas in which R&D carried out by the Company
- Development of 6" (152mm) Jack less Low pressure DTH blast hole drill.
- Development of 6-1/4" (160mm) Rotary blast hole drill with emission certified engine, improved rod handling. Efficient Compressor unloading system etc.

2) Benefits derived as a result of the above R&D
- New product indigenously manufactured.
- Increase our market presence in mining and construction segment.
- New product development for private customer.
- Better product quality and reliability.

3) Future Plan of Action
- Development of 6-1/4" (160mm), 6M single pass capacity Rotary blast hole drill.
- Development of 7-7/8" (200mm) 12 & 13M single pass capacity Rotary blast hole drill for export market.
- Design optimization of 311mm Rotary blast hole drill.
- Development of 15" Rotary blast hole drill.

4) Expenditure incurred on Research & Development (₹ in Lakhs):

EXPENDITURE ON R&D	2018-19	2017-18
Capital	-	-
Revenue	296	165
TOTAL	**296**	**165**
R&D Expenditure as a percentage of Turnover	4	4

Foreign Exchange earnings & outgo:

The details of foreign exchange earnings and outgo during the year are furnished below (₹ in Lakhs):

	2018-19	2017-18
Foreign Exchange Earnings	166	550
Foreign Exchange Outgo	937	832

By Order of the Board
For Revathi Equipment Limited

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

PLACE: BANGALORE
DATE: 08.08.2019

ANNEXURE - D

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

The Company has been proactively engaged in Corporate Social Responsibility activities over the years. As required under the Companies Act, 2013, the Company has formulated a CSR Policy which is in line with the activities mentioned in Schedule VII of the Companies Act, 2013. The CSR policy of the Company is primarily directed towards Promoting preventive health care and making available safe drinking water.

The detailed policy on the Corporate Social Responsibility has been posted on the website of the Company and can be accessed at www.revathi.in

2. Composition of CSR Committee

The CSR Committee of the Board of Directors has been constituted with the following directors as its members:

- Mr. Abhishek Dalmia - Chairman
- Mr. B.V.Ramanan - Member
- Mr. V.V.Subramanian - Member

3. Average Net Profit of the Company for last three Financial Years:

Average net profit was ₹ 982 Lakhs.

4. Prescribed CSR Expenditure (2.0% of the amount as in item 3 above)

₹ 20 Lakhs.

5. Details of CSR spent during the Financial Year 2018-19

a) Total amount to be spent for the financial year - ₹20 Lakhs

b) Amount unspent, if any; - NIL

c) Manner in which the amount spent during the financial year is detailed below:

(Rs in Lakhs)

PARTICULARS	AMOUNT
CSR Project or Activity identified	Contribution to Ashoka University
Sector in which the project is covered	Education
Project or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Public
Amount of outlay (budget) project or programs-wise	NA
Amount spent on the project or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Over-heads:	₹ 20 Lakhs
Cumulative Expenditures up to the reporting period	NIL
Amount spent, direct or through implementing agencies	Direct

6. Responsibility statement of the CSR Committee:

The CSR Committee confirms that the implementation and governance of CSR Programs have been elaborated in the Company's CSR policy. The CSR Committee further confirms that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and policy of the Company.

By Order of the Board
For Revathi Equipment Limited

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

PLACE: BANGALORE
DATE: 08.08.2019

FORM AOC-1

[PURSUANT TO FIRST PROVISO TO SUB-SECTION (3) OF SECTION 129 READ WITH RULE 5 OF COMPANIES (ACCOUNTS) RULES, 2014]

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

Part "A": Subsidiary

S. NO.	PARTICULARS	DETAILS	
1.	Name of the subsidiary	Semac Consultants Pvt Ltd	Semac and Partners, LLC
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	The reporting period of the subsidiary is same as that of the holding company	The reporting period of the subsidiary is same as that of the holding company
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	NA	Omani Riyal / Exchange rate (1 OMR = ₹ 179.57495)
4.	Share capital	18208920	662800
5.	Reserves & Surplus	426354800	154194576
6.	Total assets	840365345	249161017
7.	Total Liabilities	840365345	249161017
8.	Investments	1368400	-
9.	Turnover	1076805738	274618715
10.	Profit before taxation	19174716	34396149
11.	Provision for taxation	8162467	6843592
12.	Profit after taxation	11012250	27552557
13.	Proposed Dividend	-	-
14.	% of shareholding	77.0%	65.0%

Notes:
There are no subsidiaries which are yet to commence operations or have been liquidated or sold during the year.
The Company does not have any Associate or Joint Venture.

By Order of the Board
For Revathi Equipment Limited

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

PLACE: BANGALORE
DATE: 08.08.2019

ANNEXURE - F

PARTICULARS OF EMPLOYEES

Statement pursuant to Section 197(12) of the Companies Act 2013 read with The Companies (Appointment and Remuneration of Mangerial Personnel) Rules,2014.

1. The ratio of the remuneration of each director to the median employee's remuneration for the financial year

NAME	CATEGORY	RATIO
Mr. Abhishek Dalmia	Executive Chairman	27:1
Mrs. Deepali Dalmia	Director	0.7:1
Mr. S.C. Katyal	Director	4:1
Mr. B.V. Ramanan	Director	0.7:1
Mr. Kishore Sidhwani	Director	0.7:1
Mr. V.V. Subramanian	Director	0.9:1
Mr. S. Hariharan	Director	4:1
Mr. Sunil Puri	Director	15:1

2. The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any,in the financial year

NAME	DESIGNATION	INCREASE
Mr. Abhishek Dalmia	Executive Chairman	NA
Mr. R. Sudhir (w.e.f 09.06.2018)	Chief Financial Officer	72.0%
Mr. S. Hariharan (upto 08.06.2018)	Whole-time Director	-82.0%
Mr. Sunil Puri (upto 10.11.2018)	Chief Executive Officer	-36.0%
Mr. M. N. Srinivasan (upto 29.07.2018)	Company Secretary	-68.0%
Mr. K. Maheswaran (w.e.f 19.12.2018)	Company Secretary	NA

3. The percentage increase in the median remuneration of employees in the financial year: 3.7%

4. The number of permanent employees on the rolls of company: 183

5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and any exceptional circumstances for increase in the managerial remuneration:

Average increase in remuneration of Directors and KMP's was -35.0%. For employees of Revathi Equipment Ltd, the increase was -3.0%.

6. Your directors affirm that the remuneration is as per the remuneration policy of the Company.

Particulars of employees under Rule 5 (2)

S NO.	NAME	DESIGNATION /NATURE OF EMPLOYMENT	REMUNERATION RECEIVED/ RECEIVABLE (RS)	QUALIFICATION/ EXPERIENCE	DATE OF JOINING	AGE	LAST EMPLOYMENT	% OF SHARE HOLDING	WHETHER RELATED TO DIRECTOR, IF SO NAME OF SUCH DIRECTOR
1	Mr. Abhisek Dalmia	Executive Chairman	75,00,048	B.Com (H),FCA, AICWA./27 years	01/03/2003	50	Utkal Investments Ltd.,New Delhi.	Nil	Related to Mrs. Deepali Dalmia
2	Mr. Sunil Puri	Chief Executive Officer	39,90,865	B.E(Mech)/33 years	07/03/2016	55	Sandvik Asia P Ltd, Pune	Nil	Nil
3	Mr. Rajesh kumar.Ch	DGM-Marketing	38,27,578	AMIE(mining)/25 years	17/08/2015	50	Atlas Copco (India) Ltd,Pune	Nil	Nil
4	Mr. K.S.Harish Kumar.	Head NPD	26,87,662	B.E(Mech) /23 years	23/04/2015	44	Caterpillar India P Ltd,Chennai	Nil	Nil
5	Mr. G.Pathiban	GM-Operations	26,80,384	DME, B.E. / 22 Years	01/09/2017	45	Wabco India Ltd ,Chennai	Nil	Nil
6	Mr. B. Balakrishnan	DGM -QA	24,84,850	B.E (Mech)/30 years	13/07/2007	53	Leoni Wiring Systems P Ltd,East London, South Africa	Nil	Nil
7	Mr. R.Ravindran	DGM – Exports	24,26,997	B.E (EEE), M.B.A/30 years	20/06/1991	51	Nil	Nil	Nil
8	Mr. R. Sudhir	CFO	24,19,630	B.Com., CA / 12 Years	07/09/2017	36	Sa Rawther Spices Pvt Ltd.,	Nil	Nil
9	Mr. P. Subramani	DGM - Systems	23,24,557	B.E(Mech), Dip in System Analysis & Data Processing, PGDCA/ 33 years	17/08/1993	58	Premier Instruments And Controls Ltd Coimbatore	Nil	Nil
10	Mr.S.Chandrasekaran	AGM (Engg)	22,63,360	DME,AIME – 35 years	01/06/2016	54	Sandvik Asia P Ltd, Pune	Nil	Nil

By Order of the Board
For Revathi Equipment Limited

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

PLACE: BANGALORE
DATE: 08.08.2019

ANNEXURE - G

FORM NO. MR-3
SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and pursuant to Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To
The Members,
Revathi Equipment Limited
(CIN: L29120TZ1977PLC000780)
Pollachi Road, Malumichampatti P.O.,
Coimbatore – 641 021.
Tamilnadu, India

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Revathi Equipment 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 M/s.Revathi Equipment Limited'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 my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 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 examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 according to the provisions of:

i) The Companies Act, 2013 (the Act) and the rules made thereunder;
ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
iii) The Depositories Act, 1996 and the Regulations and bye-laws framed thereunder;
iv) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-

a) The Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

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

a) Secretarial Standards with respect to Board Meetings (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI);
b) Listing Agreement entered into by the Company with the BSE Limited and National Stock Exchange of India Limited;

During the year under review, the Company has complied with the provisions of the Acts, Rules, Regulations and Standards etc., mentioned above.

I further report that, during the year under review, there were no actions/ events in pursuant of the following Rules/Regulations requiring compliance thereof by the Company:

a. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
b. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
c. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations 2014;
d. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
f. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 2018;

I further report that based on the information provided by the Company, its officers and authorized representatives, there are no laws specifically applicable to the Company.

I further report that having regard to the compliance system prevailing in the Company and on the review of quarterly compliance reports taken on record by the Board of Directors and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the labour and environmental laws as applicable.

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and a Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the period covered under the Audit, the Company has obtained necessary approval of the shareholders at the Annual General Meeting held on 25th September, 2018 and has adopted new set of Articles of Association and complied with the provisions of the Companies Act, 2013 read with relevant Rules made thereunder and Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

Other than the above, there were no instances of:

- Public / Rights / Preferential issue of Shares / Debentures / Sweat Equity.
- Redemption / buy-back of securities
- Major decision taken by the members in pursuant to Section 180 of the Companies Act, 2013.
- Merger / Amalgamation / Reconstruction etc.
- Foreign technical collaborations.

This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.

M D SELVARAJ
MDS & Associates
Company Secretaries
FCS No.: 960, C P No.: 411

PLACE: COIMBATORE
DATE: 08.08.2019

Annexure – A

To

The Members,
Revathi Equipment Limited
(CIN: L29120TZ1977PLC000780)
Pollachi Road, Malumichampatti P.O.,
Coimbatore – 641 021.
Tamilnadu, India

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my 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 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 and standards is the responsibility of management. My examination was limited to the verification of procedures on 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.

M D SELVARAJ
MDS & Associates
Company Secretaries
FCS No.: 960, C P No.: 411

PLACE: COIMBATORE
DATE: 08.08.2019

[In compliance with Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company has always believed in and followed the best business practices, and has been compliant with all the laws, exercised fairness and integrity in all its dealings, thereby reiterated its commitment to enhancement of stakeholders' value. The Company has a defined set of guidelines for its internal governance based on business ethics, legal compliance and professional conduct. The Company has been transparent in its accounting practices and procedures, in framing and adhering to policies and guidelines, in insisting on responsibility and accountability and by regular audit of its policies and procedures.

2. BOARD OF DIRECTORS

(i) Composition

The Board presently comprises of 5 Directors including 1 Executive and 4 Non-Executive Directors of which 3 are Independent Directors and 1 Women Director. The Directors are professionals who have expertise in their respective functional areas and bring a wide range of skills and experience to the Board. The Board is headed by Executive Chairman.

The details of composition of Board, no. of other directorships in other public companies, chairmanship and membership in committees of other public companies as held by the directors of the company, attendance of directors at board meetings and last annual general meetings are given below:

NAME OF THE DIRECTORS	CATEGORY OF DIRECTORSHIPS	ATTENDANCE PARTICULARS		NO. OF OTHER DIRECTORSHIP HELD * IN PUBLIC LIMITED COMPANIES	NO OF COMMITTEE POSITIONS HELD IN OTHER COMPANIES **	
		BOARD MEETING	LAST AGM		CHAIRMAN	MEMBER
Mr. Abhishek Dalmia (DIN: 00011958)	Executive Chairman / Non-Independent	4	Yes	9	0	0
Mrs. Deepali Dalmia (DIN: 00017415)	Non-Executive / Non-Independent	4	No	1	0	0
Mr. B.V. Ramanan (DIN: 00934602)	Non-Executive / Independent	4	No	0	0	0
Mr. Kishore Sidhwani (DIN: 02428735)	Non-Executive / Independent	4	No	0	0	0
Mr. V V Subramanian (DIN: 05232247)	Non-Executive / Independent	5	Yes	0	0	0
Mr. S. Hariharan (DIN: 06363724) (Retired w.e.f.08.06.2018)	Executive Director / Non-Independent	1	NA	0	0	0
Mr. S.C. Katyal (DIN: 00614377) (Resigned w.e.f.08.06.2018)	Non-Executive / Independent	2	NA	1	0	0
Mr. Sunil Puri (DIN: 08088386) (Resigned w.e.f.10.11.2018)	Executive Director / Non-Independent	4	Yes	0	0	0

Excludes directorships in Foreign Companies & Private Companies.

** Only Audit Committee and Stakeholders Relationship committee are considered as per regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr.Abhishek Dalmia, Executive Chairman is related to Mrs.Deepali Dalmia and Mr.Chaitanya Dalmia, Non-Executive Directors. None of the other directors are related.

None of the Directors holds directorship in more than 20 Companies (including limit of maximum directorships in 10 public companies) pursuant to the provisions of the Companies Act, 2013. Further, none of the Directors including Independent Directors hold directorships in more than the maximum number of Directorships prescribed under Regulation 17A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

As per the disclosures received from the Directors, none of the Directors serve as member of more than 10 committees nor are they the Chairman / Chairperson of more than 5 committees, as per the requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(ii) Board Meetings

The Board meets at least once in every quarter to review quarterly results and other items on agenda. Additional meetings are held whenever necessary. Board meetings were held during the year and the date on which the Board meetings were held are as follows:

S. NO	DATE OF BOARD MEETING	NO. OF DIRECTORS ATTENDED
1	29.05.2018	4
2	06.06.2018	6
3	06.08.2018	5
4	30.10.2018	6
5	19.12.2018	2
6	29.01.2019	5

(iii) Other Directorships:

DIRECTORS	DETAILS OF THE OTHER LISTED ENTITIES WHERE THE DIRECTORS HOLD DIRECTORSHIP	
	NAME OF THE LISTED ENTITY	DESIGNATION
Mr. Abhishek Dalmia (DIN: 00011958)	Rajratan Global Wire Limited	Non-Executive and Non- Independent
	Ashiana Housing Limited	Non-Executive and Independent Director
Mrs. Deepali Dalmia (DIN: 00017415)	Nil	Nil
Mr. B. V. Ramanan (DIN: 00934602)	Nil	Nil
Mr. Kishore Sidhwani (DIN: 02428735)	Nil	Nil
Mr. V. V. Subramanian (DIN: 05232247)	Nil	Nil

(iv) Shareholdings of Non-Executive Directors:

Statement showing number of Equity Shares held by the Non-Executive Directors as on 31st March, 2019.

The Company has not issued any type of Convertible instruments to Non-Executive Directors.

S. NO.	NAME OF DIRECTOR	NO. OF EQUITY SHARES HELD (AS ON MARCH 31, 2019)
1	Mrs. Deepali Dalmia	NIL
2	Mr. B. V. Ramanan	NIL
3	Mr. Kishore Sidhwani	19
4	Mr. V. V. Subramanian	NIL

There has been no materially relevant pecuniary transaction or relationship between the Company and its Non-Executive Independent Directors during the year.

(v) Familiarization Program for Independent Directors:

The Company through its Executive Chairman explained the strategy, operations and functions of the Company to familiarize the Independent Directors.

When new Independent Directors join the Board of the Company, they were invited to the factory at Coimbatore to show the facilities and a meeting was arranged with company managerial personnel to discuss the nature of the operation of the Company's business activities. Corporate functional heads made relevant business strategy presentations to them.

It provided an opportunity to the Independent Directors to interact with the Senior Management of the Company and help them to understand the Company's strategy, business model, operations, service and product offerings, markets, organization structure, finance, human resources, technology, quality, facilities and such other areas as may arise from time to time.

The details of familiarization programmes imparted to independent directors are disclosed on the Company's website www.revathi.in

(vi) Key Board Qualifications, expertise and attributes:

The Board of Directors comprises of qualified members who bring in the required skills, competence and expertise that allow them to make effective decisions or contributions to the Board, its committees and the management.

The list of core skills / expertise / competencies identified by the Board of Directors as required in the context of Company's Business Vertical(s) and those already available with the Board are as follows:

CORE SKILL/EXPERTISE/COMPETENCIES	WHETHER AVAILABLE WITH THE BOARD OR NOT
Industry knowledge/experience Knowledge on Company's businesses (Manufacturing of Blast Hole Drills), policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities and knowledge of the industry in which the Company operates.	YES
Behavioral Skills Attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company	YES
Management Skills Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments.	YES
Business Strategy, Sales & Marketing, Corporate Governance, Forex Management, Administration, Decision Making	YES
Technical / Professional skills and specialized knowledge in relation to Company's business.	YES

(vii) Confirmation on the fulfillment of the conditions of independence:

Based on the declarations received from the Independent Directors, the Board of Directors are of the opinion that the Independent Directors fulfill the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Companies Act, 2013 and are independent of the management.

(viii) Resignation of Independent Directors before expiry of tenure:

During the year under review, Mr.S.C. Katyal, Independent Director resigned before the expiry of his tenure due to personal pre-occupations.

Subject to the above, none of the Independent Directors has resigned before the expiry of the tenure during the year under review.

(ix) Separate Meeting of Independent Directors:

The Meeting of Independent Directors of the Company was held on 29th January, 2019 and they inter-alia, reviewed the performance of the Non-Independent Directors and the Board as a whole, reviewed the performance of the Chairman and Whole-time Director and assessed the quality, quantity and timeliness of flow of information between the Company and the Board. Four Independent Directors were present at the meeting.

3. AUDIT COMMITTEE

(i) Brief Description and Terms of Reference

The Board has constituted a well-qualified Audit Committee in compliance with Section 177 of the Companies Act, 2013 read with Regulation 18 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the members of the Committee are Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc.

The role, powers and functions of the committee are as per Section 177 of the Companies Act, 2013 and the guidelines set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference for the year under review, inter alia are as follows:

(i) Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

(ii) The recommendation for appointment, remuneration and terms of appointment of Auditors of the company;

(iii) Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

(iv) Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:

(a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
(b) Changes, if any, in accounting policies and practices and reasons for the same.
(c) Major accounting entries involving estimates based on the exercise of judgment by management.
(d) Significant adjustments made in the financial statements arising out of audit findings.
(e) Compliance with listing and other legal requirements relating to financial statements.
(f) Disclosure of any related party transactions.
(g) Qualifications in the draft audit report.

(v) Reviewing, with the management, the quarterly financial statements before submission to the board for approval.

(vi) Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;

(vii) Review and monitor the auditor's independence and performance, and effectiveness of audit process.

(viii) Approval or any subsequent modification of transactions of the company with related parties.

(ix) Scrutiny of inter-corporate loans and investments.

(x) Valuation of undertakings or assets of the company, wherever it is necessary.

(xi) Evaluation of internal financial controls and risk management systems.

(xii) Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

(xiii) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

(xiv) Discussion with internal auditors of any significant findings and follow up there on.

(xv) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

(xvi) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

(xvii) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.

(xviii) To review the functioning of the Whistle Blower mechanism.

(xix) Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.

(xx) Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(xxi) Examination of the financial statement and the Auditors' report thereon.

(xxii) The following information is reviewed by the Audit Committee.

(a) Management discussion and analysis of financial condition and results of operations;
(b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
(c) Management letters / letters of internal control weaknesses issued by the statutory auditors;
(d) Internal audit reports relating to internal control weaknesses; and
(e) The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.

(ii) Composition of the committee, Meetings and attendance

During the year under review, the Committee met 6 (Six) times on 29th May, 2018, 06th June, 2018, 6th August, 2018, 30th October, 2018, 19th December, 2018 and 29th January, 2019. The Composition of the Audit Committee and the attendance of each member of the Committee is given below.

NAME OF THE MEMBERS	CATEGORY	NO. OF MEETINGS HELD DURING THE YEAR	NO. OF MEETINGS ATTENDED
Mr. B. V. Ramanan (Member)	Non-Executive and Independent Director	6	4
Mr. V. V. Subramanian (Chairman) (From 06.06.2018)	Non-Executive and Independent Director	6	5
Mr. Kishore Sidhwani Member (From 06.06.2018)	Non-Executive and Independent Director	6	4
Mr. S. C. Katyal (Resigned w.e.f.08.06.2018)	Non-Executive and Independent Director	6	2

The Chairman of the Audit Committee attended the Annual General Meeting held on 25th September 2018.

The Company Secretary acts as the Secretary to the Committee. The minutes of the Audit Committee meetings were circulated to the Board, and the Board discussed and took note of the same. The Audit Committee considered and reviewed the accounts for the year 2018-19, at their meeting held on 29th May 2019 before it was placed in the Board.

4. NOMINATION AND REMUNERATION COMMITTEE:

(i) Brief Description and Terms of Reference

The Nomination and Remuneration Committee is constituted in compliance with the requirements of Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 of the Companies Act 2013.

The role, powers and functions of the nomination and remuneration Committee are as per Section 178 of the Companies Act, 2013 and the guidelines set out in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms of reference for the year under review, inter alia are as follows:

(i) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of directors, key managerial personnel and other employees.

(ii) Formulation of criteria for evaluation of performance of independent directors and the board of directors.

(iii) Devising a policy on diversity of board of directors.

(iv) Identifying the persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.

(v) Whether to extend or continue the term of appointment of the independent director, on the basis of the report of the performance evaluation of independent directors.

The Nomination and Remuneration policy is annexed to the Board's Report and can also be accessed on Company's website at **www.revathi.in.**

(ii) Composition of the committee, Meetings and attendance

During the year under review, the Committee met 3 (Three) times on 6th June 2018, 19th December 2018 and 29th January 2019. The Composition of the Nomination and Remuneration Committee and the attendance of each member of the Committee is given below.

NAME OF THE MEMBERS	CATEGORY	NO. OF MEETINGS HELD DURING THE YEAR	NO. OF MEETINGS ATTENDED
Mr. B. V. Ramanan (Member)	Non-Executive and Independent Director	3	2
Mr. V. V. Subramanian (Chairman) (w.e.f 06.06.2018)	Non-Executive and Independent Director	3	3
Mr. Kishore Sidhwani (Member) (w.e.f 06.06.2018)	Non-Executive and Independent Director	3	2
Mr. S. C. Katyal (Chairman) (upto 08.06.2018)	Non-Executive and Independent Director	3	1

The Chairman of the Nomination and Remuneration Committee had attended the Annual General Meeting held on 25th September, 2018.

This Committee would look into and determine the Company's policy on remuneration packages of the Executive directors and Senior Management.

(iii) Performance Evaluation of non-executive and Independent Directors

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of the Committees of the Board. They also evaluated various aspects of the Board such as adequacy of the composition of the Board and its Committees, Board Diversity, execution and performance of specific duties, obligations and governance.

5. REMUNERATION OF DIRECTORS

Details of remuneration paid to the directors for the year ended March 31, 2019 are as follows:

(i) Executive Directors

Remuneration paid / payable to managerial personnel during the year is given below:

NAME	SERVICE CONTRACT	SALARY	PERQUISITES AND OTHER BENEFITS	CONTRIBUTION TO VARIOUS FUNDS	COMMISSION /INCENTIVE	TOTAL REMUNE-RATION
Mr. Abhishek Dalmia	5 years with effect from 01.04.2016	45,02,160	14,91,840	15,06,048	NIL	75,00,048
Mr. S. Hariharan	5 years contract ended on 31.07.2017 and on Contract from 01.08.2017 to 08.06.2018	8,51,740	4,03,628	1,35,243	NIL	13,90,611
Mr. Sunil Puri	On Contract from 01.04.2018	17,60,916	22,34,152	2,99,088	NIL	42,94,155

(ii) Non-Executive Directors

Sitting fees for attending Board / Committee meetings paid and Commission payable to Non-Executive directors for financial year 2018-19 are given below:

S. NO.	NAME OF THE DIRECTORS	SITTING FEES PAID	COMMISSION
1	Mrs. Deepali Dalmia	2,00,000	NIL
2	Mr. B. V. Ramanan	2,00,000	NIL
3	Mr. Kishore Sidhwani	2,00,000	NIL
4	Mr. V. V. Subramanian	2,50,000	NIL
5	Mr. S. C. Katyal (Resigned w.e.f 08.06.2018)	1,00,000	NIL

The criteria of making payments to Non – Executive Directors is appearing on the website of the company at www.revathi.in

The Company does not have any Employee Stock Option Scheme.

6. STAKEHOLDERS RELATIONSHIP COMMITTEE:

(i) Brief Description and Terms of Reference

The Stakeholders Relationship Committee was constituted in compliance with the provisions of Section 178 of the Companies Act, 2013 read with Regulation 20 and Part D of Schedule II of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Stakeholders Relationship Committee is responsible for the satisfactory redressal of investors' complaints pertaining to share transfers, non-receipt of annual reports, dividend payments, issue of duplicate certificates, transfer and transmission of shares and other miscellaneous complaints. In addition, the Committee looks into other issues including status of dematerialization / re-materialization of shares as well as systems and procedures followed to track investor complaints and suggest measures for improvement from time to time.

(ii) Composition of the committee, Meetings and attendance

During the year under review, the Committee met 4 (Four) times on 29th May 2018, 6th August 2018, 30th October 2018 and 29th January 2019. The Composition of the Stakeholders Relationship Committee and the attendance of each member of the Committee is given below.

NAME OF THE MEMBERS	CATEGORY	NO. OF MEETINGS HELD DURING THE YEAR	NO. OF MEETINGS ATTENDED
Mr. B. V. Ramanan (Member)	Non-Executive and Independent Director	4	3
Mr. V. V. Subramanian (Chairman) (From 06.06.2018)	Non-Executive and Independent Director	4	3
Mr. Kishore Sidhwani (Member) (From 06.06.2018)	Non-Executive and Independent Director	4	3
Mr. S. C. Katyal (Chairman) (upto 08.06.2018)	Non-Executive and Independent Director	4	1

The Chairman of the Stakeholders Relationship Committee had attended the Annual General Meeting held on 25th September 2018.

(iii) Name and Designation of Compliance Officer

Mr.M.N.Srinivasan, Company Secretary of the company was the Compliance Officer of the company upto 29th July, 2018. Mr. R Sudhir, Chief Financial Officer of the company is the Compliance Officer with effect from 30th July, 2018 consequent upon the retirement of Mr.M.N.Srinivasan from the Company. Mr.K.Maheswaran, was appointed as Company Secretary and Compliance Officer of the Company at the Board meeting held on 19.12.2018. The minutes of the Stakeholders Relationship Committee were placed before the Board Meeting for due ratification and approval

(iv)

Regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate on half-yearly basis confirming due compliance of share transfer formalities by the Company from Practicing Company Secretary has been submitted to the Stock Exchanges within stipulated time.

(v) Unclaimed Suspense Account

Since there are no unclaimed shares, the Company has not opened unclaimed suspense account.

(vi) Investors' complaints:

The Company attends to the investors' grievances and correspondences within a maximum period of 5 days from the date of receipt of the same. During the year 2018-19, the Company had received no complaints from the shareholders and there were no outstanding complaints as on 31.03.2019.

CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

In compliance with the provisions of Section 135 of the Companies Act, 2013 and the Companies (Corporate Social Responsibility Policy) Rules, 2014, the Company has constituted the Corporate Social Responsibility Committee.

The terms of reference of this Committee, assigned by their Board encompasses:

a. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as specified in schedule VII:
b. To recommend the amount of expenditure to be incurred on the activities referred to in clause A:
c. To monitor the CSR policy of the Company from time to time:
d. Any other matter that may be referred by the Board from time to time or as may be necessary for compliance with the Companies Act, 2013 or Rules made thereunder or any other statutory laws of India:

During the year under review, the Committee met 1 (One) time on 6th August, 2018. The Composition of the Corporate Social Responsibility Committee and the attendance of each member of the Committee is given below.

NAME OF THE MEMBERS	CATEGORY	NO. OF MEETINGS HELD DURING THE YEAR	NO. OF MEETINGS ATTENDED
Mr. Abhishek Dalmia (Chairman)	Non-Executive and Independent Director	1	1
Mr. V. V. Subramanian (Member)	Non-Executive and Independent Director	1	0
Mr. B. V. Ramanan (Member)	Non-Executive and Independent Director	1	1
Mr. S. C. Katyal (Member) (upto 08.06.2018)	Non-Executive and Independent Director	1	NA

7. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The contents of the Management Discussion and Analysis Report have been included in the Directors' Report at the appropriate places and thus the said report forms part of the Annual Report.

8. GENERAL BODY MEETINGS:

Location and time where the last three Annual General Meetings were held and details of the special resolutions passed.

YEAR	DATE	TIME	VENUE	SPECIAL RESOLUTIONS PASSED
2015-2016	21.09.2016	5.45 p.m.	A.C .Hall, The Indian Chamber of Commerce and Industry Coimbatore, Chamber Towers, 8/732, Avinashi Road, Coimbatore - 641 018.	Approval of payment of commission to Non-Executive Directors. Payment of Commission to Mr. Abhishek Dalmia (holding DIN 00011958) Executive Chairman.
2016-2017	25.09.2017	2.00 p.m.	A.C .Hall, The Indian Chamber of Commerce and Industry Coimbatore, Chamber Towers, 8/732, Avinashi Road, Coimbatore - 641 018.	Payment of commission to the Non-Executive Directors of the Company Payment of commission to Mr. Abhishek Dalmia, Executive Chairman of the Company Re-appointment of Mr.S.Hariharan (having DIN: 06363724) as Whole-time Director of the Company from 01-08-2017 to 08-06-2018
2017-2018	25.09.2018	2.00 p.m.	Pollachi Road, Malumachampatti Post, Coimbatore - 641 050.	Appointment of Mr.Sunil Puri (DIN: 08088386) as Executive Director of the Company for a period of 5 years Adoption of new set of Articles of Association

EGM AND POSTAL BALLOT:

During the year no EGM was held. No resolutions were put through postal ballot last year. No Special resolution requiring postal ballot was proposed.

9. MEANS OF COMMUNICATION

(i) The quarterly / half yearly unaudited financial and the annual audited financial results are normally published in Business Standard and Malai Murasu (Vernacular paper). The financial results are also placed on the Company's website – www.revathi.in.

(ii) The copies of the results are forwarded to concerned stock exchanges immediately after they are approved by the Board for publication in their website. The company has a dedicated help desk with mail id www.revathi.in for providing necessary information to investors.

(iii) There were no specific presentations made to Institutional Investors or to the analysts during the year.

General Shareholder Information

(i) 42nd Annual General Meeting:

Date : 10.09.2019
Time : 3.00 P.M.
Venue : 331,Pollachi Road, Malumachampatti Post, Coimbatore – 64 050.

(ii) Financial Calendar:

Financial Year : April 01, 2019 to March 31, 2020

Date of Book closure from 04.09.2019 to 10.09.2019 (Both days inclusive)

(iii) Dividend payment date: The Directors have not recommended any Dividend for the year ended 31st March, 2019.

(iv) Listing on Stock Exchanges

The shares are listed in

BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street, Fort
Mumbai – 400 001

National Stock Exchange of India Ltd
Exchange Plaza, 5th Floor, Plot No. C/1
'G' Block, Bandra-Kurla Complex
Bandra (East), Mumbai – 400 051.

(v) Stock Market Data

Type of Security : Equity
Stock Code : BSE Limited - 505368
National Stock Exchange of India Limited REVATHI
ISIN number allotted for equity shares : INE617A01013
(Fully paid ₹ 10/- each)
The Company has paid the Listing Fees for the financial year 2019-2020 to the above Stock Exchanges.

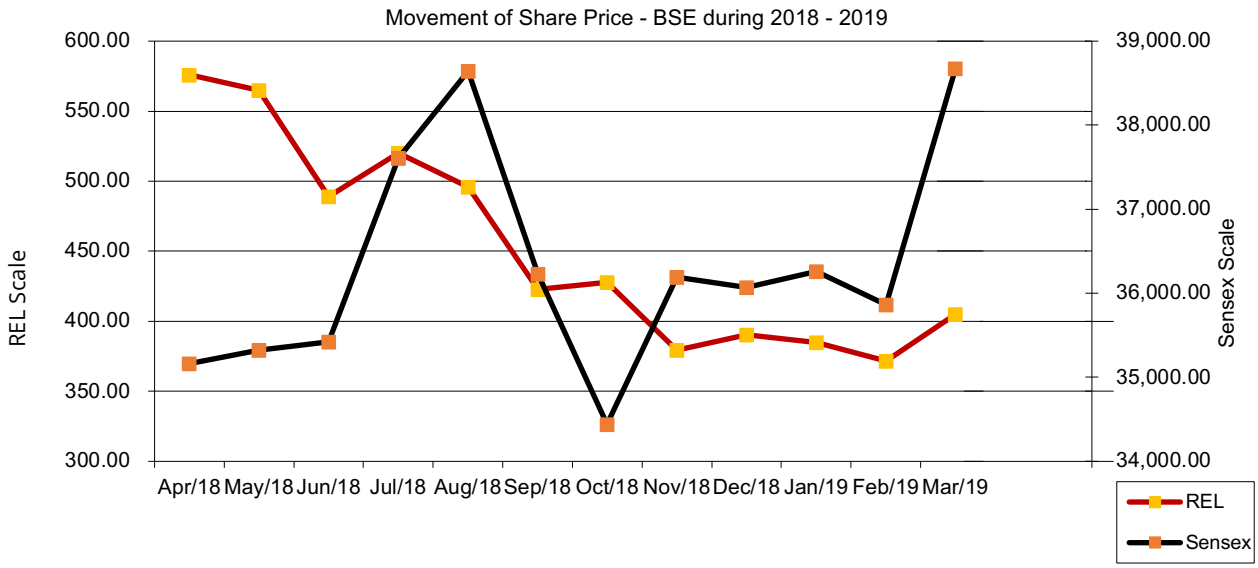
(vi) Share Price Movements (Monthly High & Low)

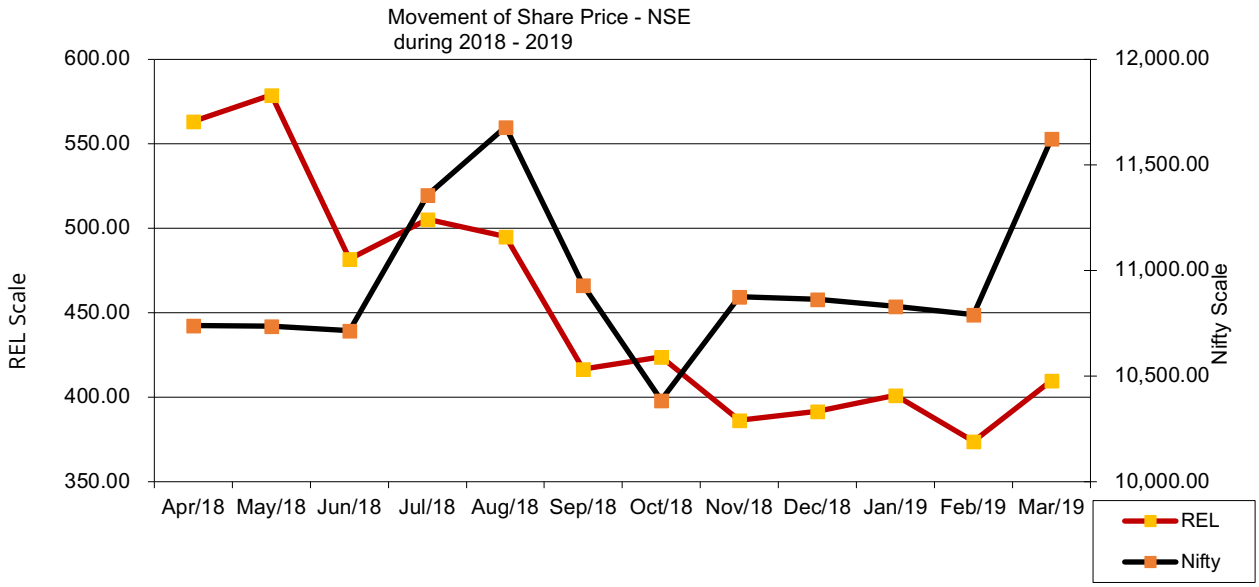
The high and low prices during each month in the last financial year on BSE & NSE Limited are given below:

PERIOD	BSE LIMITED		NSE LIMITED	
	HIGH	LOW	HIGH	LOW
April 2018	630.00	550.00	627.00	537.05
May 2018	643.75	506.40	648.95	510.00
June 2018	582.00	455.00	590.00	436.00
July 2018	520.00	445.00	535.00	440.00
August 2018	549.40	462.60	546.90	466.55
September 2018	495.00	416.70	499.60	416.70
October 2018	436.00	380.00	459.20	384.60
November 2018	442.80	368.05	433.90	370.00

PERIOD	BSE LIMITED		NSE LIMITED	
	HIGH	LOW	HIGH	LOW
December 2018	419.80	381.00	429.00	379.40
January 2019	424.55	361.25	417.95	365.20
February 2019	407.00	350.00	400.00	352.15
March 2019	484.95	370.00	452.00	382.20

PERFORMANCE IN COMPARISON TO BROAD-BASED INDICES SUCH AS BSE SENSEX AND NSE NIFTY.





(vii) Registrar & Share Transfer Agent: (For both physical & demat segments)

S.K.D.C Consultants Ltd.,
Kanapathy Towers,
3rd Floor, 1391/A-1, Sathy Road,
Ganapathy, Coimbatore - 641 006
Tel : 0422-6549995, 2539836
Fax : 0422-2539837, E-mail : info@skdc-consultants.com

(viii) Reconciliation of Share Capital Audit

A qualified Company Secretary carried out Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Reconciliation of Share Capital Audit report confirms that the total issued/ paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialised shares held with NSDL & CDSL.

(ix) Share Transfer System

The Company's shares are transferable through the depository system. Shares in physical form are processed by the Registrar and Share Transfer Agents, S.K.D.C. Consultants Limited and approved by the Stakeholders Relationship Committee of the Company. The share transfers are processed within a period of 15 days from the date of receipt of the transfer documents by S.K.D.C Consultants Limited, if the documents are complete in all respects. All requests for dematerialization of shares are processed and confirmed to the depositories, NSDL and CDSL, within 15 days. The Stakeholders Relationship Committee generally meets as and when required to effect the shares received for transfer in physical form.

Legal proceeding / disputes on share transfer against the company : NIL

Shares under lock – in : NIL

(x) Shareholding Pattern

CATEGORY	(₹ 10/- EACH)	
	NO. OF SHARES	% TO TOTAL
Promoters	22,25,953	72.6
Financial institutions/banks	100	0.0
Directors and relatives	19	0.0
Bodies Corporate	32,106	1.1
Non -Resident Indians	13,791	0.5
Public	7,94,974	26.0
TOTAL	30,66,943	100.0

(xi) Distribution of Shareholding

RANGE OF SHAREHOLDING	NO. OF SHAREHOLDERS	% OF SHAREHOLDING	NO. OF SHARES	% OF SHAREHOLDING
01 - 100	3,784	75.0	1,40,907	4.6
101 - 200	594	11.8	96,032	3.1
201 - 500	449	8.9	1,51,924	5.0
501 - 1000	127	2.5	95,459	3.1
1001 - 5000	80	1.6	1,65,415	5.4
5001 - 10000	6	0.1	44,318	1.5
10001 and above	10	0.2	23,72,888	77.4
TOTAL	5,050	100.0	30,66,943	100.0

Number of Shareholders as on March 31, 2019: 5,050

(xii) Dematerialization of shares and liquidity:

The Company has arrangement with National Securities Depository Ltd. (NSDL) as well as Central Depository Services (India) Limited (CDSL) for demat facility.

During the financial year 2018-19, 15279 (0.5%) shares were dematerialized. As on 31st March, 2019, total shares in demat form is 3018450 shares and 48493 shares in physical form. This represents 98.4% shares of the company are in demat form and 1.6% shares are in physical form. The shares are compulsorily tradable in demat form with effect from 26th June, 2000 for all investors.

With effect from 1st April, 2019, the applications for transfer of shares held in physical form will not be processed by the listed entity / Registrar and Share Transfer Agent, except in case of transmission or transposition, in accordance with the amended Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(xiii) (Outstanding GDRs / ADRs / Warrants /any Convertible Instruments / conversion date and their likely impact on equity:

There are no outstanding warrants or any convertible instruments. The Company has not issued GDR/ADR.

(xiv) Plant Locations:

Pollachi Road, Malumachampatti Post, Coimbatore – 641 050.

(xv) Address for Correspondence/ Contact address for shareholder:

S.K.D.C. Consultants Ltd, Ganapathy Towers, 3rd Floor, 1391/A-1, Sathy Road,Ganapathy, Coimbatore – 641 006.
Tel: 0422-6549995, 2539836 Fax: 0422-2539837 Email: info@skdc-consultants.com

(xvi) For annual report, transfer of physical / demat shares, dividend on shares, change of address & other query relating to shares of the Company and investors correspondence, may be addressed to:

Mr.K.Maheswaran
Company Secretary & Compliance Officer,
Revathi Equipment Limited, Pollachi Road, Malumachampatti P O, Coimbatore – 641 050.
e-mail : compliance.officer@revathi.in Phone: 0422-6655100, 6655111 Fax:0422-665199.

10. DISCLOSURES

(i) Disclosures on materially significant related party transactions

All the related party transactions are entered on arm's length basis, in the ordinary course of business and are in compliance with the applicable provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There are no materially significant related party transactions made by the Company with Promoters, Directors or Key Managerial Personnel etc., which may have potential conflict with the interest of the Company at large. The details of the transactions with Related Party are provided in the Company's financial statements in accordance with the Accounting Standards.

All the related party transactions are presented to the Audit Committee and the Board. A statement of all related party transactions is presented before the Audit Committee on a quarterly basis, specifying the nature, value and terms and conditions of the transaction.

The Related Party Transaction Policy as approved by the Board is uploaded on the Company's website viz. www.revathi.in.

(ii) Details of non compliance by the Company, penalties, and strictures imposed on the company by stock ex change or SEBI or any Statutory Authorities, on any matter relating to capital markets, during the last three years.

The company has complied with all the mandatory requirements of Corporate Governance norms as enumerated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. No penalties have been levied or strictures have been passed by SEBI, Stock Exchange or any other statutory authority on matters relating to capital markets during the last three years.

(iii) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel have been denied access to the Audit Committee

The Company has adopted a Whistle Blower Policy to provide a formal mechanism to the Directors and employees to report their concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct or ethics policy. The Policy provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee. It is affirmed that no personnel of the Company has been denied access to the Audit Committee.

Your Company hereby affirms that no complaints were received during the year under review.

(iv) Details of compliance with mandatory requirements and adoption of the non mandatory requirements

The Company has complied with all the mandatory requirements of corporate governance norms as enumerated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Company has adopted the following non-mandatory requirements.

Reporting of internal Auditors to Audit Committee as recommended in terms of Regulation 27(1) read with part E of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015,

(v) Policy for determining material subsidiaries and Policy on Related Party Transactions

Policy for determining material subsidiaries and Policy on dealing with Related Party Transactions has been disclosed on the website of the Company at www.revathi.in.

Material Unlisted Subsidiary –

During the year, the Company has one material unlisted subsidiary company namely Semac Consultants Private Limited, which is subject to special governance norms in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has complied with the Corporate Governance requirements in respect of this Subsidiary Company as required under Regulation 24 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Further the minutes of meetings of the Board of Directors of the subsidiary company are being placed before the Board of Directors of the Company for their review and noting.

(vi) Commodity price risk and commodity hedging activities

The Company has not engaged in commodity hedging activities.

Forex exposure is being reviewed by the Board in every quarter. Forex exposure is being adequately covered as per the advice of consultant.

(vii) Accounting Treatment

In the preparation of the financial statements, the Company has followed the accounting standards referred to in Section 133 of the Companies Act, 2013 read with the relevant rules issued there under. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

(viii) Risk Management

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

(ix) Credit Rating:

The Company does not have any Debt instruments or fixed deposit programme or any scheme or proposal involving mobilization of funds either in India or abroad that requires Credit Rating.

(x) Other disclosures:

The Company has not raised any funds through preferential allotment or qualified institutional placement as specified under Regulation 32 (7A) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A certificate from a Company Secretary in practice that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Security Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority has been obtained and is annexed to this report

During the year under review, the recommendations made by the different Committees have been accepted and there were no instances where the Board of Directors had not accepted any recommendation of the Committees.

The Company has paid a sum of ₹2,25,000/- plus out of pock expenses and applicable taxes as fees on consolidated basis to the Statutory auditor and all entities in the network firm / entity of which the Statutory auditor is a part for the services rendered by them.

As per the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, the Company has constituted an Internal Complaints Committee. During the year 2018-19, no complaint was received by the committee. As such, there are no complaints pending as at the end of the financial year.

(xi) There has been no instance of non-compliance of any requirement of Corporate Governance Report as stated above in sub-paras 2 to 10 above.

(xii) The Company has complied with all the mandatory requirements specified in Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Certificate from CEO/CFO

The CEO and CFO certification on the financial statements for the year has been submitted to the Board of Directors, in its meeting held on 25th May, 2019 as required under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Code of Conduct and prevention of insider trading

The Board of Directors have laid down a code of conduct for all Board members and senior management of the Company. The same has been posted on the website of the Company. All Board members and senior management personnel have affirmed their compliance with the code of conduct for the year under review. The Company's Executive Chairman's declaration to this effect forms part of this report.

The Company has framed a Code of Conduct for prevention of insider trading based on SEBI (Prohibition of Insider Trading) Regulations, 2015. This code is applicable to all directors / officers / designated employees. The code ensures the prevention of dealing in shares by persons having access to unpublished price sensitive information.

The Company has also formulated 'The Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (UPSI)' in compliance with SEBI (Prohibition of Insider Trading) Regulations, 2015.

DECLARATION

I hereby affirm and state that all board members and senior management personnel of the company have given a declaration in accordance with Regulation 17(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and I hereby affirm compliance with the said code of conduct for the financial year 2018-2019.

By order of the Board
For Revathi Equipment Limited

ABHISHEK DALMIA
Executive Chairman
(DIN: 00011958)

Place: Bangalore
Date: 08.08.2019

To The Members of
Revathi Equipment Limited

We have examined the compliance of conditions of Corporate Governance by Revathi Equipment Limited ("the Company") for the year ended March 31, 2019, as stipulated in Regulations 17 to 27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') pursuant to the Listing Agreement of the Company with Stock exchanges.t

Management's Responsibility for compliance with the conditions of Listing Regulations

1. The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance stipulated in the SEBI Listing Regulations.

Auditors' Responsibility

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

3. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

4. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.

5. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

6. In our opinion, and to the best of our information and according to explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

7. 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.

Restriction on use

8. The certificate is addressed and provided to the members of the Company solely for the purpose to enable the Company to comply with the requirement of the Listing Regulations, and it should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For S. S. KOTHARI MEHTA & Co.
Chartered Accountants
FRN - 000756N

AMIT GOEL
Partner
Membership No. 500607

Place: New Delhi
Date: 08.08.2019

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To
The Members of
M/s. REVATHI EQUIPMENT LIMITED
(CIN: L29120TZ1977PLC000780)
Pollachi Road,
Malumichampatti P.O.,
Coimbatore – 641 021.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s. REVATHI EQUIPMENT LIMITED** having CIN: L29120TZ1977PLC000780 and having registered office at Pollachi Road, Malumichampatti P.O, Coimbatore – 641 021 (hereinafter referred to as 'the Company'), produced before me 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 my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on **31st March, 2019** 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.

S. NO.	NAME OF DIRECTOR	DIN	DATE OF APPOINTMENT IN COMPANY
1	Mr. Abhishek Dalmia (Executive Chairman)	00011958	01-04-2011
2	Mrs. Deepali Dalmia	00017415	08-08-2014
3	Mr. Venkata Ramanan Bapoo	00934602	20-01-2010
4	Mr. Kishore Nanik Sidhwani	02428735	25-11-2014
5	Mr. Venkatachalam Venkata Subramanian	05232247	29-05-2017

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my 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.

M D SELVARAJ
MDS & Associates
Company Secretaries
FCS No.: 960; C P No.: 411

Place: Coimbatore
Date: 08.08.2019

To the Members of Revathi Equipment Limited

Report on the Standalone Ind AS Financial Statements

Opinion

We have audited the accompanying standalone Ind AS financial statements of **Revathi Equipment Limited** ("the Company"), which comprise the balance sheet as at March 31, 2019, the statement of profit and loss (including other comprehensive income), cash flow statement and the statement of changes in equity for the year then ended, and notes to the Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March, 2019, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current year. These matters were addressed in the context of our audit of the standalone Ind AS 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.

SR. NO.	KEY AUDIT MATTER	AUDITOR'S RESPONSE
1	Recognition of Revenue, measurement, presentation and disclosure as per Ind AS-115 "Revenue from Contracts with Customers". (Refer Sub-note N of Note 2 of Accounting Policy).	Our procedures included, but were not limited to the following: • We performed walkthroughs to understand the key processes and identify key controls related Ind AS 115 "Revenue from Contracts with Customers" • On a sample basis we performed testing to verify physical deliveries of product in the year to ascertain transfer of control. • We performed revenue cut-off testing, by reference to bill dates of sales recorded either side of the financial year end had legally completed; and • Selected a sample of sales contracts and read, analysed and identified the distinct performance obligations in these contracts. Based on our audit procedures we have concluded that revenue is appropriately recognized, and that there was no evidence of management bias.

Information Other than the Standalone Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report but does not include in the standalone Ind AS financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the standalone Ind AS 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 Ind AS 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 Ind AS financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to report the matter to those charged with governance.

Management's Responsibility for the Standalone Ind AS Financial Statements

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

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

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

Auditor's Responsibilities for the audit of the Standalone Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS 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 Ind AS 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 system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 and 4 of the Order.

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

   a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

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

   c) The balance sheet, the statement of profit and loss (including other comprehensive income), the cash flows statement and the statement of changes in equity dealt with by this Report are in agreement with the books of account;

   d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with relevant Rules issued thereunder;

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

   f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B";

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

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

      i. The Company has disclosed the impact of pending litigation on its financial position in its standalone Ind AS financial statements-Refer note 33 of the standalone Ind AS Financial statements;

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

      iii. There is no amount required to be transferred to Investor Education and Protection Fund by the Company.

For S. S. KOTHARI MEHTA & Co.
Chartered Accountants
FRN - 000756N

AMIT GOEL
Partner
Membership No. 500607

Place: New Delhi
Date: 29.05.2019

Annexure A to the Independent Auditor's Report to the members of Revathi Equipment Limited dated May 29, 2019.

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2016 ("the Order') issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 ("the Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The fixed assets has been physically verified by the management during the year, the frequency of which, in our opinion, is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.

(c) According to the information and explanations given to us and on the basis of the documents verified by us, we report that the title deeds of all immovable properties are held in the name of the Company.

(ii) According to the information and explanations given to us, inventories has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification.

iii) According to the information and explanations given to us, the Company has not granted loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, provisions of clauses 3 (iii) of the Order are not applicable to the Company.

(iv) In our opinion and according to the information and explanations given to us, provisions of sections 185 and 186 of the Act, as applicable, in respect of loans to Directors, including entities in which they are interested and in respect of loans and advances given, investments made and guarantees given, have been complied with by the Company.

(v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from public within the meaning of the directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other provisions of the Act and rules framed there under.

(vi) We have broadly reviewed the cost accounting records maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Act and are of the opinion that prima facie, the prescribed accounts and records have been maintained. We are, however, not required to make a detailed examination of such books and records.

(vii) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of employee's provident fund, employees' state insurance, income tax, goods & services tax, customs duty, cess and other material statutory dues, as applicable, with the appropriate authorities during the year. Further, there were no undisputed amounts outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, there are no dues in respect of income tax, goods & service tax, duty of custom and cess which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us and as per the books and records examined by us, the Company has not defaulted on repayment of loans to banks and financial institutions. The Company neither have any borrowings from the Government nor has it issued any debentures.

(ix) According to the information and explanations given by the management, the Company has not raised any monies by way of initial public offer or further public offer during the financial year. Further, the term loans have been applied for the purposes for which those were obtained.

(x) In our opinion and on the basis of information and explanations given to us, no cases of fraud by the Company or fraud on the Company by its officers or employees has been noticed or reported during the year.

(xi) In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.

(xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company, therefore the provision of clause (xii) of the Order is not applicable to the Company and hence not commented upon.

(xiii) In our opinion and according to the information and explanations given to us, the transactions with the related parties are in compliance with section 177 and 188 of the Act and the details have been disclosed in the notes to the standalone Ind AS financial statements, as required by the applicable Indian Accounting Standards.

(xiv) As the Company has not made any preferential allotment and private placement of shares or fully & partly convertible debentures during the year under audit, the requirement of section 42 of the Act are not applicable.

(xv) In our opinion and on the basis of information and explanations given to us, the Company has not entered into non-cash transactions with directors and persons connected with him as referred to in section 192 of Act.

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

For S. S. KOTHARI MEHTA & Co.
Chartered Accountants
FRN - 000756N

AMIT GOEL
Partner
Membership No. 500607

Place: New Delhi
Date: 29.05.2019

Annexure B to the Independent Auditor's Report to the members of Revathi Equipment Limited dated May 29, 2019

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section

We have audited the internal financial controls over financial reporting of Revathi Equipment Limited (the "Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the "Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

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, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

An audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

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

a) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the co pany's assets that could have a material effect on the standalone Ind AS financial statements.

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

Opinion
In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

For S. S. KOTHARI MEHTA & Co.
Chartered Accountants
FRN - 000756N

AMIT GOEL
Partner
Membership No. 500607

Place: New Delhi
Date: 29.05.2019

STANDALONE FINANCIAL STATEMENT

ALWAYS DEPENDABLE
REL
REVATHI EQUIPMENT LIMITED

BALANCE SHEET AS AT MARCH 31, 2019

(All amounts are in ₹ in thousands. Unless otherwise stated)

PARTICULARS	NOTE	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
A. ASSETS			
(1) Non current assets			
(a) Property, plant and equipment	3	40,799	30,306
(b) Other intangible assets	3	785	1,627
(c) Investment property	4	1,66,265	1,66,265
(d) Financial assets			
(i) Investments	5.1	8,77,271	8,77,271
(ii) Loans	5.2	9,126	11,005
(iii) Others financial asset	5.3	4,998	2,183
(e)Deferred tax assets (net)	6	90,771	67,828
(f)Other non - current assets	7	1,501	166
		11,91,516	**11,91,516**
(2) Current assets			
(a) Inventories	8	1,31,618	2,65,364
(b) Financial assets	9		
(i) Trade receivables	9.1	3,53,275	2,88,127
(ii) Cash and cash equivalents	9.2	65,923	69,757
(iii) Bank balances other than above	9.3	12,660	32,448
(iv) Loans	9.4	1,315	4,429
(v) Others financial asset	9.5	4,721	29
(c) Current tax asset (net)	10	-	9,222
(d) Other current assets	11	8,575	8,851
		5,78,087	**6,78,227**
(3) Non current asset held for sale	12	-	82,500
TOTAL ASSETS		**17,69,603**	**19,17,378**
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	30,669	30,669
(b) Other equity		15,57,518	14,64,338
		15,88,187	**14,95,007**
(1) Non - current liabilities			
Non Financial liabilities			
(i) Borrowings	14	-	-
(b) Provisions	15	7,276	8,144
		7,276	**8,144**
(2) Current liabilities			
(a) Financial liabilities	16		
(i) Borrowings	16.1	-	2,63,071
(ii) Trade payables:			
- Due to Micro, Small and Medium Enterprises	16.2	6,231	9,367
- Due to other than Micro, Small and Medium Enterprises	16.2	1,20,384	94,970
(iii) Other financial liabilities	16.3	21,665	28,322
(b) Other current liabilities	17	14,216	10,875
(c) Provisions	18	7,020	7,622
(d)Current tax liabilities (net)	19	4,624	-
		1,74,140	4,14,227
Total equity & liabilities		**17,69,603**	**19,17,378**
Significant Accounting Policies	1 & 2		

The accompanying notes form an integral part of these financial statements

As per our report of even date
For **S.S. KOTHARI MEHTA & COMPANY**
Chartered Accountants
FRN: 000756N

For and on behalf of the Board of Directors of **Revathi Equipment Limited**

PLACE: BANGALORE
DATE: MAY 29, 2019

AMIT GOEL
Partner
Membership No: 500607

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

DEEPALI DALMIA
Director
DIN: 00017415

SUDHIR. R
Chief Financial Officer

K. MAHESWARAN
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(All amounts are in ₹ in thousands. Unless otherwise stated)

PARTICULARS	NOTE	YEAR ENDED MARCH 31, 2019	YEAR ENDED MARCH 31, 2018
INCOME			
Revenue from operations	20	7,55,625	4,57,359
Other income	21	9,406	12,688
TOTAL INCOME		**7,65,031**	**4,70,047**
EXPENSES			4,70,047
Cost of materials consumed	22	1,73,923	2,61,612
Purchases of stock in trade	23	75,598	46,334
Excise duty on sales	24	-	2,614
Changes in inventories of finished goods, stock - in - trade and work - in - progress	25	1,33,631	(1,31,840)
Employee benefits expenses	26	1,02,964	1,12,108
Finance costs	27	17,564	33,806
Depreciation and amortization expenses	28	5,420	6,306
Other expenses	29	1,57,243	1,19,682
Total Expenses		**6,66,343**	**4,50,622**
Profit / (loss) before exceptional items and tax		98,688	19,425
Exceptional items		-	-
Profit / (loss) before tax		98,688	19,425
Tax expense	30		
(1) Current Tax		26,779	3,315
(2) Deferred Tax		(19,407)	1,221
(3) Tax for earlier years		1,548	-
(4) MAT credit entitlement		(3,502)	(791)
TOTAL TAX EXPENSE		**5,418**	**3,745**
Profit / (loss) from continuing operations		93,270	15,680
Profit / (loss) from discontinued operations		-	(74,771)
Tax expense of discontinued operations		-	-
Profit / (loss) from discontinued operations (after tax)		-	(74,771)
Profit / (loss) for the year		**93,270**	**(59,091)**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss	31	(124)	1,709
(ii) Income tax relating to items that will not be reclassfied to profit or loss	30	34	(565)
B (i) Items that will be reclassified to profit or loss		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
		(90)	1,144
Total comprehensive income for the year		**93,180**	**(57,947)**
Earnings per equity share (basic& diluted)	32		
For continuing operations			
(Face value of Rs 10 each)		30.41	5.11
For discontinued operations			
(Face value of Rs 10 each)		-	(24.38)
For Continued & Discontinued Operations			
(Face value of Rs 10 each)		30.41	(19.27)
Significant Accounting Policies	1 & 2		

The accompanying notes form an integral part of these financial statements

As per our report of even date
For **S.S. KOTHARI MEHTA & COMPANY**
Chartered Accountants
FRN: 000756N

AMIT GOEL
Partner
Membership No: 500607

For and on behalf of the Board of Directors of **Revathi Equipment Limited**

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

DEEPALI DALMIA
Director
DIN: 00017415

SUDHIR. R
Chief Financial Officer

K. MAHESWARAN
Company Secretary

PLACE: BANGALORE
DATE: MAY 29, 2019

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(All amounts are in ₹ in thousands. Unless otherwise stated)

PARTICULARS	2018-19	2017-18
A. Cash flow from operating activities		
Net profit before tax	98,688	(55,346)
Adjustments:		
Depreciation / amortization	5,420	6,306
Impairment of PPE	-	69,895
Provision for doubtful debts/ advances	10,000	-
Bad debts/ advances written off	10,827	1,060
Liabilities & provision written back	(2,747)	(3,334)
Finance cost	17,564	33,806
Interest Income	(5,163)	(5,489)
(Profit)/Loss on sale of fixed assets and assets written off	(1,346)	172
Operating profit before working capital changes	**1,33,244**	**47,070**
Adjustments for working capital changes :		
Inventories	133,746	(113,405)
Trade and other payables	18,945	(85,383)
Trade and other receivables	(85,271)	243,302
Cash generated from operations	**2,00,705**	**91,584**
Direct taxes (paid)/refund	(14,481)	(3,351)
Net cash from operating activities	**1,86,224**	**88,233**
B Cash flow from investing activities		
Purchase of fixed assets	(16,909)	(3,595)
Proceeds from sale of fixed assets	84,221	-
Proceeds from maturity of fixed deposits	16,973	-
(Purchase)/ sale of non current investments (net)	-	52,332
Interest received	5,163	5,491
Net cash used in investing activities	**89,448**	**54,228**
C Cash flow from financing activities		
Proceeds from/(repayment of) short term borrowings	(263,071)	(45,727)
Proceeds from/(repayment of) long term borrowings	1,170	-
Finance cost	(17,564)	(33,884)
Net cash from / (used in) financing activities	**(279,465)**	**(79,611)**
Net increase in cash and cash equivalents (A+B+C)	**(3,793)**	**62,850**
Cash and cash equivalents (Opening Balance)	**69,757**	**6,907**
Cash and cash equivalents (Closing Balance)*	**65,923**	**69,757**
Change in cash & cash equivalents	**(3,834)**	**62,850**
Components of cash & cash equivalents, Balances with banks		
- in Current accounts	12,666	7,767
- On cash credit accounts		
- Deposits with original maturity of less than 3 months	53,112	61,589
Cash on hand	145	401
Net cash & cash equivalents	**65,923**	**69,757**

Note:
1) Cash & cash equivalents components are as per Note 9.2.
2) Previous year figures have been regrouped/restated wherever considered necessary.

As per our report of even date
For **S.S. KOTHARI MEHTA & COMPANY**
Chartered Accountants
FRN: 000756N

For and on behalf of the Board of Directors of **Revathi Equipment Limited**

PLACE: BANGALORE
DATE: MAY 29, 2019

AMIT GOEL
Partner
Membership No: 500607

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

DEEPALI DALMIA
Director
DIN: 00017415

SUDHIR. R
Chief Financial Officer

K. MAHESWARAN
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

(All amounts are in ₹ in thousands. Unless otherwise stated)

A. Equity share capital

PARTICULARS	AS AT MARCH 31, 2017	CHANGES DURING THE YEAR	AS AT MARCH 31, 2018	CHANGES DURING THE YEAR	AS AT MARCH 31, 2019
Equity share capital	30,669		30,669		30,669

B. Other equity

PARTICULARS	RESERVES AND SURPLUS				ITEMS OF OTHER COMPREHENSIVE INCOME	TOTAL
	CAPITAL REDEMPTION RESERVE	CAPITAL RESERVE	GENERAL RESERVE	RETAINED EARNINGS	ACTURIAL GAIN / (LOSS)	
Restated balance as at 1.04.2017	3,111	149	4,56,899	10,62,561	(435)	15,22,285
Additions during the period	-	-	-	(59,091)	1,144	(57,947)
As at 31.3.2018	3,111	149	4,56,899	10,03,470	709	14,64,338
Additions during the period	-	-	-	93,270	(90)	93,180
As at 31.3.2019	3,111	149	4,56,899	10,96,740	619	15,57,518

Nature of reserves

i Capital redemption reserve was created consequent to redemption of preference share capital, as required under the provisions of the Companies Act, 1956. This reserve shall be utilised in accordance with the provisions of Companies Act, 2013.

ii Capital reserve represents funds to be utilised for specific purposes

iii General reserve represent s the statutory reserve, this is in accordance with Indian Corporate Law wherein a portion of profit is apportioned to general reserve. Under Companies Act, 1956 it was mandatory to transfer the amount before a company can declare dividend. However under Companies Act 2013, transfer of any amount to general reserve is at the discretion of the Company.

iv Retained earnings represents undistributed profits of the Company which can be distributed to its equity shareholders in accordance with the requirement of the Companies Act, 2013.

v Other comprehensive income (OCI) reserve represent the balance in equity for items to be accounted in OCI. OCI is classified into (i) items that will not be reclassified to profit and loss, and (ii) items that will be reclassified to statement of profit and loss.

For **S.S. KOTHARI MEHTA & COMPANY**
Chartered Accountants
FRN: 000756N

For and on behalf of the Board of Directors of **Revathi Equipment Limited**

PLACE: BANGALORE
DATE: MAY 29, 2019

AMIT GOEL
Partner
Membership No: 500607

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

DEEPALI DALMIA
Director
DIN: 00017415

SUDHIR. R
Chief Financial Officer

K. MAHESWARAN
Company Secretary

(All amounts are in ₹ in thousands. Unless otherwise stated)

1. Basis of Accounting and Preparation of Financial Statements

A. Corporate overview

Revathi Equipment Limited ("the company") was incorporated as a private company is registered under the Companies Act 1956 on May 13, 1977. The company was subsequently converted to a public company registered on November 4, 1977 and is currently listed on Bombay stock exchange and National Stock exchange. The company is preliminary engaged in the manufacturing and sales of drilling rigs and spares thereof. These financial statements are presented in Indian Rupees (Rs). These financial statements were approved and adopted by board of directors of the Company in their meeting held on May 29, 2019.

B. Statement of Compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Stan ards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended from time to time.

C. Basis of preparation of accounts

These financial statements have been prepared complying in all material respects with the Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rule 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended from time to time. The financial statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation of financial statements of all the periods presented.

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value
- Defined benefit plans as per actuarial valuation

D. Operating cycle

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act. Based on the nature of services and time between the acquisition of assets for providing of services and their realisation in Cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

E. Functional and presentation currency

The financial statements are presented in Indian rupees (Rs), which is the functional currency of the Company. All the financial information presented in Indian rupees (Rs), has been rounded to the nearest thousand.

F. Use of judgment, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the Management to make judgement, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities and contingent assets at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon the Management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods

a. Property, plant and equipment and intangible assets

The useful life and residual value of plant, property equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

b. Recognition and measurement of defined benefit obligations

The cost of the leave encashment, defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are periodically reviewed at each reporting date.

c. Fair value measurement of financial instruments
When the fair value of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market price in activate markets, their fair value is measured using valuation technique. The input to these models are taken from the observable market where possible, but this is not feasible, a review of judgment is required in establishing fair values. Changes in assumption relating to these assumptions could affect the fair value of financial instrument.

d. Provision for litigations and contingencies
The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount.

e. Impairment of financial and non-financial assets
The impairment provision for financial assets are based on assumptions about risk of default and expected losses. The company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.
The Company assesses at each reporting date whether there is an indication that a Non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount which is higher of an asset's or CGU's fair value less costs of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

G. Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis as explained above, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

H. Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, had notified following new and amendments to Ind ASs which are effective from April 1, 2019:

i. W.e.f. April 1, 2019 Ind AS 116-Leases will replace existing leases standard, Ind AS 17-Leases. Lessee will follow Single Lease Accounting. There is no classification as operating lease or financial lease for lessee. Under Ind AS 116, lessee will recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lessee would recognise depreciation expense on the right of use of asset and interest expense on the lease liability, classify the lease payment into principal and interest component. Management is currently reviewing the operating lease contracts in place to determine the impact of this standard.

ii. The following standards or amendments made in below mentioned standards are not expected to have a material impact over financial statements:

- Ind AS 12-Income Taxes: Amendments relating to income tax consequences of dividend and uncertainty over income tax treatments.
- Ind AS 109: Prepayment features with negative compensation
- Ind AS 19: Plan amendments, curtailments and settlements
- Ind AS 23: Borrowing Costs
- Ind AS 28: Long-term Interests in Associates and Joint Ventures
- Ind AS 103: Business Combinations and Ind AS 111: Joint Arrangements

2. Significant Accounting Policies

A. Property, plant and equipment

Property, plant and equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses. The cost of an asset includes the purchase cost of materials including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets are capitalized as part of cost of the asset until such time that the asset is ready for its intended use. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.
When significant part of the property, plant and equipment are required to replace at intervals, the company derecognized the replaced part and recognized the new parts with its own associated useful life and it depreciated accordingly. Likewise when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance cost are recognized in the statement of the profit and loss as incurred. Internally manufactured property, plant and equipment are capitalised at factory cost including excise duty or GST whatever is applicable.

Capital work in progress includes property plant & equipment under installation/under development as at the balance sheet date and are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost and are transferred to respective capital asset when they are available for use.
Property, plant and equipment are derecognised from the financial statement, either on disposal or when no economic benefits are expected from its use or disposal. Losses arising in the case of retirement of property, plant and equipment and gain or losses arising from disposal of property, plant and equipment are a recognized in the statement of profit and loss in the year of occurrence.

B. Investment Property

Investment properties are properties, either land or building or both, held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including transactions costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirement for cost model.
An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is de-recognised.

C. Intangible Assets

(a) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

(b) Internally-generated intangible assets- research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;

- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

(c) De-recognition

Gain or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit & loss when the asset is derecognised.

D. Depreciation and amortization

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

Depreciation on property plant and equipment is provided on straight line method on the basis of useful life of assets at the rates prescribed in Schedule II to the Companies Act, 2013. Property, Plant and Equipment which are added / disposed off during the year, depreciation is provided pro-rata basis with reference to the month of addition / deletion except for assets costing Rs 5,000 or below which are fully depreciated in the year of addition.

The useful lives of intangible asset are assed as either finite or indefinite. Intangible asset with a finite useful life are amortized over a period over the period of 3 to 5 years on a straight-line basis & technical knowhow are amortised over the period of three years on straight-line basis and are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible asset with indefinite useful lives, if they are not amortised, but are tested for impairment either individually or at the cash generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether the indefinite life continues to be supportable. Currently there are no intangible assets with indefinite useful life.

E. Impairment of Non-financial assets

Property, plant and equipment, intangible assets, except goodwill and intangible asset with indefinite useful life, and assets classified as investment property with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit or loss.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Impairment losses on continuing operations, including impairment on inventories are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation taken to other comprehensive income. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

Intangible assets with indefinite useful lives and intangible assets not yet available for use, and goodwill are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

F. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Where the Company is the lessee

Finance leases are capitalized as assets at the commencement of the lease, at an amount equal to the fair value of leased asset or present value of the minimum lease payments, whichever is lower, valued at the inception date. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the company's general policy on borrowing cost. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the

end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Payment made under operating leases are recognized as expense in the Statement of Profit and Loss on a straight line basis over the lease term, unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

Where the Company is the lessor
Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the escalation of lease rentals is in line with the expected general inflation so as to compensate the lessor for expected inflationary cost, the increases in the rentals is not straight lined.

G. Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such asset till such time that is required to complete and prepare the asset to get ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

H. Segment accounting and reporting

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparing and presenting the Financial Statements of the Company as a whole. In addition, the following specific accounting policies have been followed for segment reporting:

- Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter segment transfers.
  Inter segment transfers are accounted for based on the transaction price agreed to between the segments which is at cost in case of transfer of Company`s intermediate and final products and estimated realisable value in case of by-products.
- Revenue, expenses, assets and liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on direct and/or on a reasonable basis, have been disclosed as "Unallocable"

I. Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard (Ind AS)-19 - 'Employee Benefits'.

a. Short-term employee benefits
Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered

b. Defined contribution plan
Retirement benefits in the form of provident fund, pension fund and ESI are a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the provident fund/trust.

c. Defined benefit plan
The Company's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary, using the Projected unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Company has an Employee Gratuity Fund managed by Life Insurance Corporation. The provision made during the year is charged to profit and loss account.

The Company's liabilities on account of gratuity and earned leaves on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from registered actuary in accordance with the measurement procedure as per Indian Accounting Standard (INDAS)-19- 'Employee Benefits'. Gratuity liability is funded on year-to-year basis by contribution to respective fund. The costs of providing benefits under these plans are also determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Accumulated leaves, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method at the year-end.

J. Inventories

a. Work in progress, Finished goods and traded goods are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on First in First out basis

b. Raw materials, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials and stores and spares is determined on a first in first out basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

K. Non-current assets held for sale and discontinued operations

Non- current asset and disposable groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and are measured at the lower of its carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of such classification.
Discontinued operations are excluded from the results of continuing operation and are presented as a single amount as profit or loss after tax from discontinued operation in the statement of profit & loss. Asset and liabilities classified as held for distribution are presented separately from other asset and liabilities in balance sheet.
A disposable group qualified as discontinued operation if it is a component of the company that either has been disposed off, or is classified as held for sale, and

- Represents a separate major line of business or geographical area of operation.
- Is a part of a single coordinated plan to dispose of a separate major line of business or geographical area of operation,

Or

- Is as subsidiary acquired exclusively with a view to sale.
- An entity shall not depreciate (or amortize) a non-current asset while it is classified as held for sale or while it is a part of a disposal group classified as held for sale.

L. Financial instruments

(a) Financial assets

i. Classification

The company classified financial assets as subsequently measured at amortized cost, fair value though other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and contractual cash flow characteristics of the financial asset.

ii. Initial recognition and measurement

The company recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets (except for certain trade receivables) are recognized initially at fair value plus, for financial asset not subsequently measured at FVTPL, transaction costs that are directly attributable to the acquisition of financial assets. Trade receivables that do not contain a significant financing component (determined in accordance with IND AS 115 – Revenue Recognition) are initially measured at their transaction price and not at fair value.

iii. Subsequent Measurement

For the purpose of subsequent measurement the financial assets are classified in three categories:

- At amortised cost - For debt instruments only.
- At fair value through profit & loss account
- At fair value through other comprehensive income

iv. Debt instruments at amortized cost

A Financial Asset i.e. a debt instrument is measured at the amortized cost if both the following condition are met.

- The assets are held within a business model whose objective is to hold assets for collecting contractual cash flow (business model test), and
- Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding (contractual cash flow characteristics).

After initial measurement (at Fair value minus transaction cost), such financial assets are subsequently measurement at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount and premium and fee or costs that are an integral part of an EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

v. Debt instruments at Fair value through other comprehensive income

A financial asset should be measured at FVTOCI if both the following condition are met:

- The assets are held within a business model in which asset are managed both in order to collect contractual cash flows and for sale (business model test), and
- Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding (contractual cash flow characteristics).

After initial measurement (at Fair value minus transaction cost), such financial assets are measured at Fair value with changes in fair value recognized in OCI except for:

(a) Interest calculated using EIR
(b) Foreign exchange gain and losses; and
(c) Impairment losses and gains

vi. Debt instrument at fair value through Profit or loss

Debt instruments included within the fair value through profit or loss (FVTPL) category are measured at fair value with all changes recognised in the statement of profit and loss.

vii. Equity investments

All equity investments other than investment in subsidiaries, joint venture and associates are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The company makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the company decides to classify an equity instrument as at FVTOCI, then fair value changes on the instrument, excluding dividends, are recognised in other compressive income (OCI). There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of such investments.

Equity instrument includes within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit or loss.

viii. Derecognition

A financial assets (or, where applicable, a part of a financial asset) is primarily derecognised when:

- The right to receive cash flows from the assets have expired or
- The company has transferred substantially all the risks and rewards of the assets, or
- The company has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the assets.

ix. Impairment of financial assets

The company applies 'simplified approach' measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instrument and are measured at amortised cost e.g. loans, debt securities, deposits and bank balance.
- Trade receivables

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognised impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

(b) Financial liabilities & equity

i. Classification

Debt and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

ii.Initial recognition and measurement of financial liability

The company recognizes financial liability when it becomes a party to the contractual provisions of the instrument. All financial liability are recognized initially at fair value minus, for financial liability not subsequently measured at FVTPL, transaction costs that are directly attributable to the issue of financial liability.

iii. Subsequent measurement of financial liabilty

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies.

iv. Financial liability at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) Method. Gain and losses are recognised in statement of profit and loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transaction cost. The EIR amortization is included as finance cost in the statement of profit and loss.

This category generally applies to loans & Borrowings.

v. Financial liability at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability

vi. Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

vii.Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are, substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amount recognised in the Statement of Profit and loss.

viii. Offsetting of financial instrument

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

M. Investments in Associate, Joint venture & Associate

Investments in equity shares of Subsidiaries, Joint Ventures & Associates are recorded at cost and reviewed for impairment at each balance sheet date.

N. Revenue recognition

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.

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition.

- Identify the contract(s) with customer(s);
- Identify the performance obligations under the contract(s)
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract(s)
- Recognise revenue, when or as the entity satisfies a performance obligation.

Sale of goods

Revenue is recognized upon transfer of control of promised goods or services to customers at transaction price (net of taxes and duties), arrived at by determining the fair value of the consideration received or receivable after adjusting returns, allowances, trade discounts, volume discounts etc. in exchange of goods or services.

Sale of services

Revenues from sale of services are recognized as per the term of contract with customers based on stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably. Percentage-of-completion method requires the Company to estimate the services performed to date as a proportion of the total services to be performed.

Interest income

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

reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends

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

Insurance claim

Insurance and other claims are accounted for as and when admitted by the appropriate authorities in view of uncertainty involved in ascertainment of final claim.

O. Product warranty cost

Product warranty costs are accrued at the time related revenues are recorded in the Statement of Profit and Loss for the drill equipment. The company estimates such costs based on historical experience and estimates are reviewed on a periodic basis for any material changes in assumptions and likelihood of occurrence.

P. Foreign currency translation/conversion

Standalone financial statements have been presented in Indian Rupees, which is the Company's functional and presentation currency.

- **Initial recognition**
  Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction.
- **Conversion**
  Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.
- **Exchange differences**
  The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

Q. Taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognized directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum alternate tax

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered

or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax assets to be recovered.

The company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

R. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares

S. Provisions, contingent liabilities and contingent assets

General

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that the outflow of resources embodying economic benefits will be required to settled the obligation in respect of which reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, the expense relating to provision presented in the statement of profit & loss is net of any reimbursement.
If the effect of the time value of money is material, provisions are disclosed using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

Contingent liability is disclosed in the notes in case of:

- There is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company.
- A present obligation arising from past event, when it is not probable that as outflow of resources will be required to settle the obligation
- A present obligation arises from the past event, when no reliable estimate is possible
- A present obligation arises from the past event, unless the probability of outflow are remote.
  Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets.
  Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower of expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Company recognizes impairment on the assets with the contract.

Contingent assets

Contingent assets are not recognized in the financial statements

T. Cash and cash equivalents

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they being considered as integral part of the Company's cash management.

3. Property, plant & equipment and intangible assets

PARTICULARS	TANGIBLE ASSETS									Total tangible asset	Computer software	Total intangible asset	Total asset
	Land leasehold	Land freehold	Buildings	Plant & machinery	Production tooling	Data processing equipment	Furniture & fixtures	Office equipment	Vehicles				
Gross Block													
as at 1st April, 2017	1	941	39,494	51,010	13,455	9,460	6,832	7,840	14,303	**1,43,335**	10,973	10,973	1,54,308
Addition	-	-	818	328	193	947	641	243	41	**3,211**	986	986	4,197
Disposals / adjustments	-	-	-	-	-	-	-	-	(988)	**(988)**	-	-	(988)
as at March 31, 2018	1	941	40,312	51,338	13,648	10,407	7,473	8,083	13,356	**1,45,558**	11,959	11,959	1,57,517
Addition	-	8,722	-	6,134	23	460	84	24	-	**15,447**	-	-	15,447
Disposals / adjustments	-	-	-	(11,523)	(8,718)	(958)	(13)	(315)	(4,916)	**(26,443)**	(3,838)	(3,838)	(30,281)
as at March 31, 2019	1	9,663	40,312	45,949	4,953	9,909	7,544	7,792	8,440	**1,34,562**	8,121	8,121	1,42,683
Depreciation													
as at 1st April, 2017	-	-	26,368	43,087	13,298	8,316	4,928	5,852	8,710	**1,10,558**	9,674	9,674	1,20,179
Charge for the year	-	-	962	2,083	203	757	267	545	831	**5,648**	658	658	6,306
Disposals	-	-	-	-	-	-	-	-	(953)	**(953)**	-	-	(953)
as at March 31, 2018	-	-	27,330	45,170	13,501	9,073	5,195	6,397	8,588	**1,15,253**	10,332	10,332	1,25,532
Charge for the year	-	-	987	1,215	102	742	259	468	805	**4,578**	842	842	5,420
Disposals	-	-	-	(11,185)	(8,718)	(958)	(2)	(289)	(4,916)	**(26,068)**	(3,838)	(3,838)	(29,906)
as at March 31,2019	-	-	28,317	35,200	4,885	8,857	5,452	6,576	4,477	**93,763**	7,336	7,336	1,01,046
Net Block													
as at March 31,2018	1	941	12,982	6,168	147	1,334	2,278	1,686	4,768	30,306	1,627	1,627	31,985
as at March 31,2019	**1**	**9,663**	**11,995**	**10,749**	**68**	**1,052**	**2,092**	**1,216**	**3,963**	**40,799**	785	785	41,637

4. Investment property

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Capital contribution in Panch Tatva Realty	1,66,265	1,66,265
TOTAL	**1,66,265**	**1,66,265**

The company along with Tridhaatu Realty Infra Private Ltd (Tridhaatu) formed an Association of Persons (AOP) namely Panchtatva Realty for constructing a residential building in Chembur, Mumbai and made an investment of ₹ 2,00,000 thousands in the AOP. Out of its entitlement of 64,000 square feet, the Company sold 10,795 square feet to the AOP member-Tridhatu vide deed of modification dated 17th December 2015. The Company's entitlement is limited to above mentioned built up area only and no other economic benefits and hence not construed as Joint Venture.

5. Financial asset : non current

5.1 Investments

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Unquoted investment		
i) Investments in subsidiaries (at cost)	1,66,265	1,66,265
14,01,860 (March 31, 2018: 14,01,860) Equity shares of Rs 10 each fully paid up in Semac Consultants Private Limited	8,77,271	8,77,271
ii) Investments in associates (at cost)		
88,96,797 (March 31, 2018: 88,96,797) preferred stock in Satellier Holdings Inc.,USA	48,750	48,750
Less: Imapairment in value	(48,750)	(48,750)
TOTAL	**8,77,271**	**8,77,271**

Note : The affairs of Satellier Holding Inc, USA, one of the associate of the company was dissolved and certificate of dissolution had been issued by the appropriate authority. There being no likelihood of any amount being recoverable towards investment in equity and as such full provision against investment of ₹ 48,750 thousands in the said company had been done in the year 2013-14. There is no change in the status thereof in this year.

5.2 Loans

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Security deposits	9,126	11,005
TOTAL	9,126	11,005

5.3 Other financial assets

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Fixed deposits (having remaining maturity of more than 12 months)	4,998	2,183
TOTAL	4,998	2,183

6. Deferred tax

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
MAT credit entitlement	80,407	76,905
Deferred tax asset / (liability) (net)	10,364	(9,077)
TOTAL	90,771	67,828

i. Movement in deferred tax items

FY 18-19	MOVEMENT DURING THE YEAR			
	BALANCE AS AT APRIL 1, 2018	RECOGNISED IN STATEMENT OF PROFIT AND LOSS	RECOGNISED IN OTHER COMPREHENSIVE INCOME	CLOSING BALANCE AS AT MARCH 31, 2019
Deferred tax liability / (asset) on account of				
Property, plant & equipment	12,966	(17,473)	-	(4,507)
Payment of gratuity	(178)	(252)	(34)	(464)
Provision of leave encashment / sick leave	(3,441)	1,057	-	(2,384)
Provision of doubtful debts	(270)	(2,739)	-	(3,009)
Net Deferred tax liability / (asset)	9,077	(19,407)	(34)	(10,364)
MAT credit entitlement	76,905	3,502	-	80,407

FY 17-18	MOVEMENT DURING THE YEAR			
	BALANCE AS AT APRIL 1, 2017	RECOGNISED IN STATEMENT OF PROFIT AND LOSS	RECOGNISED IN OTHER COMPREHENSIVE INCOME	CLOSING BALANCE AS AT MARCH 31, 2018
Deferred tax liability / (asset) on account of				
Property, plant & equipment	11,654	1,312	-	12,966
Payment of gratuity	(169)	(574)	565	(178)
Provision of leave encashment / sick leave	(3,911)	470	-	(3,441)
Provision of doubtful debts	(283)	13	-	(270)
Net Deferred tax liability / (asset)	7,291	1,221	565	9,077
MAT credit entitlement	76,114	791	-	76,905

7. Other non current assets

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Capital advances	1,462	-
Advance lease rent	39	166
TOTAL	1,501	166

8. Inventories

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Raw materials	61,967	62,082
Work-in-progress	37,020	1,63,264
Stock-in-trade	32,631	40,018
TOTAL	1,31,618	2,65,364

9. Financial Assets: Current

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
9.1 Trade receivables		
Trade receivable considered good-secured	-	-
Trade receivable considered good-unsecured	3,53,275	2,88,127
Trade receivable which have significant increase in credit risk	10,817	817
Trade receivable-credit impaired	-	-
Less provision for ECL	(10,817)	(817)
TOTAL	3,53,275	2,88,127
9.2 Cash & cash equivalents		
Balances with banks		
- in Current Accounts	12,666	7,767
- in Fixed deposit with maturity of upto 3 months	53,112	61,589
Cash on hand	145	401
TOTAL	65,923	69,757
9.3 Bank balance		
Other balance		
- Margin money	12,660	32,448
TOTAL	12,660	32,448

Note:- Margin money deposit is under lien with banks against bank guarantee and letter of credit.

9.4 Loans		
Loans to employees		
- Unsecured, considered good	1,162	4,276
Security deposits		
- Other	153	153
TOTAL	1,315	4,429
9.5 Other financial asset		
Accrued income	4,721	29
TOTAL	4,721	29

10. Current tax asset (net)

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Advance payment of tax (net of provision)	-	9,222
TOTAL	-	9,222

11. Other current assets

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Other advances	407	242
Prepaid expenses	1,334	2,797
Advances to suppliers/contractors	4,517	3,525
Balance with statutory authorities	2,317	2,288
TOTAL	8,575	8,851

12. Non current asset held for sale

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Asset classifies as held for sale		
Non current		
a) Property Plant & Equipment	-	1,52,395
Leasehold Land	-	65,014
Building	-	73,693

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Plant & Machinery	-	12,405
Production Toolings	-	117
Data Equipment	-	640
Office Equipment	-	402
Furniture & Fittings	-	124
TOTAL		
Less: Impairment Loss	-	69,895
Total Asset (Net)	-	82,500
b) Liabilities directly associated with group of assets classified as held for sale		
Liability	-	-
Net assets / (liabilities) directly associated with disposal group	-	82,500

13. Equity share capital

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Authorised share capital		
35,00,000 (previous year: 35,00,000) equity shares of ₹ 10 /- each	35,000	35,000
	35,000	35,000
Issued, subscribed and fully paid up		
30,66,943 (previous year: 30,66,943) equity shares of ₹ 10 /- each	30,669	30,669
TOTAL	30,669	30,669

(i) Reconciliation of number and amount of equity shares outstanding:

PARTICULARS	NO. OF SHARES	AMOUNT
As at March 31, 2017	30,66,943	30,669
Movement during the year	-	-
As at March 31, 2018	30,66,943	30,669
Movement during the year	-	-
As at March 31, 2019	30,66,943	30,669

(ii) Details of shareholders holding more than 5% shares in the company

PARTICULARS	AS AT MARCH 31, 2019		AS AT MARCH 31, 2018	
	NO. OF SHARES	% OF HOLDING	NO. OF SHARES	% OF HOLDING
Equity shares of Rs 10 each fully paid				
Renaissance advanced consultancy limited	17,68,953	57.7	17,68,953	57.7
Renaissance Stock Ltd (Wholly owned subsidiary of AVL)	4,57,000	15.0	4,57,000	15.0
Terms and rights attached to equity shares				

(iii) Rights, preferences and restrictions attached to equity shares

The Company has only one type of equity share having par value of ₹ 10/- each per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share except, in respect of any shares on which any calls or other sums payable have not been paid.

The Company pays and declares dividends in Indian Rupees. Whenever dividend is proposed by the Board of Directors, the same is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend, if any.

The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iv) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date : NIL

14. Long term borrowings

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Term Loan:		
- from bank	1,170	-
Less: Current maturity of long term borrowings	(1,170)	-
TOTAL	-	-
a. The Company has availed term loan facility from State Bank of India. The details of securities are as follows:		
Primary		
Secured by hypothecation of plant & machinery: Roof top solar panel		
Collateral		
Lien on bank deposits for Rs 3,800 thousands		
b. The term loan is repayable by January 2022 in 36 installments and carries interest rate of 8.90% per annum		

15. Non current provision

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Provision for employee benefits (refer note 42)		
- Leave encashment	7,276	8,144
TOTAL	**7,276**	**8,144**

16. Financial liability : Current

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
16.1 Short term borrowings		
Secured - at amortised cost		
Bank		
Cash credit / WCDL	-	2,63,071
TOTAL	-	**2,63,071**
a. The Company has availed cash credit facility from consortium of banks. The details of securities are as follows:		
Primary		
First pari-passu charge on entire current assets of the Company.		
Collateral		
Second charge on fixed assets of the Company except SIPCOT land at Gummidipoondi		
b. The Cash Credit is repayable on demand and carries floating interest rate which ranges from 11.75% to 14.45%.		
16.2 Trade payables		
a) Micro, small and medium enterprises	6,231	9,367
b) Others	1,20,384	94,970
TOTAL	1,26,615	1,04,337
16.3 Other financial liabilities		
Current maturity of long term borrowings	1,170	-
Security deposit received	20	20
Expenses payables	15,614	23,457
Employee related dues	4,862	4,845
TOTAL	**21,665**	**28,322**

17. Other current liability

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Advances from customers	2,738	2,753
Withholding and other taxes	11,479	8,122
TOTAL	**14,216**	**10,875**

18. Provision (current)

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Provision for employee benefits (Refer Note 42)		
- Gratuity	1,668	538
- Leave encashment	1,293	2,263
Provision for warranties claims	4,059	4,821
TOTAL	7,020	7,622

(i) Information about warranty claims.

The Company provides warranties on certain products and services, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provisions made represent the amount of expected cost of meeting such obligations of rectifications / replacements based on best estimate considering the historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

(ii) Movement in provision for warranty claims

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	YEAR ENDED MARCH 31, 2018
Opening balance	4,821	23,523
Provided during the year	4,899	918
Utilization during the year	(5,661)	(19,620)
Closing balance	4,059	4,821

19. Current tax liabilities (net)

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Income tax provision (net of advance tax)	4,624	-
TOTAL	4,624	-

20. Revenue from operations

Revenue from contracts with customers

(i) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

SEGMENT	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
(a) Type of goods or services:		
Sale of products (finished goods):		
- Drills / construction equipments	3,29,852	59,776
- Spares	3,86,464	3,69,729
Sale of services	35,449	23,716
Sale of scrap	3,860	4,138
Total revenue from contracts with customers	7,55,625	4,57,359
(b) Location:		
India	7,39,067	4,02,383
Outside India	16,558	54,976
Total revenue from contracts with customers	7,55,625	4,57,359
(c) Timing of revenue recognition:		
Goods transferred at a point in time	7,20,176	4,33,643
Services provided at a point in time	35,449	23,716
	7,55,625	4,57,359

(ii) Disaggregated revenue information

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

SEGMENT	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Trade receivables	3,53,275	2,88,127
Contract liabilities:		
Advance from customers	2,738	2,753

(iii) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

SEGMENT	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Revenue as per contracted price	7,55,928	4,64,719
Adjustments:		
Sales return	(303)	(7,360)
Revenue from contracts with customers	**7,55,625**	**4,57,359**

(iv) The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at March 31, 2019 are as follows:

SEGMENT	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Advance from customers (Refer note 17)	2,738	2,753
Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.		

21. Other income

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Interest income	5,163	4,850
Interest income on income tax refund	-	640
Profit on sale of property, plant and equipment	1,346	-
Provision/liabilities no longer required written back	2,747	3,334
Interest income on security deposit lease	137	193
Insurance claim received	13	591
Bad debts recovered	-	3,080
TOTAL	**9,406**	**12,688**

22. Cost of material consumed

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Material purchased through subcontractors	15,846	23,792
Other materials:		
Under carriage assemblies	22,134	4,152
Compressors and accessories	7,416	6,739
Electrical components	13,546	7,067
Hydraulic components	49,052	1,20,221
Pipes and valves	43,548	36,858
Gear/chain assemblies	14,558	7,761
Others	7,823	55,022
TOTAL	**1,73,923**	**2,61,612**

23. Purchases of stock in trade

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Consumption of spares (Drill)	82,985	47,479
Consumption of spares (CED)	-	119
Change In stock		
Add: closing stock	32,631	40,018
Less: opening stock	(40,018)	(41,282)
Purchases during the year	**75,598**	**46,334**

24. Excise duty on sales

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Excise duty on sales	-	2,614
	-	2,614

25. Changes in inventories of finished goods, stock - in - trade & work - in - progress

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Inventories at the beginning of the year		
Work-in-process	1,63,264	30,160
Stock-in-trade	40,018	41,282
	2,03,282	71,442
Less - Inventories at the end of the year		
Work-in-process	37,020	1,63,264
Stock-in-trade	32,631	40,018
	69,651	2,03,282
Changes in inventories of finished goods, stock - in - trade & work - in - progress	**1,33,631**	**(1,31,840)**

26. Employee benefits expenses

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Salaries, wages, allowances & commission	87,178	94,798
Contribution to gratuity, provident & other funds	10,071	11,212
Staff welfare expenses	5,715	6,097
TOTAL	1,02,964	1,12,108

27. Finance costs

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Interest on		
a. Working capital loan	11,187	27,997
b. Others	3,178	2,169
Other borrowing cost	3,199	3,640
TOTAL	17,564	33,806

28. Depreciation and amortization expense

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
i. Depreciation	4,578	5,648
ii. Amortisation	842	658
TOTAL	5,420	6,306

29. Other expenses

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Consumption of stores and spare parts	2,043	4,309
Power and fuel consumption	3,951	5,407
Repair and maintenance		
-Machinery	260	336
-Buildings	2,011	1,879
-Others	5,205	5,571
Rent	3,275	3,498
Insurance	775	1,168
Rates and taxes	739	4,151
Travelling and conveyance	30,848	34,566
Freight, clearing and packing	4,761	8,790
Legal and professional	10,345	11,316
Directors' sitting fees	950	1,550
Payment to auditor (Refer note 35)	1,075	1,123
Selling commission	28,268	8,197
Bad debts and advances written off	10,827	1,060
Provision for doubtful debts	10,000	-
Bank charges	2,507	4,798
Service charges	7,459	6,024
Liquidated damages	1,177	6,680
CSR expenditure	2,000	1,750
Loss on sale of property, plant & equipments - net	-	172
Loss on foreign exchange fluctuation	2,789	592
Product development expenses	16,590	1,242
Miscellaneous expenses	9,387	10,839
Less: Expense attributable to discountinued operation	-	(5,335)
TOTAL	**1,57,243**	**1,19,682**

30. Tax expense

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Current tax		
Current year	26,779	3,315
MAT credit entitlement	(3,502)	(791)
Income Tax pertaining to earlier years	1,548	-
	24,825	**2,524**
Deferred tax		
Deferred tax	(19,407)	1,221
	(19,407)	1,221
TOTAL	**5,418**	**3,745**
(i) Income tax recognised in other comprehensive income		
Deferred tax related to items recognised in other comprehensive income during the year:		
Items that will not be reclassified to profit or loss		
- Remeasurement of defined benefit obligations	(34)	565
Total income tax expense recognised in other comprehensive income	(34)	565
Total income tax expense recognised	5,384	4,310
(ii) Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:	27.8%	33.1%
Profit / (loss) before tax	98,564	(53,636)
Income tax expense calculated at 27.8% (including surcharge and education cess) (March 31, 2018: 33.1%)	27,421	(17,734)
Effect of income chargeable at different rate of tax	-	(424)
Additional deduction on research & development expenditure	(2,450)	(1,080)
Effect of temporary differences	(21,039)	-
Effect of expenses that are non-deductible in determining taxable profit	(96)	23,110
Effect of tax for earlier years	1548	-
Other adjustments	-	439
Total income tax expense recognised in Statement of profit and loss	**5,384**	**4,311**

31. Other comprehensive income

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Item that will not be reclassified to profit or loss		
Acturial gain / (loss) on defined benefit obligation	(124)	1,709
Total other comprehensive income	**(124)**	**1,709**

32. Earning per Share

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Face value of equity Shares (in ₹)	10	10
Total number of equity shares outstanding	30,66,943	30,66,943
Weighted average number of equity shares in calculating basic and diluted EPS	30,66,943	30,66,943
Countinued Operation		
Net profit for calculation of basic and diluted EPS	93,270	15,680
EPS (Basic & Diluted)	30.41	5.11
Discountinued Operation		
Net profit for calculation of basic and diluted EPS	-	(74,771)
EPS (Basic & Diluted)	-	(24.38)
Total Operations		
Net profit for calculation of basic and diluted EPS	93,270	(59,091)
EPS (Basic & Diluted)	30.41	(19.27)

33. Contingent Liabilities (not provided for) in respect of:

S.N.	PARTICULARS	2018-19	2017-18
a)	Customers claims for damages	3,678	3,678
b)	Semac Consultants Private Ltd - Corporate Guarantee	1,50,000	1,50,000
	TOTAL	**1,53,678**	**1,53,678**

- Based on contractual agreements with customers the Company has issued performance bank guarantees aggregating ₹147,440 Thousands (March 31, 2018: ₹ 135,502 Thousands). The management believes that none of the bank guarantees will be encashed by any of the customers.

- The Honourable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to

the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

34. Capital and other commitments:

S.NO.	PARTICULARS	2018-19	2017-18
a)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	-	-
b)	Estimated amount of contracts remaining to be executed on other than capital account and not provided for (net of advances)	-	-

35. Remuneration paid to auditors:

PARTICULARS	2018-19	2017-18
Statutory audit/Limited review	765	665
Certification	85	185
Reimbursement of expenses	225	225
TOTAL	1,075	1,075

36. Details of dues to micro and small enterprises as per MSMED Act, 2006 to the extent of information available with the Company

S.N0.	PARTICULARS	2018-19	2017-18
a)	Principal amount and Interest due thereon remaining unpaid to any supplier as at end of each accounting year	6,231	9,367
b)	Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
c)	the amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d)	the amount of interest accrued and remaining unpaid	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-
	TOTAL	6,231	9,367

37. CIF value of imports

S.N0.	PARTICULARS	2018-19	2017-18
a)	Raw materials & Components	48,176	40,777
b)	Spares	41,782	35,391
	TOTAL	89,958	76,167

38. Expenditure in foreign currency (accrual basis):

PARTICULARS	2018-19	2017-18
Commission, consultancy, travelling and others	3,176	7,028

39. Earnings in foreign currency (accrual basis):

PARTICULARS	2018-19	2017-18
Export of goods at FOB value	16,558	54,976

40. Details regarding imported and indigenous materials consumed during the year:

PARTICULARS	IMPORTED		INDIGENOUS		VALUE OF TOTAL CONSUMPTION
	VALUE	% TO TOTAL CONSUMPTION	VALUE	% TO TOTAL CONSUMPTION	VALUE
Raw Materials	73,170	46.0	84,907	54.0	1,58,077
	41,355	1.70	1,96,465	83.0	2,37,820
Stores, Spares Parts and Components	-	0.0	2,043	100.0	2,043
	-	0.0	4,309	100.0	4,309

41. Segment Information

(i) General Disclosure

The Company has only one identified reportable segment under IND AS 108 'Operating Segments i.e. Manufacturing of Equipments.

The above reportable segments have been identified based on the significant components of the enterprise for which discrete financial information is available and are reviewed by the Chief operating decision maker (CODM) to assess the performance and allocate resources to the operating segments.

(ii). Entity wide disclosure required by IND AS 108 are made as follows:

(a) Revenues from sale of products to external customers

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
India	7,39,067	4,02,383
Outside India	16,558	54,976

(b) Segment Assets

Total of non-current assets other than financial instruments, investment in subsidiaries, joint ventures and associate and deferred tax assets broken down by location of the assets, is shown below:

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
India	2,09,350	1,98,364
Outside India	-	-

(ii). **Information about major customers:**

Revenue from customers contributing more than 10% of company's revenue is Rs 3,42,484 thousands.

42. Gratuity and other post employment benefit plans

Gratuity

Gratuity is computed as 15 days salary, for every completed year of service who has completed more than 5 years of service. The Gratuity plan for the company is a defined benefit scheme where annual contributions as per actuarial valuation are charged to the Statement of profit and loss. The Scheme is funded with an insurance company in the form of a qualifying insurance policy.

The Provident Fund is a defined contribution scheme whereby the company deposits an amount determined as a fixed percentage of basic pay with the Regional Provident Fund Commissioner.

The Company also has a leave encashment scheme with defined benefits for its employees. The Company makes provision for such liability in the books of accounts on the basis of year end actuarial valuation. No fund has been created for this scheme.

For summarizing the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans, the details are as under

A. Statement of profit and loss

Net employee benefit expense

PARTICULARS	2018-19		2017-18	
	GRATUITY (FUNDED)	LEAVE ENCASHMENT	GRATUITY (FUNDED)	LEAVE ENCASHMENT
Current Service cost	1,524	731	1,724	862
Net Interest cost	20	383	34	372
Net actuarial (gain)/loss recognised during the period	-	211	-	479
Expenses Recognized in the Statement of Profit and Loss	1,544	1,325	1,758	1,713

B. Balance Sheet

(i) Details of Plan assets/ (liabilities) for gratuity and leave encashment

PARTICULARS	2018-19		2017-18	
	GRATUITY (FUNDED)	LEAVE ENCASHMENT	GRATUITY (FUNDED)	LEAVE ENCASHMENT
Defined benefit obligation	16,657	8,570	20,690	10,407
Fair value of plan assets	14,989	-	20,152	-
Net liability recognized in the Balance Sheet	1,668	8,570	538	10,407

(ii) Changes in the present value of the defined benefit obligation are as follows:

PARTICULARS	2018-19		2017-18	
	GRATUITY (FUNDED)	LEAVE ENCASHMENT	GRATUITY (FUNDED)	LEAVE ENCASHMENT
Opening defined benefit obligation	20,690	6,026	25,070	6,328
Interest cost	1,306	383	1,541	372
Current service cost	1,524	731	1,724	862
Benefit paid	(7,004)	(1,965)	(6,114)	(2,015)
Actuarial (gains)/losses on obligation	141	211	(1,531)	479
Closing defined benefit obligation	16,657	5,387	20,690	6,026

(iii) Changes in the fair value of plan assets (gratuity) are as follows:

PARTICULARS	2018-19	2017-18
Opening fair value of plan assets	20,152	24,582
Expected return on Plan Assets	1,286	1,507
Contribution during the year	538	-
Benefit paid	(7,004)	(6,114)
Actuarial gains / (losses) on plan asset	17	177
Closing fair value of plan assets	14,989	20,152

(iv) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

PARTICULARS	2018-19 %	2017-18 %
Discount rate	7.3	7.6
Expected salary increase	5.0	5.0
Average Age (years)	38.9	39.1
Average past service (years)	9.5	10.1
Demographic Assumptions		
Retirement Age (year)	58 / 60	58 / 60
Mortality rates inclusive of provision for disability	100% of IALM (2006-08)	100% of IALM (2006-08)
Attrition Rate	10.0	8.3

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by Actuary.

(v) Contribution to defined contribution plans

PARTICULARS	2018-19	2017-18
Provident fund	5,386	6,017

(vi) Sensitivity analysis of the defined benefit obligation:

PARTICULARS	2018-19		2017-18	
	GRATUITY (FUNDED)	LEAVE ENCASHMENT	GRATUITY (FUNDED)	LEAVE ENCASHMENT
Impact of the change in discount rate				
Present value of obligation at the end of the year				
Impact due to increase of 0.5%	16,157	5,248	20,127	5,867
Impact due to decrease of 0.5%	(17,183)	(5,532)	(21,282)	(6,194)
Current Service cost for the year ended March 31, 2019				
Impact due to increase of 0.5%	1,231	580	1,473	711
Impact due to decrease of 0.5%	(1,322)	(614)	(1,578)	(752)
Impact of the change in salary increase				
Present value of obligation at the end of the year				
Impact due to increase of 0.5%	17,213	5,535	21,317	6,198
Impact due to decrease of 0.5%	(16,123)	(5,244)	(20,089)	(5,862)
Current Service cost for the year ended March 31, 2019				
Impact due to increase of 0.5%	1,325	615	1,581	752
Impact due to decrease of 0.5%	(1,228)	(580)	(1,469)	(710)

(vii) Other comprehensive income (OCI):

PARTICULARS	2018-19	2017-18
	GRATUITY (FUNDED)	GRATUITY (FUNDED)
Actuarial (gain)/loss for the year on PBO	141	(1,531)
Actuarial (gain)/loss for the year on plan asset	(17)	(177)
Unrecognized actuarial (gain)/loss at the end of the year	-	-
Total actuarial (gain)/loss at the end of the year	124	(1,709)

43. Related party transaction

a) **List of related parties**

i. Subsidiaries of the Company

Name	Status
Semac Consultants Private Limited	Subsidiary company
Renaissance Stock limited	Fellow Subsidiary company
Semac & Partners LLC	Step down subsidiary

ii. Holding company
Renaissance Advanced Consultancy Ltd

iii Key Management Personnel of the Company

Name	Status
Mr. Abhishek Dalmia	Executive Chairman
Mr. S. Hariharan	Whole Time Director & CFO (till 08.06.2018)
Mr. Sunil Puri	CEO & Executive Director (till 10.11.2018)
Mr.M.N.Srinivasan	Company Secretary (till 29.07.2018)
Mr. R. Sudhir	Chief Financial Officer (w.e.f. 09.06.2018)
Mr. K. Maheswaran	Company Secretary (w.e.f. 19.12.2018)

iv Relatives of Key Management personnel

Name	Relation	Status
Ms. Deepali Dalmia	Wife	Director
Mr. Chaitanya Dalmia	Brother	Director (till 31.03.2018)

b) **The following transactions were carried out with related parties in the ordinary course of business:**

NATURE OF RELATIONSHIP	NAME OF RELATED PARTY	NATURE OF TRANSACTION	FOR THE YEAR ENDED	
			31-MAR-19	31-MAR-18
Subsidiary Company	Semac Consultants Private Limited	Interest paid	1,191	-
		Inter Corporate Deposits repaid	-	60,000
	Renaissance Advanced Consultancy Limited	Interest paid	-	37
Key Managerial Personnel	Mr. Abhishek Dalmia	Remuneration	7,500	7,500
	Mr. S. Hariharan		1,391	5,405
	Mr. Sunil Puri - CEO		4,294	6,220
	Mr. R. Sudhir - CFO		2,125	-
	Mr. M. N. Srinivasan - CS		637	1,822
	Mr. K. Maheswaran - CS		204	-
Relatives of Key Management personnel	Ms. Deepali Dalmia	Sitting fees	200	200
Relatives of Key Management personnel	Mr. Chaitanya Dalmia	Sitting fees	-	200

c) **The following transactions were carried out with related parties in the ordinary course of business:**

NATURE OF RELATIONSHIP	NAME OF RELATED PARTY	NATURE OF TRANSACTION	FOR THE YEAR ENDED	
			31-MAR-19	31-MAR-18
Subsidiary Company	Semac Consultants Private Limited	Loan taken and interest accrued thereon	-	1,191

44. Leases

i. Obligations under finance leases
The Company has no leasing arrangement in the nature of finance lease except land.

ii. Operating lease arrangements
Office & residential premises are taken on operating lease. There is no escalation clause in the lease agreement

(a) Payments recognised as expense

The Company has taken various premises on rent. The rent paid during the year and charged to the Statement of Profit and Loss for such leases is as mentioned below.

PARTICULARS	2018-19	2017-18
Rent expenses recognised during the year	3,275	3,498

(b) Non-cancellable operating lease commitments

There are no non- cancellable leases. All the operating lease arrangements are cancellable, having a lease period of 3-5 years and are usually renewable by mutual consent on mutually agreeable terms.

45. Discountinued Operations

The directors of the company at its meeting held on 9th June 2013 has decided to discontinue the operations of Construction Equipment Division w.e.f. March 31, 2015.

(a) Considering the market condition of construction equipment business (CED), the manufacturing facilities at Chennai were downsized and shifted both manufacturing and service resources located at Chennai to Coimbatore in previous years. Assets pertaining to said division at Chennai having written down value of Rs 82,500 thousands on March 31, 2018 comprising of lease hold land, building, plant and machinery, office equipment etc as disclosed in note 12 are therefore meant for disposal and necessary steps in this respect are being taken. Adjustment, if any, with respect to value realisable thereagainst will be carried out as and when ascertained.

(b) In view of above, certain inventories being becoming non usable and surplus had been written off and provision against remaining items against expected loss in value thereof as per the Management's estimate had been made in the books of accounts in the relevant years.

The carrying amounts of assets and liabilities of discontinuing operations are as follows:

PARTICULARS	2018-19	2017-18
Total Assets (Refer Note 12)	-	82,500
Total Liabilities (Refer Note 12)	-	-
Net Assets	-	82,500

The net cash flows attributable to discontinuing operations are as follows:

PARTICULARS	2018-19	2017-18
Operating	-	(4,875)
Investing	-	-
Financing	-	-
Net cash inflows/(Outflows)	-	**(4,875)**

The amount of revenue and expenses in respect of discontinuing operations are as follows:

PARTICULARS	2018-19	2017-18
Net Sales	-	461
Other Income	-	-
Total Expenses	-	(5,336)
Finance Cost	-	-
Profit before tax and exceptional items	-	(4,875)
Exceptional Items - Impairment of assets	-	(69,895)
Profit before tax	-	(74,771)
Tax expenses	-	-
Profit after tax	-	**(74,771)**

46. Disclosures as required by Indian Accounting Standard (Ind AS) 37:- Provisions, Contingent liabilities and Contingent assets :

There are no present obligations requiring provisions in accordance with the guiding principles as enunciated in Ind AS 'Provisions, Contingent Liabilities & Contingent Assets except as otherwise disclosed in these financial statements.

47. Research & Development Expenditure

PARTICULARS	2018-19	2017-18
Salary & Wages	10,566	12,980
Consumables Stores	1	81
Power	127	129
Repair & Maintenance	1,477	1,028
Insurance	-	88
Travel & Conveyance	874	1,106
Legal & Professional Expenses	350	443
Stationery Expenses	333	162
Postage & Telephone Expenses	56	74
Books and Periodicals	38	36
Product Development Expenses	15,791	409
	29,613	**16,535**

48. Impairment Review

(a) Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions.

b) During the previous year ended March 31, 2018, the testing results in an impairment in the carrying amount of assets of entity's Construction Equipment Division which had been classified as a discountinued operation w.e.f. 31st March 2015. Consequentially an impairment loss of Rs 699 lakhs has been reognised in Statement of Profit & Loss Account under Profit & Loss from discountinued operation.

Key assumptions used in value-in-use calculations are:-

(a) Operating margins (Earnings before interest and taxes), (ii) Discount Rate, (iii) Growth Rates and (iv) Capital Expenditure

(b) In the opinion of the Board and to the best of their knowledge & belief, the value on realisation of loans, advances & current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.

49. Expenditure incurred on Corporate Social Responsibilities

Gross amount required to be spent by the Company during the year 1,963

PARTICULARS	PAID IN CASH	YET TO BE PAID IN CASH	TOTAL
Contruction / Acquisition of any assets	-	-	-
Purposes other than above	2,000	-	2,000
TOTAL	2,000	-	2,000

50. Disclosure required by SEBI (Listing Obligation & Disclosure Requirements) Regulation 2015

There is no reportable amount of Loans and Advances (excluding advance towards equity) in the nature of loans given to Subsidiaries, Associates and Joint Ventures as per Regulation 53 of LODR.

51. Information related to Consolidated Financial Statements

The Company is listed on stock exchange in India. The Company has prepared consolidated financial statements as required under IND AS 110, Sections 129 of Companies Act, 2013 and listing requirements. The consolidated financial statements is available on Company's web site for public use.

52. Events occurring After the Balance Sheet date

No adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements

53. Financial Risk Management

Financial Risk Factors

The Company's operational activities expose to various financial risks i.e. market risk, credit risk and risk of liquidity. The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks and devise approrpiate risk management framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives

A. Market Risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to the risk of movements in interest rates, inventory price and foreign currency exchange rates that affects its assets, liabilities and future transactions. The Company is exposed to following key market risks:

i Interest Rate Risk :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowing obligations.

PARTICULARS	FIXED RATE BORROWING	VARIABLE RATE BORROWING	TOTAL BORROWING
As at March 31, 2019	1,170	-	1,170
As at March 31, 2018	-	2,63,071	2,63,071

Sensitivity analysis - For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

SENSITIVITY ON VARIABLE RATE BORROWINGS	IMPACT ON STATEMENT OF PROFIT AND LOSS	
	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Interest rate increase by 0.25%	-	(657.68)
Interest rate decrease by 0.25%	-	657.68

ii Foreign Currency Risk :

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Foreingn trade receivables and payables.

The details of foreign currency exposure is as follows:

PARTICULARS	TRADE RECEIVABLE		TRADE PAYABLES	
	FC	₹	FC	₹
Unhedged foreign currency exposures				
Foreign Exposure as at March 31, 2019				
US Dollars	1,37,598	9,632	5,31,226	37,186
Euro	-	-	42	3
GBP	-	-	-	-
Foreign Exposure as at March 31, 2018				
US Dollars	1,22,705	7,970	2,31,823	15,057
Euro	-		3,224	260
GBP	-		118	11

Rate Sensitivity

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

Impact on statement of Profit and Loss

PARTICULARS	INCREASE / DECREASE IN BASIS POINTS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
USD Sensitivity	+ 50 basis points	(1.97)	(0.55)
	- 50 basis points	1.97	0.55
Euro Sensitivity	+ 50 basis points	(0.00)	(0.02)
	- 50 basis points	0.00	0.02
GBP Sensitivity	+ 50 basis points	-	(0.00)
	- 50 basis points	-	0.00
* Holding all other variable constant			

B. Credit risk:

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advances to suppliers) and from its financing activities, including deposits and other financial instruments.

To manage this, Company periodically assesses the financial reliability of customers, taking into account factors such as credit track record in the market and past dealings with the Company for extension of credit to customer Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each quarter end on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets as disclosed below. The Company evaluates the concentration of risk with respect to trade receivables as low, the trade receivables are located in several jurisdictions and operate in largely independent markets.

The ageing of trade receivable is given below:

PARTICULARS	AS AT MARCH 31, 2019		AS AT MARCH 31, 2018	
	UPTO 6 MONTHS	MORE THAN 6 MONTHS	UPTO 6 MONTHS	MORE THAN 6 MONTHS
Gross carrying amount (A)	2,86,192	77,900	2,01,079	87,865
Expected credit losses (B)	-	(10,817)	-	(817)
Net Carrying Amount (A-B)	**2,86,192**	**67,083**	**2,01,079**	**87,048**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Company. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2019 and March 31, 2018 is the carrying amounts.

C. Liquidity risk:

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's cash flow is a mix of cash flow from collections from customers on account of sale of drill equipments & engineering services. The other main component in liquidity is timing to call loans/ funds and optimization of repayments of loans installment, interest payments.

Table here under provides the current ratios of the Company as at the year end.

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Total current assets	5,78,087	6,78,227
Total current liabilities	1,74,140	4,14,227
Current ratio	3.32	1.64

54. Financial Instrument - Disclosure

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Financial assets

SL. NO	PARTICULARS	NOTE	FAIR VALUE HIERARCHY	AS AT MARCH 31, 2019		AS AT MARCH 31, 2018	
				CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
1	**Financial assets designated at amortised cost**	D					
	NON CURRENT						
a)	Loans		Level 2	9,126		11,005	
b)	Others financial asset		Level 2	4,998		2,183	
	CURRENT						
a)	Trade receivables*		Level 2	3,53,275		2,88,127	
b)	Cash and cash equivalents		Level 2	65,923		69,757	
c)	Bank balances		Level 2	12,660		32,448	
d)	Loans		Level 2	1,315		4,429	
e)	Others Financial Asset		Level 2	4,721		29	
2	**Investment in subsidiary companies and associate**	C	Level 2	8,77,271		8,77,271	
	TOTAL			**13,29,289**		**12,85,249**	

Financial liabilities

SL. NO	PARTICULARS	NOTE	FAIR VALUE HIERARCHY	AS AT MARCH 31, 2019		AS AT MARCH 31, 2018	
				CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
1	**Financial liability designated at amortised cost**	D					
	NON CURRENT						
	Borrowings		Level 2	-		-	
	CURRENT						
a)	Borrowings		Level 2	-		2,63,071	
b)	Trade payables*		Level 2	-		1,04,337	
c)	Other financial liabilities		Level 2	21,665		23,477	
	TOTAL			**21,665**	**-**	**3,90,885**	-

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

A Company has opted to fair value its Financial asset through profit and loss

B Company has opted to fair value its financial asset through OCI.

C As per Para D-15 of Appendix D of Ind AS 101, the first time adopter may chose to measure its investment in subsidiaries, JVs and Associates at cost or at fair value. Company has opted to value its investments in subsidiaries, JVs and Associates at cost.

D Company has adopted effective rate of interest for calculating Interest. This has been calculated as the weighted average of effective interest rates calculated for each loan. In addition processing fees and transaction cost relating to each loan has also been considered for calculating effective interest rate.

* The carrying amounts are considered to be the same as their fair values due to short term nature.

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within 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 assets or liabilities that are not based on observable market data (unobservable inputs).

55. Capital Management

For the purpose of the Company's capital management, equity includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders and net debt includes interest bearing loans and borrowings less current investments and cash and cash equivalents. The primary objective of the Company's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements.

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Debt (i)	-	2,63,071
Cash & bank balances	78,583	1,02,205
Net Debt	**(78,583)**	**1,60,866**
Total Equity	**15,88,187**	**14,95,007**
Net debt to equity ratio (Gearing Ratio)	(0.05)	0.11
(i) Debt is defined as long-term and short-term borrowings		

56. The audited GST return for the year ended March 31, 2018 is pending for the filing as competent authority has extended the date of filing till June 30, 2019. The Company is in process of reconciling the data of GSTR 2A with GSTR 3B. In view of the management on final reconciliation the impact will not be material.

57. Previous year's figures have been regrouped/re-classified wherever necessary to make them more comparable to current year.

As per our report of even date

For and on behalf of
S.S. KOTHARI MEHTA & COMPANY
Chartered Accountants
FRN: 000756N

For and on behalf of the Board of Directors of **Revathi Equipment Limited**

PLACE: BANGALORE
DATE: MAY 29, 2019

AMIT GOEL
Partner
Membership No: 500607

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

DEEPALI DALMIA
Director
DIN: 00017415

SUDHIR. R
Chief Financial Officer

K. MAHESWARAN
Company Secretary

To the Members of REVATHI EQUIPMENT LIMITED
Report on the Audit of the Consolidated Ind AS Financial Statements

Opinion

We have audited the accompanying consolidated Ind AS financial statements of Revathi Equipment Limited ("the Company" or "Holding Company") and its subsidiaries including step down subsidiary (the Company and its subsidiaries including step down subsidiary together referred to as "the Group"), which comprise the consolidated balance sheet as at March 31, 2019, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the step down subsidiary and of branch of a subsidiary company referred to in the other matters section below, the aforesaid consolidated Ind AS 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 Indian Accounting Standards ('Ind AS') prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2019, its consolidated profit (including consolidated total comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS 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.

SR. NO.	KEY AUDIT MATTER	AUDITOR'S RESPONSE
1.	Recognition of Revenue, measurement, presentation and disclosure as per Ind AS-115 "Revenue from Contracts with Customers". (Refer Sub-note 0 of Note 2 of Accounting Policy).	Our procedures included, but were not limited to the following: We performed walkthroughs to understand the key processes and identify key controls related Ind AS 115 "Revenue from Contracts with Customers" On a sample basis we performed testing to verify physical deliveries of product in the year to ascertain transfer of control. We performed revenue cut-off testing, by reference to bill dates of sales recorded either side of the financial year end had legally completed; and Selected a sample of sales contracts and read, analysed and identified the distinct performance obligations in these contracts. Based on our audit procedures we have concluded that revenue is appropriately recognized, and that there was no evidence of management bias.

Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated Ind AS financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this Auditors' Report. Our opinion on the consolidated Ind AS 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 Ind AS financial statements, our responsibility is to read the other information, compare with the financial statements of the step down subsidiary and branch office audited by other auditors, to the extent it relates to these entities and, in doing so, place reliance on the work of other auditor and consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. Other information so far it relates to the step down subsidiary and branch office as mentioned above, is traced from their financial statements audited by other auditors.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to report the matter to those charged with governance.

Responsibility of the Management and those charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated total comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the Ind AS and other accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 Ind AS 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 Ind AS financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are also responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS 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 consolidated Ind AS financial statements.

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

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are the companies incorporated in India, has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group 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 Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated Ind AS financial statements. We are responsible for the

direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities or business activities included in the consolidated Ind AS financial statements, which have been audited by the other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(i) We did not audit the financial statements and other financial information, in respect of one step down subsidiary incorporated outside India whose financial statements/financial information include total assets of ₹ 2,49,161 thousands as at March 31, 2019, total revenue of ₹ 2,74,619 thousands and net cash outflows amounting to ₹ 15,499 thousands for the year ended on that date, as considered in these consolidated Ind AS financial statements. These financial statements and other information have been audited by other auditor, whose financial statements, other financial information and auditor's reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amount and disclosure included in respect of the step down subsidiary and our report in terms of sub-section 3 of Section 143 of the Act, in so far as it relates to the aforesaid step down subsidiary is based solely on the report of the other auditor.

(ii) We did not audit the financial statements and other financial information, in respect of Dubai branch of a subsidiary company whose financial statements reflect total assets of ₹ 9,409 thousands as at March 31, 2019, total revenue of ₹ 32,486 thousands and net cash inflows amounting to ₹ 25 thousands for the year ended on that date. These financial statements and other information have been audited by other auditor duly qualified to act as auditor in the country of incorporation of the said branch, whose financial statements, other financial information and auditor's reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amount and disclosure included in respect of that branch and our report in terms of sub-section 3 of Section 143 of the Act, in so far as it relates to that branch is based solely on the report of the other auditor.

Our opinion on the consolidated Ind AS financial statements above and our report on the Other Legal and Regulatory Requirement below, is not modified in respect of above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on our audit and on the considerations of the reports of the other auditors on separate financial statements of the step down subsidiary company and a branch office referred to in the Other Matters paragraph above, we report, to the extent applicable, that:

a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;

b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books;

c) The consolidated balance sheet, the consolidated statement of profit and loss including (including other comprehensive income), consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;

d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Ind AS specified under Section 133 of the Act, read with relevant rules issued threunder;

e) On the basis of the written representations received from the directors of the Company as on March 31, 2019 taken on record by the Board of Directors of the Company and its subsidiary company incorporated in India and the reports of the statutory auditors of its subsidiary company incorporated in India, none of the directors of the Group incorporated in India is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

f) With respect to the adequacy of the internal financial

controls over financial reporting and the operating effectiveness of such controls, refer to our separate Report in "Annexure A" which is based on the auditor's reports of the Company and its subsidiary company incorporated in India. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the internal financial control over financial reporting of those companies, for reasons stated therein;

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

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

   i) The consolidated Ind AS financial statement disclose the impact of pending litigations as at March 31, 2019 on the consolidated financial position of the Group -Refer Note 35 to the consolidated Ind AS financial statements;

   ii) The Group did not have any long term contracts including derivative contracts for which there were any material foreseeable losses; and

   iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company and its subsidiary company incorporated in India.

For and on behalf of
S.S. KOTHARI MEHTA & COMPANY
Chartered Accountants
FRN: 000756N

PLACE: NEW DELHI
DATE: MAY 29, 2019

AMIT GOEL
Partner
Membership No: 500607

Annexure A to the Independent Auditor's Report to the members of Revathi Equipment Limited dated May 29, 2019 on its Consolidated Ind AS Financial Statements.

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act") as referred to in paragraph 2(f) of 'Report on Other Legal and Regulatory Requirements' section.

Our reporting on the internal financial controls over financial reporting is not applicable in respect of one step down audited subsidiary company incorporated outside India.

In conjunction with our audit of the consolidated Ind AS financial statements of Revathi Equipment Limited as of and for the year ended March 31, 2019, we have audited the Internal Financial Controls over Financial Reporting of Revathi Equipment Limited (hereinafter referred to as the "Holding Company") and its subsidiary company (the Holding Company and its subsidiary together referred to as "the Group") all incorporated in India, for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Group 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 Act, to the extent applicable to an audit of internal financial controls, and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

b) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and

c) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Holding Company and one subsidiary company, which are the Companies incorporated in India have maintained, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the holding company & its subsidiary company incorporated in India 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.

For and on behalf of
S.S. KOTHARI MEHTA & COMPANY
Chartered Accountants
FRN: 000756N

AMIT GOEL
Partner
Membership No: 500607

PLACE: NEW DELHI
DATE: MAY 29, 2019

CONSOLIDATED FINANCIAL STATEMENT

ALWAYS DEPENDABLE
REL
REVATHI EQUIPMENT LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2019

(All amounts are in ₹ in thousands. Unless otherwise stated)

PARTICULARS	NOTE	AS AT MARCH 31, 2019 (₹)	AS AT MARCH 31, 2018 (₹)
A. ASSETS			
1. Non current assets			
(a) Property, plant and equipment	3	58,854	49,237
(b) Other intangible assets	3	2,926	4,476
(c) Investment property	4	1,66,265	1,66,266
(d) Goodwill		4,48,625	4,48,625
(d) Financial assets			
(i) Investments	5.1	706	706
(ii) Loans	5.2	14,171	16,147
(iii) Others financial asset	5.3	4,998	2,183
(e) Deferred tax assets (net)	16	1,38,686	1,16,237
(f) Other non - current assets	6	3,124	226
		8,38,355	**8,04,103**
2. Current assets			
(a) Inventories	7	1,31,618	2,65,364
(b) Financial assets			
(i) Trade receivables	8.1	4,90,571	5,89,402
(ii) Cash and cash equivalents	8.2	2,28,509	2,42,939
(iii) Bank balances	8.3	89,791	1,03,617
(iv) Loans	8.4	45,079	75,192
(v) Others financial asset	8.5	33,713	44,589
(c) Current tax asset (net)	9	1,26,073	84,637
(d)Contract Assets	10	3,41,823	-
(e) Other current assets	11	70,312	1,02,119
		15,57,489	**15,07,859**
3. Non current asset held for sale	12	-	82,500
TOTAL ASSETS		**23,95,844**	**23,94,462**
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	30,669	30,669
(b) Other equity		15,79,482	14,76,958
		16,10,151	**15,07,627**
Non controlling interest		1,99,172	1,76,882
1. Non - current liabilities			
Financial liabilities			
(i) Borrowings	14.1	38	353
(ii) Other financial liability	14.2	60,395	8390
(b) Provisions	15	46,477	47,422
		1,06,910	**56,165**
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	17.1	-	2,63,071
(ii) Trade payables:			
- Due to Micro, Small and Medium Enterprises	17.2	6,231	9,367
- Due to other than Micro, Small and Medium Enterprises	17.2	2,32,018	1,95,784
(iii) Other financial liabilities	17.3	41,630	88,260
(b) Contract Liabilities	18	92,469	-
(c) Other current liabilities	19	77,309	72,354
(d) Provisions	20	25,330	24,952
(e) Current tax liabilities (net)	21	4,624	-
		4,79,611	6,53,788
TOTAL EQUITY & LIABILITIES		**23,95,844**	**23,94,462**
Significant Accounting Policies	1 & 2		

The accompanying notes form an integral part of these financial statements

As per our report of even date
For **S.S. KOTHARI MEHTA & COMPANY**
Chartered Accountants
FRN: 000756N

For and on behalf of the Board of Directors of **Revathi Equipment Limited**

PLACE: BANGALORE
DATE: MAY 29, 2019

AMIT GOEL
Partner
Membership No: 500607

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

DEEPALI DALMIA
Director
DIN: 00017415

SUDHIR. R
Chief Financial Officer

K. MAHESWARAN
Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2019

(All amounts are in ₹ in thousands. Unless otherwise stated)

PARTICULARS	NOTE	YEAR ENDED MARCH 31, 2019 (₹)	YEAR ENDED MARCH 31, 2018 (₹)
INCOME			
Revenue from operations	22	21,07,049	16,21,136
Other income	23	40,710	39,055
Total income		**21,47,759**	**16,60,191**
EXPENSES			
Cost of materials consumed	24	8,25,867	7,96,696
Purchases of stock in trade	25	75,598	46,334
Excise duty on sale of good	26	-	2,614
Changes in inventories of finished goods, stock - in - trade and work - in - progress	27	1,33,631	(1,31,840)
Employee benefits expenses	28	4,99,844	5,68,561
Finance costs	29	18,176	34,059
Depreciation and amortization expenses	30	16,167	18,143
Other expenses	31	4,26,218	3,44,961
Total expenses		**19,95,501**	**16,79,528**
Profit / (loss) before exceptional items and tax		1,52,258	(19,337)
Exceptional items		-	-
Profit / (loss) before tax		1,52,258	(19,337)
Tax expense	32		
Current Tax		30,121	5,574
Deferred Tax		(18,504)	(7,556)
Tax for earlier years		8,807	529
Total Tax Expense		**20,424**	**(1,453)**
Profit / (loss) from continuing operations		1,31,834	17,884
Profit / (loss) from discontinued operations		-	(74,771)
Tax expense of discontinued operations		-	-
Profit / (loss) from discontinued operations (after tax)		-	(74,771)
Profit / (loss) for the year		**1,31,834**	**92,655**
Profit attributable to			
Equity shareholders		1,15,347	88,239
Non Controlling interest		16,487	(4,416)
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss	33	1,878	5,285
(ii) Income tax relating to items that will not be reclassfied to profit or loss	32	443	(1,495)
B (i) Items that will be reclassified to profit or loss		8,759	(773)
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
		11,080	3,017
Other comprehensive income attributable to			
Equity shareholders		5,277	2,306
Non Controlling interest		5,803	711
Total comprehensive income for the period			
Equity shareholders		1,20,624	85,933
Non Controlling interest		22,290	(3,705)
		1,42,914	**89,638**
Earnings per equity share (basic & diluted)	34		
For continuing operations (Face value of equity share Rs 10.00 each)		42.98	(5.83)
For discontinued operations (Face value of equity share Rs 10.00 each)		-	(24.38)
For Countinued & Discountinued Operation (Face value of equity share Rs 10.00 each)		42.98	(30.21)
Significant Accounting Policies	1 & 2		

The accompanying notes form an integral part of these financial statements

As per our report of even date
For **S.S. KOTHARI MEHTA & COMPANY**
Chartered Accountants
FRN: 000756N

AMIT GOEL
Partner
Membership No: 500607

For and on behalf of the Board of Directors of **Revathi Equipment Limited**

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

DEEPALI DALMIA
Director
DIN: 00017415

SUDHIR. R
Chief Financial Officer

K. MAHESWARAN
Company Secretary

PLACE: BANGALORE
DATE: MAY 29, 2019

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2019

(All amounts are in ₹ in thousands. Unless otherwise stated)

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019 (₹)	FOR THE YEAR ENDED MARCH 31, 2018 (₹)
A. Cash flow from operating activities		
Net (loss) / profit before tax	**1,52,258**	**(94,108)**
Adjustments:		
Depreciation / amortization	16,167	18,143
Provision for Impairment of asset	-	69,895
Provision for bad debts	47,898	5,137
Profit on sale of property plant and equipment	(1,346)	(741)
Loss on sale of property plant and equipment	966	172
Loss on sale of investment	-	301
Interest expenses	18,176	34,059
Balances written off	19,269	17,296
Provision/liabilities no longer required written back	(5,433)	(6,671)
Foreign currency translation	8,270	(773)
Interest Income	(16,200)	(23,212)
Operating Profit before working Capital Changes	**2,40,025**	**19,498**
Adjustments for working capital changes :		
(Increase)/decrease in inventories	1,33,746	(113,405)
Increase/(decrease) in trade and other payables	1,41,443	(60,519)
(Increase)/decrease in trade and other receivables	(2,35,021)	1,62,191
Cash generated from operations	**2,80,193**	**7,765**
Direct taxes (paid)/refund	(79,242)	(10,434)
Net cash from operating activities	**2,00,951**	**(2,669)**
B. Cash Flow from Investing Activities		
Purchase of property plant and equipment	(28,668)	(12,159)
Sale of property plant and equipment	86,342	1,661
Interest Received	14,398	22,823
Sale/(purchase) of investment	-	29,699
Fund received from investment in fixed deposit (net)	11,011	55,569
Net Cash from/(used in) Investing Activities	**83,083**	**97,593**
C. Cash flow from financing activities		
Proceeds from/(repayment of) short term borrowings	(2,63,071)	(5,737)
Dividend paid	(18,098)	-
Proceeds from/(repayment of) long term borrowings	881	(345)
Finance cost	(18,176)	(34,086)
Net cash from financing activities	**(2,98,464)**	**(40,168)**
Net increase in cash and cash equivalents (A+B+C)	**14,430**	**54,756**
Cash and cash equivalents (Opening Balance)	2,42,939	1,88,183
Cash and cash equivalents (Closing Balance)	2,28,509	2,42,939
Change in cash & cash equivalents	**(14,430)**	**54,756**
Components of cash & cash equivalents		
Balances with banks		
- in Current accounts	1,18,278	1,38,011
- On cash credit accounts	-	-
- Deposits with original maturity of less than 3 months	1,09,308	1,04,406
Cash on hand	923	522
Net cash & cash equivalents	**2,28,509**	**2,42,939**

Note:
1) Cash & cash equivalents components are as per Note 8.2.
2) Previous year figures have been regrouped/restated wherever considered necessary.

As per our report of even date
For **S.S. KOTHARI MEHTA & COMPANY**
Chartered Accountants
FRN: 000756N

For and on behalf of the Board of Directors of **Revathi Equipment Limited**

PLACE: BANGALORE
DATE: MAY 29, 2019

AMIT GOEL
Partner
Membership No: 500607

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

DEEPALI DALMIA
Director
DIN: 00017415

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Chief Financial Officer

K. MAHESWARAN
Company Secretary

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2019

(All amounts are in ₹ in thousands. Unless otherwise stated)

A. Equity share capital

PARTICULARS	AS AT MARCH 31, 2017	CHANGES DURING THE YEAR	AS AT MARCH 31, 2018	CHANGES DURING THE YEAR	AS AT MARCH 31, 2019
Equity share capital	30,669	-	30,669	-	30,669

B. Other equity

PARTICULARS	RESERVES AND SURPLUS						OTHER COMPREHENSIVE INCOME		TOTAL	NON CONTROLLING INTEREST
	CAPITAL REDEMPTION RESERVE	CAPITAL RESERVE	CONSOLIDATION ADJUSTMENT RESERVE	LEGAL/ STATUTORY RESERVE	GENERAL RESERVE	RETAINED EARNINGS	FOREIGN CURRENCY TRANSLATION RESERVE	ACTURIAL GAIN / (LOSS)		
As at 31.3.2017	3,111	149	16,561	6,926	5,51,324	9,69,888	13,929	1,003	15,62,891	1,80,587
Additions during the period	-	-	-	-	-	(88,239)	(1,484)	3,790	(85,933)	(3,705)
As at 31.3.2018	3,111	149	16,561	6,926	5,51,324	8,81,649	12,445	4,793	14,76,958	1,76,882
Additions during the period	-	-	-	-	-	1,15,347	2,954	2,321	1,02,622	22,290
Dividend paid by step down subsidiary	-	-	-	-	-	(18,098)	-	-	(18,098)	-
As at 31.3.2019	3,111	149	16,561	6,926	5,51,324	9,78,898	15,399	7,114	15,79,482	1,99,172

As per our report of even date
For **S.S. KOTHARI MEHTA & COMPANY**
Chartered Accountants
FRN: 000756N

AMIT GOEL
Partner
Membership No: 500607

For and on behalf of the Board of Directors of **Revathi Equipment Limited**

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Company Secretary

PLACE: BANGALORE
DATE: MAY 29, 2019

1. Basis of accounting and preparation of Financial Statements

A. Corporate overview

Revathi Equipment Limited (the 'Company'), including its subsidiaries and joint venture collectively referred to as ("the group") was incorporated as a private company is registered under the Companies Act 1956 on May 13, 1977. The company was subsequently converted to a public company registered on November 4, 1977 and is currently listed on Bombay stock exchange and National Stock exchange. The company is preliminary engaged in the manufacturing and sales of drilling rigs and spares thereof. These financial statements are presented in Indian Rupees (Rs).

These financial statements were approved and adopted by board of directors of the Company in their meeting held on May 29, 2019.

B. Statement of Compliance

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended from time to time.

C. Basis of preparation of accounts

These financial statements have been prepared complying in all material respects with the Indian Accounting Standards notified under Section 133 of the Companies Act 2013, read together with the Companies (Indian Accounting Standards) Rule 2015 and Companies (Indian Accounting Standards) (Amendment) Rules, 2016 as amended from time to time. The financial statements comply with IND AS notified by Ministry of Company Affairs ("MCA"). The Company has consistently applied the accounting policies used in the preparation of financial statements of all the periods presented.

The financial statements have been prepared on an accrual basis and under the historical cost convention, except for the following assets and liabilities which have been measured at fair value:

- Certain financial assets and liabilities measured at fair value
- Defined benefit plans as per actuarial valuation

D. Operating cycle

All assets and liabilities have been classified as current and non-current as per the Group's normal operating cycle and other criteria set out above which are in accordance with the Schedule III to the Act. Based on the nature of services and time between the acquisition of assets for providing of services and their realisation in Cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current / non-current classification of assets and liabilities.

E. Functional and presentation currency

The financial statements are presented in Indian rupees (Rs), which is the functional currency of the parent Group. All the financial information presented in Indian rupees (Rs), has been rounded to the nearest thousand.

F. Use of judgment, estimates and assumptions

The preparation of financial statements in conformity with Ind AS requires the Management to make judgement, estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities and contingent assets at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon the Management's best knowledge of current events and actions, actual results could differ from these estimates. Difference between the actual results and estimates are recognized in the period in which the results are known / materialized.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods

a. Property, plant and equipment and intangible assets

The useful life and residual value of plant, property equipment and intangible assets are determined based on technical evaluation made by the management of the expected usage of the asset, the physical wear and tear and technical or commercial obsolescence of the asset. Due to the judgements involved in such estimations, the useful life and residual value are sensitive to the actual usage in future period.

b. Recognition and measurement of defined benefit obligations

The cost of the leave encashment, defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future

salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are periodically reviewed at each reporting date.

c. Fair value measurement of financial instruments

When the fair value of the financial assets and liabilities recorded in the balance sheet cannot be measured based on the quoted market price in activate markets, their fair value is measured using valuation technique. The input to these models are taken from the observable market where possible, but this is not feasible, a review of judgment is required in establishing fair values. Changes in assumption relating to these assumptions could affect the fair value of financial instrument.

d. Provision for litigations and contingencies

The provision for litigations and contingencies are determined based on evaluation made by the management of the present obligation arising from past events the settlement of which is expected to result in outflow of resources embodying economic benefits, which involves judgements around estimating the ultimate outcome of such past events and measurement of the obligation amount.

e. Impairment of financial and non-financial assets

The impairment provision for financial assets are based on assumptions about risk of default and expected losses. The Group uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The Group assesses at each reporting date whether there is an indication that a Non-financial asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount which is higher of an asset's or CGU's fair value less costs of disposal and its value in use. Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

G. Fair value measurement

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the financial statements on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.
For the purpose of fair value disclosures, the Group has determined classes of assets & liabilities on the basis of the nature, characteristics and the risks of the asset or liability and the level of the fair value hierarchy as explained above.

Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis as explained above, except for share-based payment transactions that are within the scope of Ind AS 102, leasing transactions that are within the scope of Ind AS 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in Ind AS 2 or value in use in Ind AS 36.

v **H. Standards issued but not yet effective**

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, had notified following new and amendments to Ind ASs which are effective from April 1, 2019:

i. W.e.f. April 1, 2019 Ind AS 116-Leases will replace existing leases standard, Ind AS 17-Leases. Lessee will follow Single Lease Accounting. There is no classification as operating lease or financial lease for lessee. Under Ind AS 116, lessee will recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Lessee would recognise depreciation expense on the right of use of asset and interest expense on the lease liability, classify the lease payment into principal and interest component. Management is currently reviewing the operating lease contracts in place to determine the impact of this standard.

ii. The following standards or amendments made in below mentioned standards are not expected to have a material impact over consolidated financial statements:

- Ind AS 12-Income Taxes: Amendments relating to income tax consequences of dividend and uncertainty over income tax treatments.
- Ind AS 109: Prepayment features with negative compensation
- Ind AS 19: Plan amendments, curtailments and settlements
- Ind AS 23: Borrowing Costs
- Ind AS 28: Long-term Interests in Associates and Joint Ventures
- Ind AS 103: Business Combinations and Ind AS 111: Joint Arrangements.

2. Significant accounting policies

A. Basis of consolidation

The Consolidated Financial statements have been prepared on accrual and going concern basis. The accounting policies are applied consistently to all the periods presented in the consolidated financial statements. All assets and liabilities have been classified as current or non current as per the Group's normal operating cycle and other criteria as set out in the Division II of Schedule III to the Act.

Principles of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the group. They are deconsolidated from the date that control ceases.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

i ***The Subsidiary which has been included in the consolidated Financial Statements along with the Company's holdings therein are given below:***

NAME OF THE COMPANY	COUNTRY OF INCORPORATION	% VOTING POWER	
		2018-19	2017-18
Semac Consultants Pvt Ltd including subsidiaries	India	77.0	77.0
Semac & Partners LLC	Muscat	65.0	65.0

The affairs of Satellier Holding Inc, USA, one of the associate of the company was dissolved and certificate of dissolution had been issued by the appropriate authority. There being no likelihood of any amount being recoverable towards investment in equity and as such full provision against Investment of ₹ 48750 in the said company had been done in the year 2013-14. There is no change in the status thereof in this year.

ii The Company alongwith another company 'Tridhaatu Realty and Infra Pvt Ltd' has formed an Association of Person (AOP) Panch Tatva Realty and has made an investment of ₹ 200000 towards its share of contribution in the capital of AOP for undertaking a real estate project as joint venture (JV) for construction of residential complexes in Chembur, Mumbai. Pursuant to an agreement (including modification and Memorandum of Understanding) ("the agreement") entered into in this respect, the company will be entitled to 54.0% of the profits and surplus of the said JV. In respect of the residential complexes, it will be entitled to obtain minimum of 50000 sq. ft. of constructed area against the investment made in AOP. The company will also be entitled to the additional area based on actual measurement in case of delay in completion of the project, as per terms and conditions specified in the agreement.

iii The Company has entered into a Memorandum of Understanding (MOU) on 17th December 2015 with the AOP partner to sell 10,795 sq. ft. out of the Company's entitlement of constructed area as stated above. As per the Memorandum of Understanding (MOU) on 17th December 2015 the company's entitlement is limited to above-mentioned built up area only and no other economic benefits and hence not construed as Joint Venture.

B. Property, plant and equipment

Property, plant and equipment are stated at original cost net of tax/ duty credit availed, less accumulated depreciation and accumulated impairment losses. The cost of an asset includes the purchase cost of materials including import duties and non-refundable taxes, and any directly attributable costs of bringing an asset to the location and condition of its intended use. Interest on borrowings used to finance the construction of qualifying assets are capitalized as part of cost of the asset until such time that the asset is ready for its intended use. The present value of the expected cost for the decommissioning of the asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met.

When significant part of the property, plant and equipment are required to replace at intervals, the Group derecognized the replaced part and recognized the new parts with its own associated useful life and it depreciated accordingly. Likewise when a major inspection is performed, its cost is recognized in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance cost are recognized in the statement of the profit and loss as incurred. Internally manufactured property, plant and equipment are capitalised at factory cost including excise duty and or GST whatever is applicable.

Capital work in progress include property plant & equipment under installation/under development as at the balance sheet date and are carried at cost, comprising direct cost, related incidental expenses and attributable borrowing cost and are transferred to respective capital asset when they are available for use.

Property, plant and equipment are derecognised from the financial statement, either on disposal or when no economic benefits are expected from its use or disposal. Losses arising in the case of retirement of property, plant and equipment and gain or losses arising from disposal of property, plant and equipment are a recognized in the statement of profit and loss in the year of occurrence.

C. Investment Property

Investment properties are properties, either land or building or both, held to earn rentals and/or for capital appreciation (including property under construction for such purposes). Investment properties are measured initially at cost including transactions costs. Subsequent to initial recognition, investment properties are measured in accordance with Ind AS 16's requirement for cost model.

An investment property is derecognised upon disposal or when the investment property is permanently withdrawn from use and no future economic benefits are expected from the disposal. Any gain or loss arising on derecognition of the property (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in profit or loss in the period in which the property is de-recognised.

D. Intangible assets

(a) Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortization and accumulated impairment losses. Amortization is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

(b) Internally-generated intangible assets- research and development expenditure

Expenditure on research activities is recognised as an expense in the period in which it is incurred. An internally-generated intangible asset arising from development (or from the development phase of an internal project) is recognised if, and only if, all of the following have been demonstrated:

- the technical feasibility of completing the intangible asset so that it will be available for use or sale;
- the intention to complete the intangible asset and use or sell it;
- the ability to use or sell the intangible asset;
- how the intangible asset will generate probable future economic benefits;
- the availability of adequate technical, financial and other resources to complete the development and to use or sell the intangible asset; and the ability to measure reliably the expenditure attributable to the intangible asset during its development.

The amount initially recognised for internally-generated intangible assets is the sum of the expenditure incurred from the date when the intangible asset first meets the recognition criteria listed above. Where no internally-

generated intangible asset can be recognised, development expenditure is recognised in profit or loss in the period in which it is incurred.

Subsequent to initial recognition, internally-generated intangible assets are reported at cost less accumulated amortization and accumulated impairment losses, on the same basis as intangible assets that are acquired separately.

(c) De-recognition

Gain or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit & loss when the asset is derecognised.

E. Depreciation and amortization

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

Depreciation on property plant and equipment is provided on straight line method on the basis of useful life of assets at the rates prescribed in Schedule II to the Companies Act, 2013. Property, Plant and Equipment which are added / disposed off during the year, depreciation is provided pro-rata basis with reference to the month of addition / deletion except for assets costing Rs 5,000 or below which are fully depreciated in the year of addition.

The useful lives of intangible asset are assed as either finite or indefinite. Intangible asset with a finite useful life are amortized over a period over the period of 3 to 5 years on a straight-line basis & technical knowhow are amortised over the period of three years on straight-line basis and are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the assets are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

Intangible asset with indefinite useful lives, if they are not amortised, but are tested for impairment either individually or at the cash generating unit level. The assessment of indefinite useful life is reviewed annually to determine whether the indefinite life continues to be supportable. Currently there are no intangible assets with indefinite useful life.

F. Impairment of Non-financial assets

Property, plant and equipment, intangible assets, except goodwill and intangible asset with indefinite useful life, and assets classified as investment property with finite life are evaluated for recoverability whenever there is any indication that their carrying amounts may not be recoverable. If any such indication exists, the recoverable amount (i.e. higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

If the recoverable amount of an asset or CGU is estimated to be less than its carrying amount, the carrying amount of the asset (or CGU) is reduced to its recoverable amount. An impairment loss is recognized in the statement of profit or loss.

An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

Impairment losses on continuing operations, including impairment on inventories are recognized in the statement of profit and loss, except for properties previously revalued with the revaluation taken to other comprehensive income. For such properties, the impairment is recognized in OCI up to the amount of any previous revaluation surplus.

Intangible assets with indefinite useful lives and intangible assets not yet available for use, and goodwill are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

G. Leases

The determination of whether an arrangement is (or contains) a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Where the Group is the lessee

Finance leases are capitalized as assets at the commencement of the lease, at an amount equal to the fair value of leased asset or present value of the minimum lease payments, whichever is lower, valued at the inception date. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognized as finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Group's general policy on borrowing cost. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Payment made under operating leases are recognized as expense in the Statement of Profit and Loss on a straight line basis over the lease term, unless the receipts are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increase.

Where the Group is the lessor

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Where the escalation of lease rentals is in line with the expected general inflation so as to compensate the lessor for expected inflationary cost, the increases in the rentals is not straight lined.

H. Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalized as part of the cost of such asset till such time that is required to complete and prepare the asset to get ready for its intended use. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. Borrowing costs consist of interest and other costs that the Group incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All other borrowing costs are charged to the Statement of Profit and Loss in the period in which they are incurred.

I. Segment accounting and reporting

The chief operational decision maker monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit and loss and is measured consistently with profit and loss in the financial statements.

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM).

The accounting policies adopted for segment reporting are in line with the accounting policies adopted for preparing and presenting the Financial Statements of the Group as a whole. In addition, the following specific accounting policies have been followed for segment reporting:

- Segment revenue includes sales and other income directly identifiable with / allocable to the segment including inter segment transfers.
  Inter segment transfers are accounted for based on the transaction price agreed to between the segments which is at cost in case of transfer of Group`s intermediate and final products and estimated realisable value in case of by-products.
- Revenue, expenses, assets and liabilities are identified to segments on the basis of their relationship to the operating activities of the segment. Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on direct and/or on a reasonable basis, have been disclosed as "Unallocable"

J. Employee benefits

Expenses and liabilities in respect of employee benefits are recorded in accordance with Indian Accounting Standard (Ind AS)-19 - 'Employee Benefits'.

a. Short-term employee benefits

Short-term employee benefits in respect of salaries and wages, including non-monetary benefits are recognised as an expense at the undiscounted amount in the Statement of Profit and Loss for the year in which the related service is rendered

b. Defined contribution plan

Retirement benefits in the form of provident fund, pension fund and ESI are a defined contribution scheme and the contributions are charged to the statement of profit and loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the provident fund/trust.

c. Defined benefit plan

The Group's gratuity scheme is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation carried out by an independent actuary, using the Projected unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The Group has an Employee Gratuity Fund managed by Life Insurance Corporation. The provision made during the year is charged to profit and loss account.

The Group's liabilities on account of gratuity and earned leaves on retirement of employees are determined at the end of each financial year on the basis of actuarial valuation certificates obtained from registered actuary in accordance with the measurement procedure as per Indian Accounting Standard (INDAS)-19- 'Employee Benefits'. Gratuity liability is funded on year-to-year basis by contribution to respective fund. The costs of providing benefits under these plans are also determined on the basis of actuarial valuation at each year end. Actuarial gains and losses for defined benefit plans are recognized through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Accumulated leaves, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit.
The Group measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Group treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long term compensated absences are provided for based on actuarial valuation. The actuarial valuation is done as per projected unit credit method at the year-end.

K. Inventories

a. Work in progress, Finished goods and traded goods are valued at lower of cost and net realisable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost of finished goods includes excise duty. Cost is determined on First in First out basis

b. Raw materials, stores and spares are valued at lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost of raw materials and stores and spares is determined on a first in first out basis.
Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

L. Non-current assets held for sale and discontinued operations

Non- current asset and disposable groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use and are measured at the lower of its carrying amount and fair value less costs to sell. This condition is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of such classification.

Discontinued operation are excluded from the results of continuing operation and are presented as a single amount as profit or loss after tax from discontinued operation in the statement of profit & loss. Asset and liabilities classified as held for distribution are presented separately from other asset and liabilities in balance sheet.

A disposable group qualified as discontinued operation if it is a component of the Group that either has been disposed off, or is classified as held for sale, and

- Represents a separate major line of business or geographical area of operation.
- Is a part of a single coordinated plan to dispose of a separate major line of business or geographical area of operation, Or
- Is as subsidiary acquired exclusively with a view to sale.

An entity shall not depreciate (or amortize) a non-current asset while it is classified as held for sale or while it is a part of a disposal group classified as held for sale.

M. Financial Instruments

(a) Financial Assets

i. Classification

The Group classified financial assets as subsequently measured at amortized cost, fair value though other comprehensive income (FVTOCI) or fair value through profit or loss (FVTPL) on the basis of its business model for managing the financial assets and contractual cash flow characteristics of the financial asset.

ii. Initial recognition and measurement

The Group recognizes financial assets when it becomes a party to the contractual provisions of the instrument. All financial assets (except for certain trade receivables) are recognized initially at fair value plus, for financial asset not subsequently measured at FVTPL, transaction costs that are directly attributable to the acquisition of financial assets. Trade receivables that do not contain a significant financing component (determined in accordance with IND AS 115 – Revenue Recognition) are initially measured at their transaction price and not at fair value.

iii. Subsequent Measurement

For the purpose of subsequent measurement the financial assets are classified in three categories:

- At amortised cost - For debt instruments only.
- At fair value through profit & loss account
- At fair value through other comprehensive income

iv. Debt instruments at amortized cost

A Financial Asset i.e. a debt instrument is measured at the amortized cost if both the following condition are met.

- The assets is held within a business model whose objective is to hold assets for collecting contractual cash flow (business model test), and

- Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding (contractual cash flow characteristics).
  After initial measurement (at Fair value minus transaction cost), such financial assets are subsequently measurement at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount and premium and fee or costs that are an integral part of an EIR. The EIR amortization is included in finance income in the statement of profit and loss. The losses arising from impairment are recognized in the statement of profit and loss.

v. Debt instruments at Fair value through other comprehensive income

A financial asset should be measured at FVTOCI if both the following condition are met:

- The assets is held within a business model in which asset are managed both in order to collect contractual cash flows and for sale (business model test), and
- Contractual terms of the assets give rise on specified dates to cash flows that are solely payments of principle and interest (SPPI) on the principle amount outstanding (contractual cash flow characteristics).
  After initial measurement (at Fair value minus transaction cost), such financial assets are measured at Fair value with changes in fair value recognized in OCI except for:
  (a) Interest calculated using EIR
  (b) Foreign exchange gain and losses; and
  (c) Impairment losses and gains

vi. Debt instrument at Fair value through Profit or loss

Debt instruments included within the fair value through profit or loss (FVTPL) category are measured at fair value with all changes recognised in the statement of profit and loss.

vii. Equity investments

All equity investments other than investment in subsidiaries, joint venture and associates are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group decides to classify the same either as at fair value through other comprehensive income (FVTOCI) or FVTPL. The Group makes such election on an instrument-by- instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then fair value changes on the instrument, excluding dividends, are recognised in other compressive income (OCI). There is no recycling of the amounts from OCI to statement of profit or loss, even on sale of such investments.
Equity instrument includes within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit or loss.

viii. Derecognition

A financial assets (or, where applicable, a part of a financial asset) is primarily derecognised when:

- The right to receive cash flows from the assets have expired or
- The Group has transferred substantially all the risks and rewards of the assets, or
- The Group has neither transferred nor retained substantially all the risks and rewards of the assets, but has transferred control of the assets.

ix. Impairment of financial assets

The Group applies 'simplified approach' measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- Financial assets that are debt instrument and are measured at amortised cost e.g. loans, debt securities, deposits, and bank balance.
- Trade receivables
  The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognised impairment loss allowance based on lifetime expected credit loss at each reporting date, right from its initial recognition.

(b) Financial liabilities & Equity

i. Classification

Debt and equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

ii. Initial recognition and measurement of Financial Liability

The Group recognizes financial liability when it becomes a party to the contractual provisions of the instrument. Allfinancial liabilities are recognized initially at fair value minus, for financial liability not subsequently measured at FVTPL, transaction costs that are directly attributable to the issue of financial liability.

iii. Subsequent Measurement of Financial Liability

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Group, and commitments issued by the Group to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies

iv. Financial Liability at amortised cost

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the Effective Interest Rate (EIR) Method. Gain and losses are recognised in statement of profit and loss when the liabilities are derecognised.

Amortised cost is calculated by taking into account any discount or premium on acquisition and transaction cost. The EIR amortization is included as finance cost in the statement of profit and loss.

This category generally applies to loans & Borrowings.

v. Financial Liability at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Group as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on re-measurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability

vi. Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Group entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Group's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Group's own equity instruments.

vii. Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are, substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amount recognised in the Statement of Profit and loss.

viii. Offsetting of financial instrument

Financial Assets and Financial Liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

N. Investments in Associate, Joint venture & Associate

Investments in equity shares of Subsidiaries, Joint Ventures & Associates are recorded at cost and reviewed for impairment at each balance sheet date.

O. Revenue recognition

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.

Ind AS 115 "Revenue from Contracts with Customers" provides a control-based revenue recognition model and provides a five step application approach to be followed for revenue recognition"

- Identify the contract(s) with customer(s);
- Identify the performance obligations under the contract(s)
- Determine the transaction price
- Allocate the transaction price to the performance obligations in the contract(s)
- Recognise revenue, when or as the entity satisfies a performance obligation.

Sale of goods

Revenue is recognized upon transfer of control of promised goods or services to customers at transaction price (net of taxes and duties), arrived at by determining the fair value of the consideration received or receivable after adjusting returns, allowances, trade discounts, volume discounts etc. in exchange of goods or services.

Sale of Services

Revenues from sale of services are recognized as per the term of contract with customers based on stage of completion when the outcome of the transactions involving rendering of services can be estimated reliably. Percentage-of-completion method requires the Group to estimate the services performed to date as a proportion of the total services to be performed.

Interest Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

Dividends

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

Insurance claim

Insurance and other claims are accounted for as and when admitted by the appropriate authorities in view of uncertainty involved in ascertainment of final claim.

P. Product warranty cost

Product warranty costs are accrued at the time related revenues are recorded in the Statement of Profit and Loss for the drill equipment. The Group estimates such costs based on historical experience and estimates are reviewed on a periodic basis for any material changes in assumptions and likelihood of occurrence.

Q. Foreign currency translation/conversion

Standalone financial statements have been presented in Indian Rupees (₹), which is the Group's functional and presentation currency.

- **Initial recognition**
  Foreign currency transactions are recorded on initial recognition in the functional currency, using the exchange rate at the date of the transaction.
- **Conversion**
  Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non monetary items, which are measured in terms of historical cost denominated in a foreign currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.
- **Exchange differences**
  The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or profit or loss are also recognized in OCI or profit or loss, respectively).

R. Taxes

Tax expense comprises current and deferred tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current income tax relating to items recognized directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Minimum alternate tax

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Group recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Group will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Group recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Group reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Group does not have convincing evidence that it will pay normal tax during the specified period.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized.

The carrying amount of deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow deferred tax assets to be recovered.

The Group offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

S. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.
For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all potential dilutive equity shares

T. Provisions, contingent liabilities and contingent assets

General

Provisions are recognized when the Group has a present obligation (legal or constructive) as a result of a past event and it is probable that the outflow of resources embodying economic benefits will be required to settled the obligation in respect of which reliable estimate can be made of the amount of the obligation. When the Group expects some or all of a provision to be reimbursed, the expense relating to provision presented in the statement of profit & loss is net of any reimbursement.

If the effect of the time value of money is material, provisions are disclosed using a current pre-tax rate that reflects, when appropriate, the risk specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as finance cost.

Contingent liability is disclosed in the notes in case of:

- There is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group.
- A present obligation arising from past event, when it is not probable that as outflow of resources will be required to settle the obligation
- A present obligation arises from the past event, when no reliable estimate is possible
- A present obligation arises from the past event, unless the probability of outflow are remote.

Commitments include the amount of purchase order (net of advances) issued to parties for completion of assets. Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

Onerous contracts

A provision for onerous contracts is measured at the present value of the lower expected costs of terminating the contract and the expected cost of continuing with the contract. Before a provision is established, the Group recognizes impairment on the assets with the contract.

Contingent assets

Contingent assets are not recognized in the financial statements.

U. Cash and cash equivalents

Cash and cash equivalents includes cash on hand and at bank, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

For the purpose of the Statement of Cash Flows, cash and cash equivalents consists of cash and short term deposits, as defined above, net of outstanding bank overdraft as they being considered as integral part of the Group's cash management.

3. Property, plant & equipment and intangible assets

PARTICULARS	TANGIBLE ASSETS													TOTAL TANGIBLE ASSET	INTANGIBLE ASSET		TOTAL INTANGIBLE ASSET	TOTAL ASSET
	LAND LEASEHOLD	LEASE HOLD IMPROVE-MENTS	LAND FREEHOLD	BUILDINGS	PLANT & MACHINERY	PRODUCTION TOOLING	ELECTRICAL INSTALLATION	DATA PROCESSING EQUIPMENT	COMPUTER (END - USER DEVICE)	COMPUTERS (SERVERS & NETWORKS)	FURNITURE & FIXTURES	OFFICE EQUIPMENT	VEHICLES		TECHNICAL KNOWHOW	COMPUTER SOFTWARE		
Gross Block																		
Balance As at March 31, 2017	1	2,646	941	47,216	60,355	13,455	2,578	9,460	58,906	1,205	32,135	29,875	58,033	3,16,806	-	62,883	62,883	3,79,689
Addition				818	398	193	-	947	2,010	-	896	509	4,616	10,387		1,772	1,772	12,159
Disposals / Adjustments	-	-	-	-	17	-	778	-	14,613	321	510	1,605	7,405	25,249			-	25,249
As at March 31, 2018	1	2,646	941	48,034	60,736	13,648	1,800	10,407	46,303	884	32,521	28,779	55,244	3,01,944	-	64,655	64,655	3,66,599
Addition	-	1,191	8,722		7,563	23	-	460	882	374	5,415	1,311	940	26,881		325	325	27,206
Disposals / Adjustments					(11,935)	(8,718)	-	(958)	-	-	(10,498)	(1,068)	(4,916)	(38,093)		(3,838)	(3,838)	(41,931)
As at March 31, 2019	**1**	**3,837**	**9,663**	**48,034**	**56,364**	**4,953**	**1,800**	**9,909**	**47,185**	**1,258**	**27,438**	**29,022**	**51,268**	**2,90,732**	**-**	**61,142**	**61,142**	**3,51,874**
Depreciation																		
Balance As at March 31, 2017	-	2,592	-	30,131	51,359	13,298	2,413	8,316	55,271	1,072	25,724	26,184	45,090	2,61,451	-	57,449	57,449	3,18,900
Charge for the year	-	2	-	1,189	2,355	203	38	757	2,038	60	1,724	1,344	5,704	15,414	-	2,729	2,729	18,143
Disposals					14	-	752	-	14,030	311	513	1,596	7,153	24,370	-	18	18	24,388
Charged to opening reserves						-	-	-	-	-	13	32	167	212		18	18	230
As at March 31, 2018	**-**	**2,593**	**-**	**31,320**	**53,700**	**13,501**	**1,699**	**9,073**	**43,279**	**821**	**26,948**	**25,964**	**43,808**	**2,52,707**	**-**	**60,178**	**60,178**	**3,12,885**
Charge for the year		411		1,201	1,591	102	22	742	1,282	84	2,461	1,602	4,787	14,285		1,882	1,882	16,167
Disposals				-	(11,588)	(8,718)	-	(958)		-	(7,428)	(1,023)	(4,916)	(34,631)		(3,838)	(3,838)	(38,469)
Adjustment - FCTR									(87)		(3)	(21)	(372)	(483)		(6)	(6)	(489)
As at March 31, 2019	-	3,004	-	32,521	43,703	4,885	1,722	8,857	44,474	905	21,978	26,522	43,307	2,31,878	-	58,216	58,216	2,90,094
																-	-	-
Net Block																-	-	-
As at 31st March, 2018	**1**	**53**	**941**	**16,714**	**7,037**	**147**	**101**	**1,334**	**3,024**	**63**	**5,573**	**2,815**	**11,436**	**49,237**	**-**	**4,476**	**4,476**	**53,713**
As at 31st March, 2019	**1**	**833**	**9,663**	**15,513**	**12,661**	**68**	**78**	**1,052**	**2,711**	**353**	**5,460**	**2,500**	**7,961**	**58,854**	**-**	**2,926**	**2,926**	**61,780**

4. Investment property

	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Capital contribution in Panch Tatva Realty	1,66,265	1,66,266
TOTAL	1,66,265	1,66,266

The Group along with Tridhaatu Realty Infra Private Ltd (Tridhaatu) formed as Association of Persons (AOP) namely Panchtatva Realty for constructing a residential building in Chembur, Mumbai and made an investment of ₹ 2,00,000 thousands in the AOP. Out of its entitlement of 64,000 square feet, the company sold 10,795 square feet to the AOP member-Tridhatu vide deed of modification dated December 17, 2015. The Group's entitlement is limited to above mentioned built up area only and no other economic benefits and hence not construed as Joint Venture.

5. Financial asset : Non current

5.1 Investments

	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
INVESTMENT AT COST		
i) Investments in Associates		
88,96,797 shares (March 31, 2018: 88,96,797 shares) Preferred Stock in Satellier Holdings Inc., USA	48,750	48,750
Less: Impairment in value*	(48,750)	(48,750)
ii) Investments in Joint Venture		
98 (March 31, 2018: 98 shares) paid-up shares of Qatari Riyal 1000/- each fully paid-up in Semac Qatar WLL, Doha	-	1,172
Less : Impairment in value **	-	(1,172)
Investments in other body corporate (At fair value)		
iii)128 (March 31, 2018: 128) paid-up equity shares of ₹ 25/- each fully paid-up in Shamrao Vittal Co-op. Bank Ltd.	3	3
iv)74,050 (March 31, 2018: 74,050) fully paid up equity shares of ₹ 10/- each in AEC Infotech Pvt. Ltd.	667	667
v)3,600 (March 31, 2018: 3,600) fully paid up equity shares of ₹ 10/- each in Lakeland Hotels Ltd.	36	36
TOTAL	706	706

* The affairs of Satellier Holding Inc, USA, one of the associate of the company was dissolved and certificate of dissolution had been issued by the appropriate authority. There being no likelihood of any amount being recoverable towards investment in equity and as such full provision against Investment of ₹ 48,750 thousands in the said company had been done in the year 2013-14. There is no change in the status thereof in this year.

**Investment in Semac Qatar W.L.L , a joint venture with a controlling share of 49.0 % has been written off during the year

5.2 Loans

	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Loans to related party		
- Unsecured, considered doubtful	-	862
Less : Provision for doubtful debts *	-	(862)
Security deposits	14,146	16,122
Deposits with statutory authorities	25	25
TOTAL	14,171	16,147

*In the previous year, due to legal proceedings with Semac Qatar W.L.L., a joint venture with a controlling share of 49.0%, the Company has created the provision for the loans and receivables in accordance with the requirement of Ind AS 37. The same has been written off in the current year.

5.3 Other financial assets

	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Non current bank balances (having maturity of more than 12 months)*	4,998	2,183
TOTAL	4,998	2,183

* kept as margin money with bank

6. Other non current assets

	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Capital Advances	1,462	-
Advance lease rent	1,662	226
TOTAL	3,124	226

7. Inventories

	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Raw materials	61,967	62,082
Work-in-progress	37,020	1,63,264
Stock-in-trade	32,631	40,018
TOTAL	1,31,618	2,65,364

8. Financial Assets: Current

	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
8.1 Trade receivables		
Trade receivable considered good-secured	-	-
Trade receivable considered good-unsecured	4,90,571	5,89,402
Trade receivable which have significant increase in credit risk	36,898	16,034
Trade receivable-credit impaired	-	-
Less provision for ECL	(36,898)	(16,034)
TOTAL	4,90,571	5,89,402
8.2 Cash & cash equivalents		
Balances with banks		
- in Current Accounts	1,18,278	1,38,011
- in Fixed deposit with maturity of upto 3 months	1,09,308	1,04,406
Cash on hand	923	522
	2,28,509	2,42,939
8.3 Bank balance		
Balances with banks		
- in Fixed deposit with maturity of up to 3-12 months	77,131	71,169
Earmarked balances		
- Margin money	12,660	32,448
TOTAL	89,791	1,03,617

Note:- Margin money deposit is under lien with banks against bank guarantee and letter of credit.

8.4 Loans		
Unsecured, considered good unless otherwise stated		
Related Parties		
- Loan to holding company (refer note (i))	-	9
- Loan to subsidiaries, joint venture, associate and others	-	41,097
Loans to employees	1,292	5,911
Loans to others (refer note (ii))	39,215	25,000
Security deposit		
- Earnest money deposit	3,044	2,302
- Others	1,528	873
TOTAL	45,079	75,192

(i) Loan has been given to holding company in earlier years and was repaid in current financial year

(ii) Loan was given to Vasundhara International, a sole proprietary concern on April 03, 2017 for general corporate purposes at interest rate of 13.0% per annum. The same has been repaid in current financial year

8.5 Other financial asset		
Interest accrued on		
- Loan to holding company	-	1,191
- Deposits with bank	4,806	1,813
Accrued income	4,721	761
Unbilled revenue	24,186	40,824
TOTAL	33,713	44,589

9. Current tax asset (net)

	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Advance payment of tax (net of provision)	1,26,073	84,637
TOTAL	1,26,073	84,637

10. Contract assets

	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Trade receivables	3,41,823	-
TOTAL	3,41,823	-

11. Other current assets

	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Other advances	807	(549)
Prepaid expenses	13,106	16,896
Advances to suppliers/contractors	30,017	21,181
Balance with statutory authorities	26,382	64,591
TOTAL	70,312	1,02,119

12. Non current asset held for sale

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Asset classifies as held for sale		
Non current		
a) Property Plant & Equipment	-	
Leasehold Land	-	65,014
Building	-	73,692
Plant & Machinery	-	12,405
Production Toolings	-	117
Data Equipment	-	640
Office Equipment	-	402
Furniture & Fittings	-	125
TOTAL	-	1,52,395
Less: Impairment Loss	-	(69,895)
TOTAL ASSET (NET)	-	82,500

13. Equity share capital

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Authorised share capital		
35,00,000 (previous year: 35,00,000) equity shares of ₹ 10 /- each	35,000	35,000
	35,000	35,000
Issued, subscribed and fully paid up		
30,66,943 (March 31, 2018: 30,66,943 shares) Equity shares of ₹ 10 /- each	30,669	30,669
TOTAL	30,669	30,669

(i) Reconciliation of number and amount of equity shares outstanding:

PARTICULARS	NO. OF SHARES	AMOUNT
As at March 31, 2017	30,66,943	30,669
Addition during the year	-	-
As at March 31, 2018	30,66,943	30,669
Addition during the year	-	-
As at March 31, 2019	30,66,943	30,669

(ii) Details of shareholders holding more than 5.0% shares in the company

PARTICULARS	AS AT MARCH 31, 2019		AS AT MARCH 31, 2018	
	NO. OF SHARES	% OF HOLDING	NO. OF SHARES	% OF HOLDING
Equity shares of Rs 10 each fully paid				
Renaissance Advanced Consultancy Limited (RACL)	17,68,953	57.7	17,68,953	57.7
Renaissance Stock Ltd (Wholly owned subsidiary of RACL)	4,57,000	14.9	4,57,000	14.9

(iii) Rights, preferences and restrictions attached to equity shares

The Company has only one type of equity share having par value of ₹ 10/- each per share. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share except, in respect of any shares on which any calls or other sums payable have not been paid.

The Company pays and declares dividends in Indian Rupees. Whenever dividend is proposed by the Board of Directors, the same is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend, if any.

The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(iii) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date : Nil

14. Financial liability : non current

14.1 Borrowings

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Secured at amortised cost		
Term Loan:		
- from bank	1,523	641
Less: Current maturity of long term borrowings	(1,485)	(288)
TOTAL	38	353

a. The Company has availed term loan facility from State Bank of India. The details of securities are as follows:

Primary

Secured by hypothecation of plant & machinery: Roof top solar panel

Collateral

Lien on bank deposits for Rs 3,800 thousands

b. The term loan is repayable by January 2022 in 36 installments and carries interest rate of 8.9% per annum

c. Term loan from ICICI bank, taken @ 14.5% is secured by Mortgage of flat at Sikanderabad and is repayable in equated monthly instalments (EMI) of ₹ 29,676 each (starting from November 2005 for a period of 177 months)

14.2 Other Financial Liability

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Retention Money Payable	60,395	8,390
TOTAL	60,395	8,390

15. Non Current Provision

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Provision for employee benefits		
- Gratuity (Refer note 40)	34,014	35,720
- Leave Encashment (Refer note 40)	12,463	11,702
TOTAL	46,477	47,422

16. Deferred tax asset

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
MAT Credit Entitlement	80,407	76,905
Deferred tax liability (Net)	58,279	39,332
TOTAL	1,38,686	1,16,237

(i) Movement in deferred tax items

FOR THE FINANCIAL YEAR MARCH 31, 2019		MOVEMENT DURING THE YEAR		
	BALANCE AS AT APRIL 1, 2018	RECOGNISED IN STATEMENT OF PROFIT & LOSS	RECOGNISED IN OTHER COMPREHEN-SIVE INCOME	BALANCE AS AT MARCH 31, 2019
Deferred tax liability / (asset) on account of:				
Expenses allowable on payment basis and others	13,589	4,240	-	17,829
Carry forward losses and unabsorbed depreciation	42,314	(5,766)	-	36,548
Remeasurement of Defined Benefit Obligations	(1,495)	-	443	(1,052)
Depreciation difference	(17,086)	18,372	-	1,286
Provision for doubtful debt	2,010	1,657	-	3,667
Net deferred tax liability / (asset)	39,332	18,504	443	58,279
MAT credit entitlement	76,905	3,502		80,407
TOTAL	1,16,237	22,006	443	1,38,686

FOR THE FINANCIAL YEAR MARCH 31, 2018	BALANCE AS AT APRIL 1, 2017	RECOGNISED IN STATEMENT OF PROFIT AND LOSS	RECOGNISED IN OTHER COMPREHEN-SIVE INCOME	BALANCE AS AT MARCH 31, 2018
Deferred tax liability / (asset) on account of:				
Expenses allowable on payment basis and others	20,794	(7,205)	-	13,589
Carry forward losses and unabsorbed depreciation	25,779	16,535	-	42,314
Remeasurement of Defined Benefit Obligations	-	-	(1,495)	(1,495)
Depreciation difference	(14,651)	(2,435)	-	(17,086)
Provision for doubtful debt	2,139	(129)	-	2,010
Net deferred tax liability / (asset)	34,061	6,766	(1,495)	39,332
MAT Credit Entitlement	76,114	790	-	76,905
TOTAL	1,10,175	7,556	(1,495)	1,16,237

17. Financial liability : current

17.1 Short term borrowings

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Secured - at amortised cost	-	-
Bank	-	-
- Cash credit / WCDL	-	2,63,071
TOTAL	-	2,63,071

a. The Company has availed cash credit facility from consortium of banks. The details of securities are as follows:

Primary
First pari-passu charge on entire current assets of the Holding Company.

Collateral
Second charge on fixed assets of the Holding Company except SIPCOT land at Gummidipoondi

b. The Cash Credit is repayable on demand and carries floating interest rate which ranges from 11.8% to 14.5%.

17.2 Trade payables

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
a. Micro, small and medium enterprises	6,231	9,367
b. Others	2,32,018	1,95,784
TOTAL	2,38,249	2,05,151

17.3 Other financial liabilities

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Current maturities of long term borrowings	1,484	288
Security Deposit Received	20	20
Other Payables	15,614	25,235
Employee related dues	4,862	4,845
Expenses payable		
- Other	19,650	57,871
TOTAL	41,630	88,260

18. Contract Liability

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Advance from clients	92,469	-
	92,469	-

19. Other current Liability

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Advances from customers	2,737	2,753
Withholding and other taxes	16,457	38,212
Employee related dues	48,992	31,389
Dividend Payable	9,123	-
TOTAL	77,309	72,354

20. Current provision

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Provision for employee benefits		
- Gratuity (Refer note 40)	6,220	4,172
- Leave Encashment (Refer note 40)	2,651	3,559
Provision for Warranties claims	4,060	4,821
Provision for contingency*	12,400	12,400
TOTAL	25,330	24,952

*Claim made by a client which is under dispute.

(i) Information about warranty claims

The Company provides warranties on certain products and services, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provisions made represent the amount of expected cost of meeting such obligations of rectifications/replacements based on best estimate considering the historical warranty claim information and any recent trends that may suggest future claims could differ from historical amounts.

(ii) Movement in provision for warranty claims

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Opening balance	4,821	23,523
Provided during the year	4,899	918
Utilization during the year	(5,661)	(19,620)
Closing balance	**4,059**	**4,821**

21. Current Tax Liabilities (net)

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Income tax provision (net of advance tax)	4,624	-
TOTAL	4,624	-

22. Revenue from operations

Revenue from contracts with customers

(i) Disaggregated revenue information

Set out below is the disaggregation of the Company's revenue from contracts with customers:

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Segment		
(a) Type of goods or services:		
Sale of products (Finished Goods)		
- Drills / construction equipments	3,29,852	59,776
- Spares	3,86,464	3,69,729
Sale of services	13,86,873	11,87,493
Sale of scrap	3,860	4,138
Total revenue from contracts with customers	**21,07,049**	16,21,136
(b) Location:		
India	17,71,640	12,94,032
Outside India	3,35,409	3,27,104
Total revenue from contracts with customers	**21,07,049**	16,21,136
(c) Timing of revenue recognition:		
Goods transferred at a point in time	7,20,176	4,33,643
Services provided at a point in time	13,86,873	11,87,493
	21,07,049	**16,21,136**

(ii) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contracts with customers:

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Trade receivables	4,90,571	5,89,402
Contract liabilities:		
Advance from customers	92,469	-

(iii) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Revenue as per contracted price	21,07,352	16,28,496
Adjustments:		-
Sales return	(303)	(7,360)
Revenue from contracts with customers	**21,07,049**	**16,21,136**

(iv) The transaction price allocated to the remaining performance obligation (unsatisfied or partially unsatisfied) as at March 31, 2019 are, as follows:

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Advance from customers (Refer note 18)	92,469	-

Management expects that the entire transaction price allotted to the unsatisfied contract as at the end of the reporting period will be recognised as revenue during the next financial year.

23. Other Income

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Interest income	16,200	19,692
Interest income on income tax refund	-	3,520
Provision/liabilities no longer required written back	5,433	6,671
Tender document charges received	6,930	2,441
Profit on sale of property, plant and equipment	1,346	741
Bad debts recovered	-	3,490
Miscellaneous income	4,327	2,500
Gain on foreign exchange fluctuation	6,474	-
TOTAL	40,710	39,055

24. Cost of Material consumed

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Material Purchased through Subcontractors	15,846	23,792
Other materials:		
Works Contract Expenses	6,51,944	5,35,084
Under Carriage assemblies	22,134	4,152
Compressors and accessories	7,416	6,739
Electrical components	13,546	7,067
Hydraulic components	49,052	1,20,222
Pipes and valves	43,548	36,858
Gear/chain assemblies	14,558	7,761
Others	7,823	55,021
TOTAL	8,25,867	7,96,696

25. Purchases of stock in trade

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Consumption of Spares (Drill)	82,985	47,479
Consumption of Spares (CED)	-	119
Change In stock in trade		
Add: Closing Stock	32,631	40,018
Less: Opening Stock	(40,018)	(41,282)
Purchases during the year	75,598	46,334

26. Excise duty on sale of goods

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Excise duty on sale of goods	-	2,614
	-	2,614

27. Changes in inventories of finished goods, stock - in - trade & work - in - progress

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Inventories at the beginning of the year		
Work-in-Process	1,63,264	30,160
Finished Goods	40,018	41,282
	2,03,282	71,442
Less - Inventories at the end of the year		
Work-in-Process	37,020	1,63,264
Finished Goods	32,631	40,018
	69,651	2,03,282
Changes in inventories of finished goods, stock - in - trade & work - in - progress	**1,33,631**	**(1,31,840)**

28. Employee benefits expenses

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Salaries, wages, Allowances & Commission	4,62,761	5,04,756
Contribution to Gratuity, Provident & Other funds	24,465	48,588
Staff welfare expenses	12,618	15,217
	4,99,844	**5,68,561**

29. Finance costs

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Interest on		
a. Loan	11,263	29,183
b. Others	3,714	1,236
Other borrowing cost	3,199	3,640
TOTAL	**18,176**	**34,059**

30. Depreciation and amortization expense

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
i. Tangible asset	14,335	15,414
ii. Intangible asset	1,832	2,729
	16,167	**18,143**

31. Other expenses

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Consumption of stores and spare parts	2,043	4,309
Power and fuel Consumption	6,754	9,757
Repair and maintenance		
-Machinery	260	336
-Buildings	2,011	1,879
- Vehicle	5,274	4,634
-Others	10,989	11,337
Rent	27,718	25,852
Insurance	15,895	9,122
Rates and Taxes	4,829	10,186
Travelling and conveyance	58,286	65,114
Freight, clearing and packing	4,761	8,790
Legal and professional	1,18,366	1,08,698
Directors' sitting fees	950	1,550
Payment to auditor (Refer note 37)	2,615	2,282
Selling commission	28,268	8,197
Balances written off	19,269	17,296
Bank Charges	7,932	9,151
Service Charges	7,459	6,024
Liquidated Damages	1,177	6,680
Corporate social responsibilities	2,000	1,900
Provision for Bad & Doubtful Debts	47,898	5,137
Product Development Expenses	16,590	1,242
Loss on sale of property, plant & equipment	966	172
Loss on sale of Investment	-	301
Other administrative charges	8,936	10,383
Tender Fee	278	221
Loss on foreign exchange fluctuation	2,789	758
Miscellaneous expenses	21,905	18,989
Less: Expense attributable to discontinued operation	-	(5,336)
TOTAL	**4,26,218**	**3,44,961**

32. Tax expense

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Current Tax		
Current year	33,623	5,574
MAT credit entitlement	(3,502)	
Income Tax pertaining to earlier years	8,807	529
	38,928	6,103
Deferred tax		
Deferred tax	(18,504)	(6,765)
Minimum Alternate Tax	-	(791)
	(18,504)	(7,556)
TOTAL	**20,424**	**(1,453)**

(i) Income tax recognised in other comprehensive income

Deferred tax related to items recognised in other comprehensive income during the year:

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Items that will not be reclassified to profit or loss	-	-
- Remeasurement of defined benefit obligations	(443)	1,495
Total income tax expense recognised in other comprehensive income	(443)	1,495
Total income tax expense recognised	19,981	42

(ii) Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:

Deferred tax related to items recognised in other comprehensive income during the year:

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
	27.820%	33.063%
Profit / (loss) before tax	1,62,895	(89,596)
Income tax expense calculated at 27.8% (including surcharge and education cess) (March 31, 2018: 33.1%)	45,317	(29,623)
Effect of income chargeable at different rate of tax		(424)
Additional deduction on research and development expenditure	(2,450)	(1,080)
Effect of temporary differences	(19,418)	-
Effect of expenses that are non-deductible in determining taxable profit	(96)	23,109
Effect of brought forward losses set off during the year on which no deferred tax asset was recognised	(6,609)	-
Other adjustments including earlier year tax provision	3,237	8,060
	19,981	**42**

33. Other comprehensive income

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Item that will be reclassified to profit or loss	-	-
Foreign currency translation reserve	8,759	(773)
Item that will not be reclassified to profit or loss		
Actuarial gain / (loss) on defined benefit obligation	1,878	5,285
Total Other Comprehensive Income	**10,637**	**4,512**

34. Earning per share

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Face value of equity Shares (in ₹)	10	10
Total number of equity shares outstanding	30,66,943	30,66,943
Weighted average number of equity shares in calculating basic and diluted EPS	30,66,943	30,66,943
Continued Operation		
Net profit for calculation of basic and diluted EPS	1,31,834	(17,884)
EPS (Basic & Diluted)	42.98	(5.83)
Discontinued Operation		
Net profit for calculation of basic and diluted EPS (₹ In '000)	-	(74,771)
EPS (Basic & Diluted)	-	(24.38)
Total Operations		
Net profit for calculation of basic and diluted EPS (₹ In '000)	1,31,834	(92,655)
EPS (Basic & Diluted)	42.98	(30.21)

35. Contingent liabilities (not provided for) in respect of:

S.NO.	PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
a)	Customers claims for damages	3,678	15,450
b)	Sales tax / VAT & Service tax demands	5,899	5,899
c)	TDS demands	1,380	1,577
d)	Employee Visa Guarantee	795	-
	TOTAL	10,957	22,926

- Based on contractual agreements with customers the company has issued bank guarantees aggregating ₹ 245,403 Thousands (March 31, 2018: ₹ 163,518 Thousands). The management believes that none of the bank guarantees will be encashed by any of the customers.

- The Honourable Supreme Court, has passed a decision on 28th February, 2019 in relation to inclusion of certain allowances within the scope of "Basic wages" for the purpose of determining contribution to provident fund under the Employees' Provident Funds & Miscellaneous Provisions Act, 1952. The Company, based on legal advice, is awaiting further clarifications in this matter in order to reasonably assess the impact on its financial statements, if any. Accordingly, the applicability of the judgement to the Company, with respect to the period and the nature of allowances to be covered, and resultant impact on the past provident fund liability, cannot be reasonably ascertained, at present.

36. Capital and other commitments:

S.NO.	PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
a)	Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	Nil	Nil
b)	Estimated amount of contracts remaining to be executed on other than capital account and not provided for (net of advances)	Nil	Nil

37. Remuneration paid to auditors:

PARTICULARS	2018- 2019	AS AT MARCH 31, 2018
Statutory audit/Limited review	1,969	1,507
Certification	205	305
Reimbursement of expenses	441	422
TOTAL	2,615	2,234

38. Details of dues to micro and small enterprises as per MSMED Act, 2006 to the extent of information available with the Group

S. NO.	PARTICULARS	2018-19	2017-18
a)	Principal amount and Interest due thereon remaining unpaid to any supplier as at end of each accounting year	6,231	9,367
b)	Interest paid by the Company in terms of Section 16 of the MSMED Act along with the amounts of the payment made to the supplier beyond the appointed day during the accounting year.	-	-
c)	The amount of interest due and payable for the year of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under this Act	-	-
d)	The amount of interest accrued and remaining unpaid	-	-
e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of this Act.	-	-
	TOTAL	6,231	9,367

39. Segment Information

(i) **General Disclosure**

The segment reporting of the Company has been prepared in accordance with Ind AS-108, "Operating Segment" (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015). For management purposes, the Group is organized into business units based on its products and services and has two reportable segments as follows:

a) Operating segment

- Manufacturing of equipments
- Engineering design services

b) Identification of Segments

The Board of Directors monitors the operating results of its business segments separately for the purpose of making decisions about resource allocation and performance assessment. Segment performance is evaluated based on profit or loss and is measured consistently with profit or loss in the financial statements. Operating segments have been identified on the basis of the nature of product / services and have been identified as per the quantitative criteria specified in the Ind AS.

Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the segment. Revenue and expenses which relate to enterprise as a whole and are not allocable to a segment on reasonable basis have been disclosed as "Unallocable".

Segment assets and segment liabilities represent assets and liabilities in respective segments. Assets and liabilities that can not be allocated to a segment on reasonable basis have been disclosed as unallocable.

(ii) Summary of Segmental Information

S.NO.	PARTICULARS	YEAR ENDED MARCH 31, 2019	YEAR ENDED MARCH 31, 2018
1.	**Segment Revenue (Gross)**		
a)	Manufacturing of equipments	7,55,625	4,57,359
b)	Engineering design services	13,51,424	11,64,927
	TOTAL	**21,07,049**	**16,22,286**
	Less: Inter Segment Revenue	-	1,150
	Total income from operations (net)	21,07,049	16,21,136
2.	**Segment Results**		
	Profit (+)/Loss(-) before interest and tax from each segment		
a)	**Manufacturing of equipments**	1,16,252	53,232
b)	**Engineering design services**	54,182	(38,510)
	TOTAL	**1,70,434**	**14,722**
	Add: Exceptional Item		
	Less: Interest	18,176	34,059
	Total Profit before tax	1,52,258	(19,337)
	Total Profit/(loss) before tax from discontinued operation	-	**(74,771)**
		YEAR ENDED MARCH 31, 2019	**YEAR ENDED MARCH 31, 2018**
3.	**Segment assets**		
	Manufacturing of equipments	8,92,332	10,40,108
	Engineering design services	10,54,887	9,06,918
	Total segment assets	**19,47,219**	**19,47,026**
	Less: Inter segment assets	-	(1,191)
	Add: Unallocable assets	4,48,625	4,48,625
	Total assets	**23,95,844**	**23,94,460**
	Segment liabilities		
a)	Manufacturing of equipments	1,81,416	4,22,371
b)	Engineering design services	4,05,105	2,88,772
	Total segment liabilities	**5,86,521**	**7,11,143**
	Less: Inter segment liabilities	-	(1,191)
	Add: unallocable liabilities	-	-
	Total liabilities	**5,86,521**	**7,09,952**
4	**Revenues from sale of products to external customers**	-	-
	India	17,91,629	13,22,636
	Outside India	3,46,725	3,26,145

5. Segment assets

Total of non-current assets other than Ðfinancial instruments, investment in subsidiaries, joint ventures and associate and deferred tax assets broken down by location of the assets, is shown below:

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
India	6,71,901	6,62,954
Outside India	6,270	16,785

6. Information about major customers:

Revenue from customers contributing more than 10.0% of company's revenue is Rs 10,00,272 thousands.

40. Gratuity and other post employment benefit plans

Gratuity

Gratuity (being partly administered by a Trust) is computed as 15 days salary, for every recognized retirement / termination / resignation. The Gratuity plan for the company is a defined benefit scheme where annual contributions as per actuarial valuation are charged to the Statement of profit and loss.

The Provident Fund is a defined contribution scheme whereby the company deposits an amount determined as a fixed percentage of basic pay with the Regional Provident Fund Commissioner.

The Company also has a leave encashment scheme with defined benefits for its employees. The Company makes provision for such liability in the books of accounts on the basis of year end actuarial valuation. No fund has been created for this scheme.

For summarizing the components of net benefit expense recognized in the statement of profit and loss and the funded status and amounts recognized in the balance sheet for the respective plans, the details are as under

A. Statement of profit and loss

Net employee benefit expense

PARTICULARS	2018-19		2017-18	
	GRATUITY (FUNDED)	LEAVE ENCASHMENT	GRATUITY (FUNDED)	LEAVE ENCASHMENT
Current Service cost	4,709	2,816	9,627	13,122
Net Interest cost	2,165	688	2,749	565
Expected return on plan assets	(184)	-	(264)	-
Net actuarial (gain) / loss to be recognized	(2,002)	(350)	(3,576)	(264)
Past service cost (vested benefits)	-	-	2,596	(191)
Expenses recognized in the statement of profit & loss	**4,689**	**3,153**	**11,132**	**13,232**

B. Balance Sheet

(i) Details of plan assets/ (liabilities) for gratuity and leave encashment

PARTICULARS	2018-19		2017-18	
	GRATUITY (FUNDED)	LEAVE ENCASHMENT	GRATUITY (FUNDED)	LEAVE ENCASHMENT
Defined benefit obligation	57,755	15,114	60,179	10,926
Fair value of plan assets	17,521	-	23,215	-
Net liability recognized in the Balance Sheet	40,234	15,114	36,964	10,926

(ii) Changes in the present value of the defined benefit obligation are as follows:

PARTICULARS	2018-19		2017-18	
	GRATUITY (FUNDED)	LEAVE ENCASHMENT	GRATUITY (FUNDED)	LEAVE ENCASHMENT
Opening defined benefit obligation	63,107	10,879	73,768	10,709
Interest cost	3,451	688	4,256	565
Current service cost	4,709	2,816	9,627	13,122
Past service cost (vested benefits)	-	-	2,596	(191)
Benefit paid	(11,555)	(2,101)	(21,837)	(13,015)
Actuarial (gains)/losses on obligation	(1,957)	(351)	(5,303)	(264)
Closing defined benefit obligation	57,755	11,931	63,107	10,926

(iii) Changes in the fair value of plan assets (gratuity) are as follows:

PARTICULARS	2018-19	2017-18
Opening fair value of plan assets	23,215	28,361
Actual return on Plan Assets	1,470	1,771
Contribution during the year	3,676	14,125
Benefit paid	(10,761)	(21,025)
Actuarial gains / (losses) on plan asset	(79)	(18)
Closing fair value of plan assets	17,521	23,215

(iv) The principal assumptions used in determining gratuity obligations for the Group's plans are shown below:

PARTICULARS	2018-19 %	2017-18 %
Discount rate	7.0 to 8.0	7.0 to 8.0
Expected salary increase	5.0 to 8.0	5.0 to 8.0
Demographic Assumptions		
Retirement Age (year)	58.0 / 60.0	58.0 / 60.0
Mortality rates inclusive of provision for disability	100.0 of IALM (2006 - 08)	100.0 of IALM (2006 - 08)
Attrition rate	10.0	8.0 to 20.0

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market. The above information is certified by Actuary.

(v) Contribution to defined contribution plans:

PARTICULARS	2018-19	2017-18
Provident fund	14,971	25,281

(vi) Sensitivity analysis of the defined benefit obligation:

PARTICULARS	2018-19		2017-18	
	GRATUITY (FUNDED)	LEAVE ENCASHMENT	GRATUITY (FUNDED)	LEAVE ENCASHMENT
Impact of the change in discount rate				
Impact due to increase of 0.5%	16,362	5,281	20,339	5,892
Impact due to decrease of 0.5%	(17,388)	(5,565)	(21,494)	(6,219)
Impact of the change in salary increase				
Impact due to increase of 0.5%	17,418	5,568	21,529	6,222
Impact due to decrease of 0.5%	(16,328)	(5,277)	(20,301)	(5,887)

Sensitivities due to mortality & withdrawals are insignificant & hence ignored.

(vii) Other comprehensive income (OCI):

PARTICULARS	2018-19		2017-18	
	GRATUITY (FUNDED)	LEAVE ENCASHMENT	GRATUITY (FUNDED)	LEAVE ENCASHMENT
Actuarial (gain)/loss for the year on PBO	(8,390)	(4,105)	(5,303)	(743)
Actuarial (gain)/loss for the year on plan asset	79	-	18	-
Unrecognized actuarial (gain)/loss at the end of the year	-	-	-	-
Total actuarial (gain)/loss at the end of the year	(8,311)	(4,105)	(5,285)	(743)

41. Related Party Transaction

a) List of Related Parties

i. Holding company

Renaissance Advanced Consultancy Ltd

ii. Key Management Personnel of the Company

NAME	STATUS
Mr. Abhishek Dalmia	Executive Chairman
Mr. S. Hariharan	Whole Time Director & CFO (till 08.06.2018)
Mr. Sunil Puri	CEO & Executive Director (till 10.11.2018)
Mr. M.N. Srinivasan	Company Secretary (till 29.07.2018)
Mr. R. Sudhir	Chief Financial Officer (w.e.f. 09.06.2018)
Mr. K. Maheswaran	Company Secretary (w.e.f. 19.12.2018)

iii Relatives of Key Management personnel

NAME	RELATION	STATUS
Ms. Deepali Dalmia	Wife	Director
Mr. Chaitanya Dalmia	Brother	Director till 31.03.2018

iv. Enterprises having Shareholder/ Key Managerial Personnel in common with the Company (including its subsidiaries)
Renaissance stocks limited
SWBI Design Informatics Private Limited
Semac Construction Technologies India LLP (SCTILLP), formerly Renaissance Construction Technologies India LLP (RCTILLP)

v. Enterprises where Key managerial personnel or their relatives have significant influence:
- Semac Construction Technologies India LLP (SCTILLP), formerly Renaissance Construction Technologies India LLP (RCTILLP)
- SWBI Design Informatics Private Limited
- Semac Consultants Private Limited

b) The following transactions were carried out with related parties in the ordinary course of business:

NATURE OF RELATIONSHIP	NAME OF RELATED PARTY	NATURE OF TRANSACTION	FOR THE YEAR ENDED	
			31-Mar-19	**31-Mar-18**
Key Management Personnel	Mr. Abhishek Dalmia	Salary & Perquisites	7,500	7,500
	Mr. S. Hariharan		1,391	5,405
	Mr. Sunil Puri-CEO		4,294	6,220
	Mr. R. Sudhir-CFO		2,125	-
	Mr. M.N.Srinivasan-CS		637	1,822
	Mr. K. Maheswaran-CS		204	-
Relatives of Key Management personnel	Ms. Deepali Dalmia	Sitting fees	200	200
	Mr. Chaitanya Dalmia	Sitting fees	-	200
Enterprises where Key managerial personnel or their relatives have significant influence	Semac Construction Technologies India LLP	Professional fees/ reimbursement of expenses (Income)	2,561	-
	Semac Construction Technologies India LLP	Professional fees / reimbursement of expenses (Expense)	1,23,063	1,03,587
	SWBI Design Informatics Private Limited	Office Rent, Maintenance, Power & Utility	5,575	-
		Security Deposit for rent & maintenance given	2,967	-
Subsidiaries, Associates and Joint Venture of the Company	Renaissance Advanced Consultancy Limited	Interest paid	-	37

c) Balances outstanding at year end:

NATURE OF RELATIONSHIP	NAME OF RELATED PARTY	NATURE OF TRANSACTION	FOR THE YEAR ENDED	
			31-Mar-19	31-Mar-18
Enterprises where Key managerial personnel or their relatives have significant influence	Semac Construction Technologies India LLP	Trade Receivable	2,158	5,671
		Trade Payable	6,447	5,633
	SWBI Design Informatics Private Limited	Office Rent, Maintenance, Power & Utility Payable	137	-
		Security Deposit for rent & maintenance recoverable	2,967	-
Joint Venture of the Company	Semac Qatar WLL	Loans	-	862
		Provision for Diminution	-	(862)
		Net Amount	-	-
		Trade receivables	-	188
		Provision for Doubtful Debts	-	(188)
		Net Amount	-	-
		Investments	-	1,172
		Less: Provision	-	(1,172)
		Net Amount	-	-

42. Leases

(a). Payments recognised as expense

PARTICULARS	2018-19	2017-18
Minimum lease payment	27,718	25,852

(b) Non-cancellable operating lease commitments

All the operating lease arrangements are cancellable, having a lease period of 3-5 years and are usually renewable by mutual consent on mutually agreeable terms.

43. Discontinued operations

The directors of the Holding Company at its meeting held on June 09, 2013 has decided to discontinue the operations of Construction Equipment Division w.e.f. March 31, 2015.
a) Considering the market condition of construction equipment business (CED), the manufacturing facilities at Chennai were downsized and shifted both manufacturing and service resources located at Chennai to Coimbatore in previous years. Assets pertaining to said division at Chennai having written down value of Rs 82,500 thousands on March 31, 2018 comprising of lease hold land, building, plant and machinery, office equipment etc as disclosed in note 12 are therefore meant for disposal and necessary steps in this respect are being taken. Adjustment, if any, with respect to value realisable there against will be carried out as and when ascertained.

b) In view of above, certain inventories being becoming non usable and surplus had been written off and provision against remaining items against expected loss in value thereof as per the Management's estimate had been made in earlier years.

The carrying amounts of assets and liabilities of discontinuing operations are as follows:

PARTICULARS	2018-19	2017-18
Total Assets (Refer Note 12)	-	82,500
Total Liabilities (Refer Note 12)	-	-
Net Assets	-	82,500

The net cash flows attributable to discontinuing operations are as follows:

PARTICULARS	2018-19	2017-18
Operating	-	(4,875)
Investing	-	-
Financing	-	-
Net cash inflows/(Outflows)	-	(4,875)

The amount of revenue and expenses in respect of discontinuing operations are as follows:

PARTICULARS	2018-19	2017-18
Net Sales	-	461
Other Income	-	-
Total Expenses	-	(5,336)
Finance Cost	-	-
Profit before tax and exceptional items	-	(4,875)
Exceptional Items - Impairment of assets	-	(69,895)
Profit before tax	-	(74,771)
Tax expenses	-	-
Profit after tax	-	**(74,771)**

44. Disclosures as required by Indian Accounting Standard (Ind AS) 37:- Provisions, Contingent liabilities and Contingent assets :

There are no present obligations requiring provisions in accordance with the guiding principles as enunciated in Ind As 'Provisions, Contingent Liabilities & Contingent Assets except as given under

Due to ongoing legal proceeding with the Semac Qatar W.L.L. , a joint venture with a controlling share of 49.0 %, the company has created the provision for the loan and receivables in accordance with the requirement of Ind AS 37.

45. Research & development expenditure

EXPENSES	2018-19	2017-18
Salary & wages	10,566	12,980
Consumables Stores	1	81
Power	127	129
Repair & maintenance	1,477	1,028
Insurance	-	88
Travel & conveyance	874	1,106
Legal & professional expenses	350	443
Stationery expenses	333	162
Postage & telephone expenses	56	74
Books and periodicals	38	36
Product development expenses	15,791	409
TOTAL	**29,613**	**16,535**

46. Impairment review

(a) Assets are tested for impairment whenever there are any internal or external indicators of impairment. Impairment test is performed at the level of each Cash Generating Unit ('CGU') or groups of CGUs within the Company at which the assets are monitored for internal management purposes, within an operating segment. The impairment assessment is based on higher of value in use and value from sale calculations. During the year, the testing did not result in any impairment in the carrying amount of other assets. The measurement of the cash generating units' value in use is determined based on financial plans that have been used by management for internal purposes. The planning horizon reflects the assumptions for short to- mid-term market conditions.

During the previous year ended March 31, 2018, the testing results in an impairment in the carrying amount of assets of entity's Construction Equipment Division which had been classified as a discountinued operation w.e.f. 31st March 2015. Consequentially an impairment loss of Rs 699 lakhs has been reognised in Statement of Profit & Loss Account under Profit & Loss from discontinued operation.

Key assumptions used in value-in-use calculations are:-

(i) Operating margins (Earnings before interest and taxes), (ii) Discount Rate, (iii) Growth Rates and (iv) Capital Expenditure

(b) In the opinion of the Board and to the best of their knowledge & belief, the value on realisation of loans, advances & current assets in the ordinary course of business will not be less than the amount at which they are stated in the Balance Sheet.

47. Information related to Consolidated financial statements

The Holding Company is listed on stock exchange in India. The Holding Company has prepared consolidated financial statements as required under IND AS 110, Sections 129 of Companies Act, 2013 and listing requirements. The consolidated financial statements is available on Holding Company's web site for public use.

48. Events occurring after the balance sheet date

No adjusting or significant non adjusting events have occurred between the reporting date and date of authorization of financial statements

49. All amounts including those in contingent liabilities and notes have been expressed **in Rupees thousand rounded off to the nearest thousands**. Figures less than Rupees five hundred which are required to be shown separately have been shown at actuals in double bracket.

50. Financial risk management

Financial risk factors

The Company's operational activities expose to various financial risks i.e. market risk, credit risk and risk of liquidity. The Company realizes that risks are inherent and integral aspect of any business. The primary focus is to foresee the unpredictability of financial markets and seek to minimize potential adverse effects on its financial performance. The Company's senior management oversees the management of these risks and devise appropriate risk management framework for the Company. The senior management provides assurance that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives

A Market risk:

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. The Company is exposed to the risk of movements in interest rates, inventory price and foreign currency exchange rates that affects its assets, liabilities and future transactions. The Company is exposed to following key market risks:

i Interest Rate Risk :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's borrowings obligations in the nature of cash credit.

PARTICULARS	FIXED RATE BORROWING	VARIABLE RATE BORROWING	TOTAL BORROWING
As at March 31, 2019	1,523		1,523
As at March 31, 2018	641	2,63,071	2,63,712

Sensitivity analysis - For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year.

Sensitivity on variable rate borrowings

PARTICULARS	IMPACT ON PROFIT & LOSS	
	FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
Interest rate increase by 0.25%	-	(657.68)
Interest rate decrease by 0.25%	-	657.68

II. Foreign currency risk :

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Foreign trade receivables and payables.

The details of foreign currency exposure is as follows:

PARTICULARS	TRADE RECEIVABLE		TRADE PAYABLES	
	FC	₹	FC	₹
Unhedged foreign currency exposures				
Foreign Exposure as at 31st March 2019				
US Dollars	1,38,324	59,928	5,31,330	44,418
Euro	-	-	87	3,540
Foreign Exposure as at 31st March 2018				
US Dollars	1,23,468	57,418	2,31,927	21,820
Euro	-	-	3,269	3,893

Rate Sensitivity

Sensitivity analysis is computed based on the changes in the income and expenses in foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting period and the current reporting period.

PARTICULARS	INCREASE / DECREASE IN BASIS POINTS	IMPACT ON STATEMENT OF PROFIT AND LOSS	
		FOR THE YEAR ENDED MARCH 31, 2019	FOR THE YEAR ENDED MARCH 31, 2018
USD Sensitivity	+ 50 basis points	1.14	17.80
	- 50 basis points	(1.14)	(17.80)
Euro Sensitivity	+ 50 basis points	(0.23)	(1.95)
	- 50 basis points	0.23	1.95

* Holding all other variable constant

B. Credit risk:

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables and advances to suppliers) and from its financing activities, including deposits and other financial instruments.

To manage this, Company periodically assesses the financial reliability of customers, taking into account factors such as credit track record in the market and past dealings with the Company for extension of credit to customer Company monitors the payment track record of the customers. Outstanding customer receivables are regularly monitored. An impairment analysis is performed at each quarter end on an individual basis for major customers. In addition, a large number of minor receivables are grouped into homogenous groups and assessed for impairment collectively. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company evaluates the concentration of risk with respect to trade receivables as low, the trade receivables are located in several jurisdictions and operate in largely independent markets.

The ageing of trade receivable is given below:

PARTICULARS	AS AT MARCH 31, 2019		AS AT MARCH 31, 2018	
	UPTO 6 MONTHS	MORE THAN 6 MONTHS	UPTO 6 MONTHS	MORE THAN 6 MONTHS
Gross carrying amount (A)	5,97,152	2,72,141	3,00,738	3,04,698
Expected credit losses (B)	-	(36,898)	(15,217)	(817)
Net Carrying Amount (A-B)	**5,97,152**	**2,35,242**	**2,85,521**	**3,03,881**

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved authorities. Credit limits of all authorities are reviewed by the management on regular basis. All balances with banks and financial institutions is subject to low credit risk due to good credit ratings assigned to the Company. The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2019 and March 31, 2018 is the carrying amounts.

C. Liquidity risk:

The risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities that are settled by delivering cash or another financial asset. The Company's cash flow is a mix of cash flow from collections from customers on account of sale of drill equipments & engineering services. The other main component in liquidity is timing to call loans/ funds and optimization of repayments of loans installment, interest payments.

Table hereunder provides the current ratios of the Company as at the year end.

PARTICULARS	AS AT MARCH 31, 2019	AS AT MARCH 31, 2018
Total current assets	15,57,489	15,07,859
Total current liabilities	4,79,611	6,53,788
Current ratio	3.25	2.31

51. Financial Instrument - Disclosure

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are recognised and measured at fair value. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Financial assets

SL. NO	PARTICULARS	NOTE	FAIR VALUE HIERARCHY	AS AT MARCH 31, 2019		AS AT MARCH 31, 2018	
				CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
1.	**Financial asset at FVTPL**						
	CURRENT						
	Investments in Mutual Funds		-	-	-	-	-
2.	**Financial asset at FVTOCI**	B					
	NON CURRENT						
	Investments in equity shares						
	Quoted		Level 1	36	36	36	36
	Unquoted		Level 2	670	670	670	670
3.	**Financial assets designated at Amortised cost**	D					
	NON CURRENT						
a)	Investment in Debentures			-		-	
b)	Loans		Level 2	14,171		16,147	
c)	Others Financial Asset		Level 2	4,998		2,183	
	CURRENT						
a)	Trade receivables		Level 2	4,90,571		5,89,402	
b)	Cash and cash equivalents		Level 2	2,28,509		2,42,939	
c)	Bank Balances		Level 2	89,791		1,03,617	
d)	Loans		Level 2	45,079		75,192	
e)	Others Financial Asset		Level 2	33,713		44,589	
	TOTAL			9,07,538	706	10,74,775	706

Financial liabilities

SL. NO	PARTICULARS	NOTE	FAIR VALUE HIERARCHY	AS AT MARCH 31, 2019		AS AT MARCH 31, 2018	
				CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
1.	**Financial liability designated at amortised cost**	D					
	NON CURRENT						
a)	Borrowings		Level 2	38		353	
b)	Other Financial Liability		Level 2	60,395		8,390	
	CURRENT						
a)	Borrowings		Level 2	-		2,63,071	
b)	rade payables*		Level 2	2,38,249		2,05,151	
c)	Other financial liabilities		Level 2	41,630		88,260	
	TOTAL			**3,40,312**	-	**5,65,225**	-

The fair value of financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

A Company has opted to fair value its Financial asset through profit & loss

B Company has opted to fair value its financial asset through OCI

C As per Para D-15 of Appendix D of Ind AS 101, the first time adopter may chose to measure its investment in subsidiaries, JVs and Associates at cost or at fair value. Company has opted to value its investments in subsidiaries, JVs and Associates at cost.

D Company has adopted effective rate of interest for calculating Interest. This has been calculated as the weighted average of effective interest rates calculated for each loan. In addition processing fees and transaction cost relating to each loan has also been considered for calculating effective interest rate.

*** The carrying amounts are considered to be the same as their fair values due to short term nature.**

Fair value hierarchy

Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Inputs other than quoted prices included within 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 assets or liabilities that are not based on observable market data (unobservable inputs).

52. Capital Management

"For the purpose of the Group's capital management, equity includes issued equity capital, securities premium and all other equity reserves attributable to the equity shareholders and net debt includes interest bearing loans and borrowings less current investments and cash and cash equivalents. The primary objective of the Company's capital management is to safeguard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to shareholders through continuing growth.

The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. The funding requirement is met through a mixture of equity, internal accruals, long term borrowings and short term borrowings. The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt.

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements."

53. Additional information as required by paragraph 2 of the general instructions for preparation of consolidated financial statements to Schedule III to the Companies Act, 2013

NAME OF ENTITY	MARCH 31, 2019				MARCH 31, 2018			
	NET ASSETS, I.E., TOTAL ASSETS MINUS TOTAL LIABILITIES		SHARE IN PROFIT OR LOSS		NET ASSETS, I.E., TOTAL ASSETS MINUS TOTAL LIABILITIES		SHARE IN PROFIT OR LOSS	
	AS % OF CONSOLI-DATED NET ASSETS	AMOUNT	AS % OF CONSOL-IDATED PROFIT OR LOSS	AMOUNT	AS % OF CONSOL-IDATED NET ASSETS	AMOUNT	AS % OF CONSOL-IDATED PROFIT OR LOSS	AMOUNT
Parent Subsidiary Indian								
Semac Consultants Private Limited	24.6	4,44,562	1.1	1,606	16.3	3,90,670	35.4	(31,691)
Parent Subsidiary foreign								
Semac & Partners LLC	11.3	2,05,217	18.1	25,838	7.2	1,72,929	-4.1	3,680
Minority Share Holders	11.0	1,99,172	15.6	22,290	7.4	1,76,882	4.1	(3,705)

54. The audited GST return for the year ended March 31, 2018 is pending for the filing as competent authority has extended the date of filing till June 30, 2019. The company is in process of reconciling the data of GSTR 2A with GSTR 3B. In view of the management on final reconciliation the impact will not be material.

55. Previous year's figures have been regrouped/re-classified wherever necessary to make them more comparable to current year.

As per our report of even date
For **S.S. KOTHARI MEHTA & COMPANY**
Chartered Accountants
FRN: 000756N

AMIT GOEL
Partner
Membership No: 500607

For and on behalf of the Board of Directors of **Revathi Equipment Limited**

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

DEEPALI DALMIA
Director
DIN: 00017415

SUDHIR. R
Chief Financial Officer

K. MAHESWARAN
Company Secretary

PLACE: BANGALORE
DATE: MAY 29, 2019

GREEN INITIATIVE REQUEST

Dear Shareholder, Date: 08.08.2019

Sub: Help us preserve our planet for future generations

We wish to inform you that Pursuant to Section 20, 101, 136 and other applicable provisions of the Companies Act, 2013 read with relevant Rules made there under, the companies can send various documents including notice calling Annual General Meeting, directors report and financial statements (annual report) through electronic mode to the email address/address of the shareholders as registered with the company/share transfer agent or Depository participants (DP) of the shareholders.

As a company, we would like to save paper as far as possible. As our partners in progress, we request you as shareholders to join us in this journey of preserving our planet's health for our future generations.

Towards achieving the above, we would like to send all the documents, required to be sent to shareholders directly to your email address.

Kindly note, shareholders holding 90.0% shares have already given us their email addresses and are getting notice calling Annual General Meeting, financial statements, etc. through electronic mode from us.

In case you have not yet provided us with your email address, we request you to kindly register your email address with our Registrar and Share Transfer Agent – S.K.D.C. Consultants Ltd by sending through email to info@skdc-consultants.com or by post by filling in the following format:

S.K.D.C. Consultants Ltd
Unit: Revathi Equipment Ltd.
Kanapathy Towers, 3rd Floor, 1391/A1, Sathy Road, Ganapathy, Coimbatore – 641 006
Phone: +91 422 4958995, 2539835-836

In case of you hold shares in physical mode
Name of the shareholder:
Folio No:
Email id.:
Contact/ Mobile No:
In case of you hold shares in Demat mode, kindly validate your email address with your DPs

Members holding shares in physical form are also requested to convert their holdings to dematerialized form to eliminate all risks associated with physical shares. Kindly note that shareholders holding 97.8% have already dematerialized their shares. We are aiming to reach 100.0% dematerialization during this year. Please do extend your support.
We keenly look forward to your cooperation in this initiative.

Yours faithfully
For Revathi Equipment Limited

K. Maheswaran
Company Secretary & Compliance Officer

SEMAC

ABOUT SEMAC

Semac is one of the oldest Architectural and Engineering Design firms set up in 1969 in Bangalore. We have done extensive work on industrial projects for clients such as Suzuki Motor Gujarat, Hero Motocorp, Bajaj Auto, Coca Cola, Nestle, Amazon, ITC, Wipro, Tata Communications, etc.

OUR WORK

We offer one stop solution for ASMEPF (Architectural, Structural, Mechanical, Electrical, Plumbing, Fire suppression, Air conditioning, IT systems, access control, security systems, etc.) services. Over the five decades, we have worked with Indian as well as multinational clients on projects located in India and abroad. We have over 300 people handling various disciplines, working out of six offices spread across India (Mumbai, New Delhi, Hyderabad, Bangalore) and Middle East (Muscat and Dubai). Our corporate profile can be accessed here.

DESIGN BUILD

A few years ago, leveraging our vast experience of executing industrial projects, we started a Design Build vertical. We have done projects for companies like AT&S, Tyco, Omya, Esco Couplings, Ashirvad Aliaxis, etc. We offer a turnkey solution, wherein the client need not worry about coordination with multiple agencies to execute their project on time and on budget. We think of ourselves as the outsourced Projects Team for our esteemed clients.

OUR CLIENTS

Hero
BAJAJ
ASHOK LEYLAND
ITC
ashirvad PIPES
SUZUKI
TOYOTA
HONDA
Nestle
Aliaxis
CEAT
Motherson Sumi Systems Limited
nbc
Coca-Cola
AT&S
Haldiram's
TATA
TATA CONSULTANCY SERVICES
adani SOLAR
esco
DANONE ONE PLANET. ONE HEALTH
ROQUETTE Riddhi Siddhi
TELANGANA STATE POLICE
DRDO
OMYA
MOTHER DAIRY
Schreiber Dynamix
DRDO
India Exposition Mart Ltd.
IGP Industrial Guar Products
ENCORE Natural Polymers
INDOSPACE INDUSTRIAL & LOGISTICS PARKS
MODIGUARD
RAJRATAN OUTPERFORM

LM WIND POWER
a GE Renewable Energy business

LM WIND (NOW GE)BENGALURU, BARODA

Construction of wind mill blades manufacturing unit
Built-up area: 80,000 and 163,000 square feet respectively

REGISTERED OFFICE :
REVATHI EQUIPMENT LIMITED
CIN NO. L29120TZ977PLC000780

MALUMACHAMPATTI POST, POLLACHI ROAD, COIMBATORE 641 050
T: 0422 6655100 | F: 0422 6655199 | E: compliance.officer@revathi.in