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**

01-09-2020

Dear Sir / Madam,

Sub: Submission of Annual Report for the year 2019 – 20.

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 2019 -20 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 43rd Annual General Meeting of the Shareholders of the Company will be held on Friday, the 25th day of September, 2020 at 2.00 p.m at through video conferencing ('VC') / Other Audio Visual Means ("OAVM") to transact the following business(es):

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, 2020, 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.
3. To re-appoint the Auditors and to fix their remuneration and in this regard to pass the following resolution as an **Ordinary Resolution**:

   RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s), clarification(s) or re-enactment(s) thereof for the time being in force), M/s. S.S. Kothari Mehta & Co., Chartered Accountants, New Delhi, (having Firm Registration No. 000756N) be and are hereby re-appointed as the Statutory Auditors of the company, to hold office for a period of 5 years from the conclusion of this 43rd Annual General Meeting till the conclusion of the 48th Annual General Meeting of the Company which ought to be held in the year 2025, on a remuneration as may be decided by the Board of Directors of the Company in consultation with the Auditors.

Special Business:

4. 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 reappointment of Mr. Abhishek Dalmia (DIN 00011958) as Chairman and Managing Director of the Company for a further period of 5 (Five) consecutive years with effect from 1st April, 2021 on the terms and conditions of the agreement as recommended by the Nomination and Remuneration Committee and approved by the Audit Committee and Board of Directors at their meeting held on 14th August, 2020, which has been set out in the explanatory statement.

   RESOLVED FURTHER THAT the salary and perquisites as mentioned in explanatory statement shall be the minimum remuneration payable to the Chairman and Managing Director in the absence of inadequacy of profits in the financial year.

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

   RESOLVED THAT pursuant to the provisions of Section 161 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder and the Articles of Association of the Company, Mr.Harivansh Dalmia (DIN: 08750555) who was co-opted as an Additional Director of the Company by the Board of Directors, to hold office with effect from 15th June, 2020 and in respect of whom the Company has

received a notice from a member signifying his intention to propose Mr.Harivansh Dalmia as a candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.

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

   RESOLVED THAT pursuant to Section 185 and all other applicable provisions of the Companies Act, 2013 read with Companies (Amendment) Act, 2017 and Rules made thereunder as amended from time to time, and in line with the approval already accorded by the shareholders of the Company under Section 186 of the Act vide resolution dated 26th March, 2020, the consent of the members of the Company be and is hereby accorded to authorize the Board of Directors of the Company to advance any loan including any loan represented by a book debt, or give any guarantee or provide any security in connection with any loan taken by any entity which is a subsidiary or associate or joint venture of the Company, (in which any director is deemed to be interested) upto an aggregate limit of Rs.100 Crores (Rupees One Hundred Crores) in their absolute discretion deem beneficial and in the interest of the Company, provided that such loans are utilized by the borrowing company for its principal business activities.

   RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors of the Company be and are hereby authorised to do all acts, deeds and things in their absolute discretion that may be considered necessary, proper and expedient or incidental for the purpose of giving effect to this resolution in the interest of the Company.

STATMENT UNDER SECTION 102 OF THE COMPANIES ACT, 2013

ITEM NO: 4

In terms of the Companies Act, 2013 and Rules made thereunder, Mr. Abhishek Dalmia (DIN: 00011958) Executive Chairman of the Company was appointed for a period of five years with effect from 1st April, 2016 and his term of office will come to end on 31st March, 2021.

Further, Mr. Abhishek Dalmia has expressed his willingness to continue as Chairman and Managing Director of the company for further period of 5 consecutive years.

Based on the recommendations of the Nomination and Recommendation Committee and subject to the approval of members, the Board of Directors of the Company at its meeting held on 14th August, 2020, approved re-appointment of Mr.Abhishek Dalmia (DIN : 00011958) as Chairman and Managing Director for a term of 5 consecutive years effective from 01st April, 2021 until 31st March, 2026 with the below terms and conditions for payment of remuneration for a period of three years upto 31st March, 2024:

PERIOD OF REMUNERATION:

The remuneration as set out below shall be for a period of 3 years from 01.04.2021 to 31.03.2024.

BASIC SALARY:

Rs.3,80,064/- (Rupees Three Lakhs Eighty Thousand and Sixty Four) p.m. shall be paid as Basic Salary with effect from April 1, 2021 with authority to the Board of Directors (which expression shall include a Committee thereof) to revise the basic salary from time to time taking into account the performance of the Company.

ALLOWANCES / PERQUISITES:

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

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 Chairman and Managing Director 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 Chairman and Managing Director 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 salary and perquisites mentioned above shall be the minimum remuneration payable to the Chairman and Managing Director in the absence of inadequacy of profits in the financial year.

In view of the qualification, experience, past performance, increased responsibilities and time spent by Mr.Abhishek Dalmia (DIN : 00011958), Chairman and Managing Director 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 Chairman and Managing Director 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 14th August, 2020 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, Chairman and Managing Director 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. 4 of the Notice for your approval.

Except Mr.Abhishek Dalmia being the appointee, Mrs. Deepali Dalmia and Mr. Harivansh Dalmia being the relatives 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. 4 of this notice.

ITEM NO. 5

The Board of Directors, on the recommendation of the Nomination and Remuneration Committee, at their meeting held on 15th June 2020 appointed Mr.Harivansh Dalmia (DIN: 08750555) as an Additional Director of the Company with effect from 15th June 2020. In accordance with the provisions of Section 161(1) of the Companies Act, 2013, he holds office as Director of the Company up to the date of this Annual General Meeting.

Brief profile of Mr.Harivansh Dalmia and his other directorships has been included in this Notice.

Further, a notice has been received from a member signifying his intention to propose Mr.Harivansh Dalmia as a candidate for the office of Director of the Company.

The Board considers that his continued association would be of immense benefit to the Company and it is desirable to continue to avail his services as a Non-Executive Director of the Company.

The Board of Directors recommend the resolution set out in Item No. 5 of the Notice for the approval of the members of the Company.

Except Mr. Harivansh Dalmia being the appointee, Mr.Abhishek Dalmia and Mrs. Deepali Dalmia being the relatives of Mr.Harivansh 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. 5 of this notice.

ITEM NO. 6

The Company is expected to render support for the business requirements of other companies in the group, from time to time. However, owing to certain restrictive provisions contained in the Section 185 of the Companies Act, 2013, the Company was unable to extend financial assistance by way of loan, guarantee or security to other entities in the same Group. In the light of amendments notified effective May 7, 2018, inter-alia replacing the provisions Section 185 of Companies Act, 2013, the Company with the approval of members by way of special resolution, would be in a position to provide financial assistance by way of loan to other entities in the group or give guarantee or provide security in respect of loans taken by such entities, for their principal business activities.

The members may note that, Board of Directors would carefully evaluate proposals and provide such loan, guarantee or security proposals through deployment of funds out of internal resources / accruals and / or any other appropriate sources, from time to time, only for principal business activities of the entities in the Group companies. Hence, in order to enable the company to advance loan to Subsidiaries/ Joint Ventures / associates/ other Companies/ Firms in which Directors are interested directly or indirectly under Section 185 of the Companies Act, 2013 requires approval of members by a Special Resolution.

The Board of Directors Recommend the Special Resolution for approval by the members. Except Mr. Abhishek Dalmia, being interested director and Mrs. Deepali Dalmia & Mr. Harivansh Dalmia being relatives 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.6 of this notice.

NOTES:

1. In view of the continuing Covid-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular No. 20 dated 5th May, 2020 read with circular no. 14 dated 8th April, 2020 and Circular No. 17 dated 13th April, 2020 (collectively referred to as "MCA Circulars") permitted the conduct of the Annual General Meeting ("AGM") through Video Conferencing (VC) / Other Audio Visual Means (OAVM), without the physical presence of the Members at a common venue. The deemed venue for the AGM shall be the Registered Office of the Company. In compliance with the provisions of the Companies Act, 2013 ("Act") and MCA Circulars, the AGM of the Company is being held through VC / OAVM. Members desirous of participating in the meeting through VC / OAVM, may refer to the procedures to be adopted as mentioned in Serial No.27 below.
2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice
3. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board resolution or governing body Resolution/Authorization etc., authorizing its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through its registered email address to mds@mdsassociates.in with a copy marked to the Company at compliance.officer@revathi.in and to its Registrar and Share Transfer Agents at info@skdc-consultants.com.
4. Pursuant to the provisions of Section 91 of the Companies Act, 2013, the Register of Members and Share Transfer Books of the Company will remain closed from 19/09/2020 to 25/09/2020 (both days inclusive).
5. The Company has entered into agreements with National Securities Depository Limited ("NSDL") and Central Depository Services (India) Limited ("CDSL"). The Depository System envisages the elimination of several problems involved in the scrip-based system such as bad deliveries, fraudulent transfers, fake certificates, thefts in postal transit, delay in transfers, mutilation of share certificates, etc. Simultaneously, Depository

System offers several advantages like exemption from stamp duty, elimination of concept of market lot, elimination of bad deliveries, reduction in transaction costs, improved liquidity, etc. Members, therefore, now have the option of holdings and dealing in the shares of the company in electronic form through NSDL or CDSL. Members are encouraged to convert their holding to electronic mode.

6. Securities and Exchange Board of India has mandated that the transfer of securities held in physical form, except in case of transmission or transposition, shall not be processed by the listed entities / Registrars and Share Transfer Agents with effect from 1 April, 2019. Therefore, members holding share(s) in physical form are requested to immediately dematerialize their shareholding in the Company. Necessary prior intimation in this regard was provided to the shareholders.
7. Change of Address: Members are requested to notify any change of address and bank details to their Depository Participants in respect of their holdings in electronic form and in respect of shares held in physical form, to M/s SKDC Consultants Limited, Kanapathy Towers, 3rd Floor, 1391/A-1, Sathy Road, Ganapathy, Coimbatore – 641006, the Registrar and Share Transfer Agent of the Company.
8. Non-Resident Indian ("NRI") Members are requested to inform the Company or its RTA or to the concerned Depository Participants, as the case may be, immediately:
   a. the change in the residential status on return to India for permanent settlement or
   b. the particulars of the NRE/NRO Account with a Bank in India, if not furnished earlier.
9. Pursuant to the provisions of Section 72 of the Companies Act, 2013, facility for making nomination is now to individuals holding shares in the Company. Members holding shares in physical form may obtain the nomination form from the RTA of the Company. Members holding shares in electronic form must approach their Depository Participant(s) for completing the nomination formalities
10. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to the Registrar and Share Transfer Agent, for consolidation into a single folio.
11. Members are requested to forward their communications in connection with shares held by them 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 by quoting the Folio No or the Client ID No with DP ID No.
12. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
13. A member who needs any clarification on accounts or operations of the Company shall write to the Company, so as to reach him at least 7 days before the meeting. The same will be replied by the Company suitably.
14. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12, 2020, Notice of the AGM along with the Annual Report for the financial year 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/Depositories. Members may note that the physical copy of the Annual Report will not be sent. Members may note that the Notice and Annual Report for the financial year 2019-20 will also be available on the Company's website www.revathi.in, websites of the Stock Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com and www.nseindia.com respectively, and on the website of Central Depository Services (India) Limited (CDSL) at www.evotingindia.com. Members can attend and participate in the Annual General Meeting through VC/ OAVM facility only.
15. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 (as amended), and MCA Circulars dated April 08, 2020, April 13, 2020 and May 05, 2020 the Company is providing facility of remote e-voting to its Members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with Central Depository Services (India) Limited (CDSL) for facilitating voting through electronic means, as the

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

16. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to at least 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.
17. The attendance of the Members attending the AGM through VC/OAVM will be counted for the purpose of ascertaining the quorum under Section 103 of the Companies Act, 2013.
18. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice
19. 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 the PAN to their Depository Participants with whom they are maintaining their demat account(s). Members holding shares in physical form can submit their PAN details to the Company or Registrar and Share Transfer Agent
20. Brief resume, details of shareholding and Directors' inter-se relationship of Directors seeking re-appointment / appointment in terms as required under Secretarial Standards 2, are provided as Annexure to this Notice.
21. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register/ update their e-mail address with the Company/RTA in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in electronic form in order to enable the Company to serve documents in electronic mode.
22. Annual financial statements and related details of the subsidiary companies are posted on the Company's website and is also kept for inspection at the Registered Office of the Company and at the subsidiary Company. A copy of the same will be provided to the members on request.
23. Soft copies the Register of Directors and Key Managerial Personal and their shareholding, maintained under Section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which Directors are interested, maintained under Section 189 of the Companies Act, 2013 will be available electronically. Members can inspect the same by sending an email to maheswaran@revathi.in.
24. **VOTING THROUGH ELECTRONIC MEANS**

    Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, (as amended) (including any statutory modification(s), clarifications, exemptions or re-enactments thereof for the time being in force), Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard on General Meetings (SS - 2), the Company is providing its Members with the facility to cast their vote electronically from a place other than venue of the Annual General Meeting ("remote evoting") using an electronic voting system provided by Central Depository Services (India) Limited (CDSL), for all members of the Company to enable them to cast their votes electronically, on all the business items set forth in the Notice of Annual General Meeting and the business may be transacted through such remote e-voting. The instructions to e-voting, as given below, explain the process and manner for casting of vote(s) in a secure manner.

    I. Any person, who acquires shares of the Company and becomes Member of the Company after dispatch of Annual General Meeting Notice and holding shares as of the cut-off date, i.e. Friday, 18th September, 2020, may refer to this Notice of the Annual General Meeting, posted on Company's website www.revathi.in for detailed procedure with regard to remote e-voting. Any person who ceases to be the member of the Company as on the cut-off date and is in receipt of this Notice, shall treat this Notice for information purpose only.

II. The Members who have cast their vote by remote evoting prior to the AGM may also attend/ participate in the AGM through VC / OAVM but shall not be entitled to cast their vote again.

III. The voting period begins on Tuesday, 22nd September, 2020 at 9.00 AM and ends on Thursday, 24th September, 2020 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 (record date) of 18th September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

25. **THE INTRUCTIONS FOR SHAREHOLDRES FOR REMOTE E-VOTING ARE AS UNDER:**

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

(ii) Click on "Shareholders" module.

(iii) Now enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

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

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

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

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

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

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

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

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

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

(xi) 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.

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

(xiii) 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.

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

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

(xvi) 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.

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

26. **PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:**

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company/RTA email id.
2. For Demat shareholders -, please provide Demat account detials (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company/RTA email id.

27. **INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:**

1. Shareholder will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at https://www.evotingindia.com under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance at least 3 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at compliance.officer@revathi.in. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, demat account number/folio number, email id, mobile number at compliance.officer@revathi.in. These queries will be replied to by the company suitably by email.
6. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

28. **INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

   Note for Non – Individual Shareholders and Custodians

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

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

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

29. 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 18th September, 2020.
30. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently. Further, the Members who have cast their vote by remote e-voting shall not vote by e-voting conducted during the Annual General Meeting.
31. The Company has appointed Mr. M.D.Selvaraj, FCS of MDS & Associates, Company Secretaries, Coimbatore, has been appointed as the Scrutinizer to scrutinize the voting and remote evoting process in a fair and transparent manner.

32. The Chairman shall, at the Annual General Meeting, at the end of discussion on the resolutions on which voting is to be held, allow e-voting for all those members who are present at the Annual General Meeting by electronic means but have not cast their votes by availing the remote e-voting facility.

33. The Scrutinizer shall after the conclusion of voting at the Annual General Meeting, will first count the votes casted during the AGM and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

34. The results shall be declared within 2 days from the conclusion of the Annual General Meeting. The results declared along with the report of the Scrutinizer shall be placed on the website of the Company www.revathi.in and on the website of CDSL and be communicated to the Stock Exchanges, where the shares of the Company are listed by the Chairman or a person authorised by him.

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 (Rs. in Lakhs)

Particulars	2019-20	2018-19
Sales & other income	7,504.4	7,544.5
Profit/ (Loss) before tax	1,730.9	986.9
Profit/ (Loss) after tax	1,220.0	932.7
Paid-up equity capital	306.7	306.7
Reserves and Surplus	16,797.3	15,575.2
Basic Earning per share	39.8	30.4

5. Foreign Investments or collaborations, if any.

   Nil

II. INFORMATION ABOUT THE APPOINTEE

1. Background details

   Mr. Abhishek Dalmia aged 51 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 2019-20 is Rs. 160.25 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 18 years.

5. Remuneration proposed

   Details of proposed remuneration have been disclosed in Item No. 4.

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 and Mr. Harivansh Dalmia.

III. OTHER INFORMATION

8. Reasons for loss or inadequate profits.

   Not applicable as the Company has earned a profit during the year.

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

   The Company is continuously taking various cost control measures which would result in increased profitability in the ensuing years.

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

    Not applicable

IV. DISCLOSURES

The following disclosures have been mentioned in the Board of Directors' Report under the heading "Corporate Governance" attached to the financial statements

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

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

(iii) Service contracts, notice period, severance fees.

(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.

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**	**Mr. Harivansh Dalmia**
DIN	00017415	00011958	08750555
Date of Birth/ Nationality	29.10.1970/Indian	06.05.1969/ Indian	01.07.1999/Indian
Date of appointment on the Board	08.08.2014	17.08.2002	15.06.2020
Inter-se relationship with other directors	She is related to Mr.Abhishek Dalmia, Executive Chairman and Mr. Harivansh Dalmia director of the Company	Mr.Abhishek Dalmia is related to Mrs. Deepali Dalmia and Mr. Harivansh Dalmia Directors of the Company	He is related to Mr.Abhishek Dalmia, Executive Chairman and Mrs. Deepali Dalmia, Director of the Company
Qualification	B A History (Hons)	B.Com (H), FCA, AICWA	CA
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.	A Chartered Accountancy student undergoing training in the field of Statutory Audit at a leading multinational accounting firm; worked on engagements of listed and unlisted clients across various industries, inter alia, consumer electronics, refractories and IT services.

		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	Nil
Board position held	Director	Executive Chairman	Director
Terms and conditions of appointment / re-appointment	Retire by rotation	As set out in item no. 4 of the notice	Retire by rotation
Remuneration sought to be paid	Sitting fees and Profit sharing Commission	As set out in item no. 4 of the notice	Sitting fees and Profit sharing Commission
Remuneration last drawn	Sitting fees of Rs.2 Lakhs	Rs.160.25 Lakhs (Including commission of Rs.80 Lakhs)	NA
Number of Board meetings attended during the year	4 (Four)	4 (Four)	NA

Directorships held in other companies	1. Sunglow Agriculture Farms Private Limited 2. SWBI Design Informatics Pvt Ltd 3. Priyadarshany Agri Farms Private Limited 4. Sohna Agri Farms Private Limited 5. Renaissance Asset Management Company Private Limited 6. Renaissance Advanced Consultancy Ltd. 7. Semac Consultants Private Limited 8. Renaissance Corporate Consultants Limited 9. Renaissance Consultancy Services Limited	1. Rajratan Global Wire Ltd 2. Ashiana Housing Ltd 3. Renaissance Stocks Ltd 4. Renaissance Advanced Consultancy Ltd 5. Aditya Infotech Ltd 6. Semac Consultants Private Limited 7. Priyadarshany Agri Farms Private Limited 8. Renaissance Corporate Consultants Limited 9. Renaissance Consultancy Services Limited	NIL
Membership in other Committees	M/s. Semac Consultants Private Limited: Corporate Social Responsibility Committee - Member	1. Renaissance Advanced Consultancy Limited: Shareholder Grievance Committee – Member Stakeholder Relationship Committee – Member Corporate Social Responsibility Committee – Member 2. Ashiana Housing Limited: Nomination and Remuneration Committee – Member 3. Semac Consultants Private Limited: Corporate Social Responsibility Committee - Member	NIL

By Order of the Board
For Revathi Equipment Limited

Place: New Delhi
Date: 14.08.2020

K Maheswaran
Company Secretary

REVATHI EQUIPMENT LIMITED

43RD

ANNUAL REPORT 2019-20

CONTENTS

01
Chairman's Letter

05
Corporate Data

06
Acquistion Criteria

08
Revathi's Corporate Performance Vs. The Nifty

10
Directors Report

34
Corporate Governance Report

50
Independent Audit Report - Standalone

56-89
Standalone Financial Statement
- Balance Sheet
- Profit and loss statement
- Cash Flow Statement
- Statement of changes in Equity
- Notes to the Financial Statement

090
Independent Audit Report - Consolidated

94-134
Consolidated Financial Statement
- Balance Sheet
- Profit and loss statement
- Cash Flow Statement
- Statement of changes in Equity
- Notes to the Financial Statement

CHAIRMAN'S LETTER 2019-20

Our increase in consolidated net worth at the end of FY20 was Rs.141 million, which increased the per share book value by 9.5%. Over the last eighteen years (that is, since the present owners took over) per share book value, has grown from Rs.151 to Rs.570 (Rs.648 after ignoring the effect of goodwill write-offs), which, after factoring in dividend paid during this period, works out to a rate of 9.5% (10.4%) compounded annually.

We continued to make progress in our Drilling Solutions business. Historically, the Drilling Solutions business has been a cash cow, with very little growth. In the early years (between 2003 and 2010), we tried multiple things to grow the business, without much success. Then we unfortunately got hit by the Construction Equipment distraction, about which I have written in some detail in the FY16 letter. It took a whole decade to repair the balance sheet from that accident. As I mentioned in last year's letter, we were finally debt free again in FY19. While we have remained largely debt free through FY20, we drew down on our overdraft facility for a few months towards the end of the year.

Just like we cleaned up our balance sheet, over the past couple of years, we have also been working to clean up our profit and loss account. I am quite pleased with the way the team has supported our effort to become more vigilant while spending money.

As a consequence of a clean balance sheet and a tighter control on costs, we were able to deliver a seventy-five per cent growth in pre-tax profits, despite no growth in Revenues. To be sure the margins were a bit depressed in FY19 due to fairly meaningful write-offs of inventory and receivables, which totaled to Rs.3.5 crores. Adjusted for these write-offs, our pre-tax profits grew by twenty-nine per cent year-on-year. Due to the effect of deferred tax credit, our effective tax rate in FY19 was only 4.5 per cent. This went up to the maximum marginal rate of 29.12% in FY20. As a result, our year-on-year profit after tax grew by thirty one percent.

This year, we also took some initiatives to consistently grow our Revenues, going forward. Here are some specifics about the steps we took.

Historically we have been offering annual maintenance contracts to some customers. Such contracts typically guarantee a certain up time on our equipment to our customer to give them confidence that our equipment will support their production plans. Such contracts normally cover the cost of service engineers as well as the cost of spare parts consumed to keep the machine working as per agreed criteria.

This year, in addition to spares and service, we started offering consumables also. This takes the relationship with our customers deeper by a notch. So far, we were guaranteeing machine availability. With the addition of consumables to our offering, we are now able to guarantee a certain operating cost per meter drilled. In essence, wherever possible, we are trying to convert the business model from one of supplying equipment to offering a full stack service. Of course, we are not taking up drilling contracts but as we gain more experience with offering such terms, we could potentially enter that space in the future.

For the first time ever, we put in a lot of energy into pushing exports. We participated in some important trade shows on the African continent, hired some key people and also appointed distributors for various parts of Africa. Based on feedback received at these trade shows, we developed some new machines for target customers. As a result of these initiatives, we won orders for three machines, including two from the largest cement manufacturer in Africa. Unfortunately, due to the lockdown in March, the shipment got stuck en route the port and the sale could not be booked during the year.

In anticipation of building our exports business, our Finance Team secured packing credit facilities at 4.6 per cent. For the moment, we do not need to draw down on this facility. That said, as exports grow, we will be able to finance our working capital for exports at a fairly modest cost of capital.

Compared with the Drilling Solutions business, Semac had a soft year with a two percent growth in profit after tax. The good news is that we achieved this despite a thirty-eight per cent fall in Revenues over FY19. Some highlights follow.

My job #1 at Semac has been to find and groom new leadership for running the business after the Founding Principals gradually moved on between 2010 and 2016. As you know, we tried hired guns with very little success. On the other hand, giving opportunities to our own people has worked out quite well. Just that, developing people to take on higher responsibilities is a time-consuming process. Like for most other things in life, there are no short-cuts. I am quite pleased with how our people are rising to take on higher responsibilities.

The other big task we have been working on is building organization culture. It sounds very fuzzy and it is. It was Peter Drucker who said, "culture eats strategy for breakfast". The easiest way to explain this is a winning sports team. 1983 Cricket World Cup. India had no star players. But our players were playing as a team – singular focus to go all the way. And they did. The principles are the same in organisations. Getting everyone pulling in one direction is not easy. But when people get aligned, magic happens. That is why culture eats strategy for breakfast. One indication that we are on the right track is that we have won several projects from large clients like PepsiCo, Hindalco, Mars Wrigley Confectionery, etc. competing with large global competitors. As a result, our total wins for Design jobs was the highest in five years, though only just.

Unfortunately, the wins on Design Build have been slowing and we need to find a way to turn that around as well. The slowing wins has a direct impact on Revenues, with a lag of a quarter or two. So, while we ended the year fairly strongly on profitability, slowing wins means we will have a tough situation next year.

From a capital efficiency point of view, here is how things have panned out over the years. The Drill business has typically soaked up about Rs.50-60 crores of capital. The investment into Semac has been around Rs.90 crores on original cost basis (Rs.66 crores after considering the goodwill write-offs of Rs.24 crores since acquisition till date). And we have Rs.17 crores invested in the Real Estate project at Chembur.

Due to the reasons elaborated in earlier years, either Revathi or Semac made losses in eight out of the ten years between FY09 and FY18, depressing the consolidated return on equity for many years. After a lot of work at both companies over the past few years, we have had two consecutive years of profits at both companies. Going forward, things should only get better.

Barring a few exceptional years, the Drill business has typically made Rs.15-20 crores of EBITDA ever since we acquired the business in FY03. This translates to a post-tax profit of approximately Rs.10-15 crores, which implies a return on equity of roughly 20-25%.

Compared with the Drilling Solutions business, Semac has had a bit of a bumpy ride with profit after tax fluctuating between Rs.(-)5 crores to Rs.9 crores, with the average clocking at around Rs.5 crores. However, these numbers are quite misleading since barring the last five years of Semac's five-decade history, we have been a pure design consultancy firm. In FY15, we pivoted the business from a pure consulting firm to a differentiated EPC play. The economics of the EPC business, which we call Design Build, are dramatically different from the core consulting business, for the better.

However, the results have not been visible in the overall results since the core consulting business has been under a fair bit of stress due to internal and external factors. The external factors are mostly to do with industrial capex being in a state of secular decline for the past 5-7 years. I have shared the internal factors in the previous letters. By way of a quick recap, practically all of the Founding Principals of both Potential and Semac (the two companies we acquired in 2007 and 2008 respectively) left the company to set up their own competing practices, taking away key staff and customers. There was a non-compete in force, but the legal opinion we got was that such clauses are really not enforceable. This forced us to reimagine the way we do business, including identifying new leaders, setting up new business processes and even a new business model. All that strife served us well when we got hit by SARS Cov-2 towards the end of the year, when we shifting to working from home almost overnight without missing a heartbeat.

Going forward, the Design Build business is going to be a strong growth engine for Semac, with good return on capital ratios. That said, it will take us a few more years for the return on overall capital employed in Semac to become healthy. With the core consulting having stabilized and growth coming from the Design Build business, I believe better times are ahead for Semac. As such, we concluded, with your approval, a fresh investment of Rs.25 crores for acquiring a controlling interest in Semac Construction Technologies, about which I had written in some detail in last year's letter. That takes the total capital employed in Semac's business to Rs.115 crores (Rs.91 crores after considering goodwill write-offs).

At Revathi, we have had net debt (total debt less cash in hand) on our balance sheet since FY07. The situation changed in FY19 after twelve long years. Semac had no treasury up until FY12. We gradually started building our cash reserves in FY13, which peaked out at Rs.25 crores in FY17. Post that, we have had some serious losses in the Consulting business, which were offset by profits in the Design Build business. Also, our focus on working capital also helped in funding some of the losses through converting some of the working capital into cash. As a result, our treasury contracted only by about Rs.5 crores over the next few years to stand at Rs.21 crores at the end of FY20.

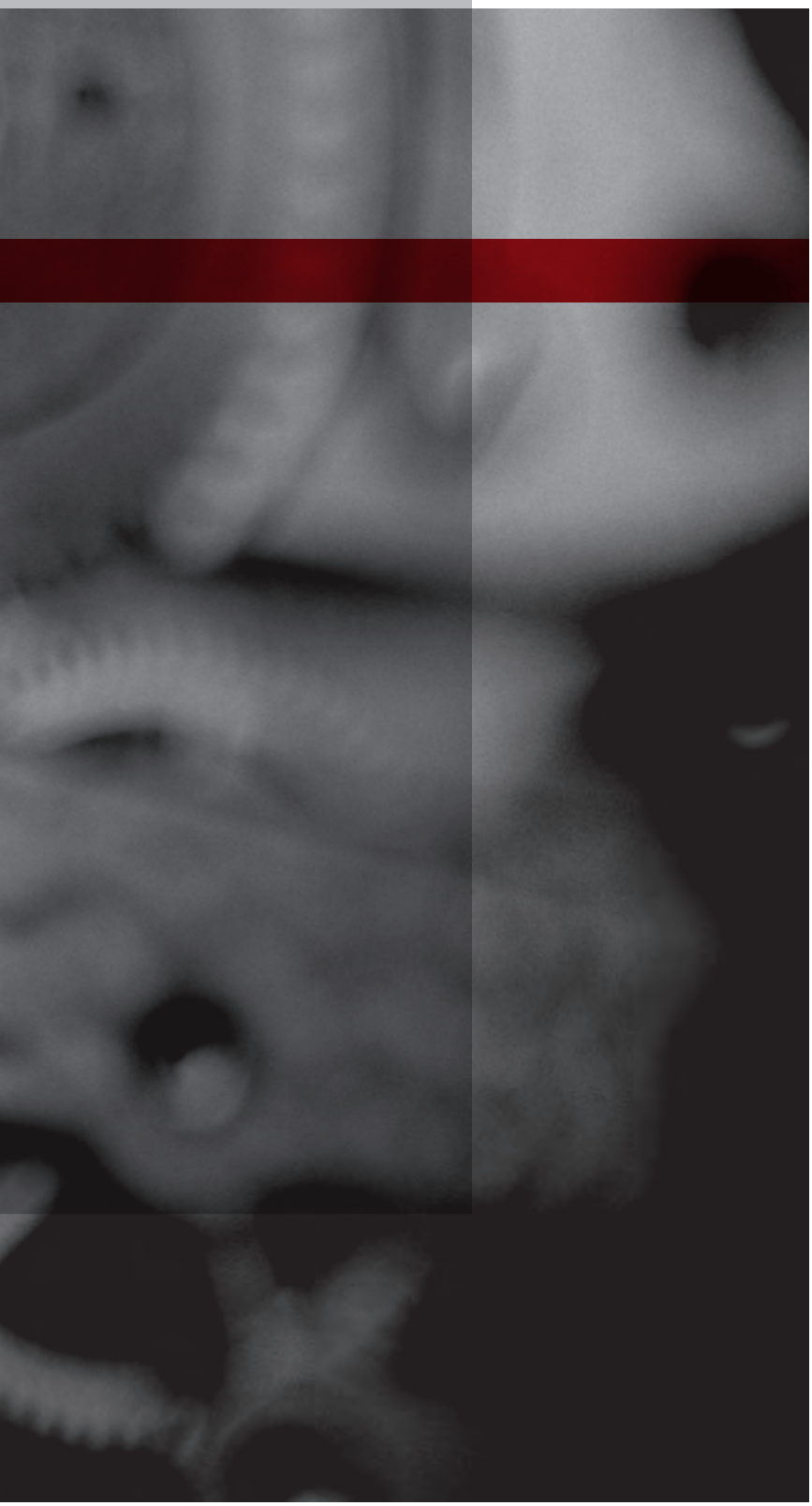
At a consolidated level, our group treasury stood at Rs.30 crores at year-end. A part of this was used to fund the growth of the Design Build business and some was invested to earn treasury income. Going forward, I am hopeful that our Group treasury will expand, thereby allowing us to add a new source of income.

Of course, the role of treasury is not just to be productive. It is also a war chest for any possible strategic move. It is also savings for a rainy day.

I would like to thank our people for putting their heads down and making sure we don't concede defeat over the past few years. We have had periods where we were not able to pay salaries on time. And yet, our people soldiered on. That was an incredible act of faith on their part. I am humbled and touched by their commitment to the cause. Thankfully, we are out of that predicament. And I have our people to thank for it. But for their dedication and commitment, we would not have been able to climb out of the deep hole we found ourselves in a few years ago.

After a long time, we are in a strong position and I am sure we now have a solid foundation on which we will build the Revathi and Semac of tomorrow. Stay tuned.

CORPORATE DATA



BOARD OF DIRECTORS

ABHISHEK DALMIA
Executive Chairman
DEEPALI DALMIA
HARIVANSH DALMIA
B.V.RAMANAN
KISHORE SIDHWANI
V.V.SUBRAMANIAN

CHIEF FINANCIAL OFFICER

R.SUDHIR

COMPANY SECRETARY

K.MAHESWARAN

BANKERS

BANK OF INDIA
STATE BANK OF INDIA
ICICI BANK LIMITED
BANK OF BARODA

AUDITORS

S.S.KOTHARI MEHTA & CO
NEW DELHI

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

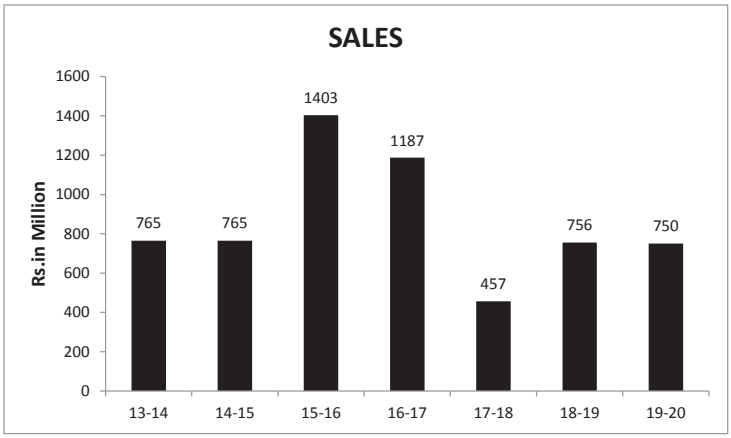
We use this space to communicate with potential sellers and their representatives, what we look for in a potential acquisition. If you, the reader, have no personal connection with a business that might be of interest to us but have a friend who does, perhaps you could pass this message on to him.

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
Rs.in Million
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1400
1200
1000
800
600
400
200
0
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1403
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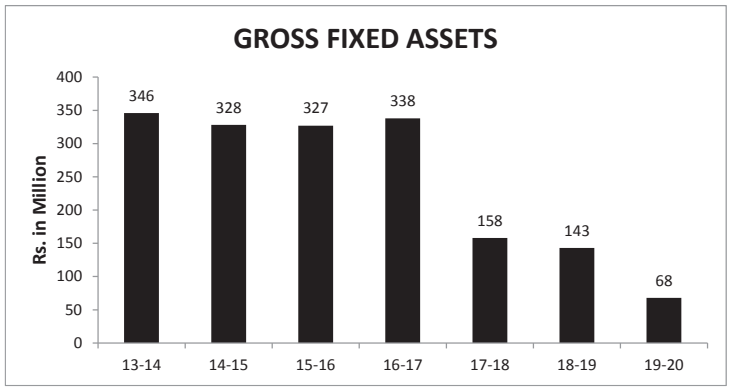
18-19
19-20


GROSS FIXED ASSETS
Rs. in Million
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300
250
200
150
100
50
0
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328
327
338
158
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15-16
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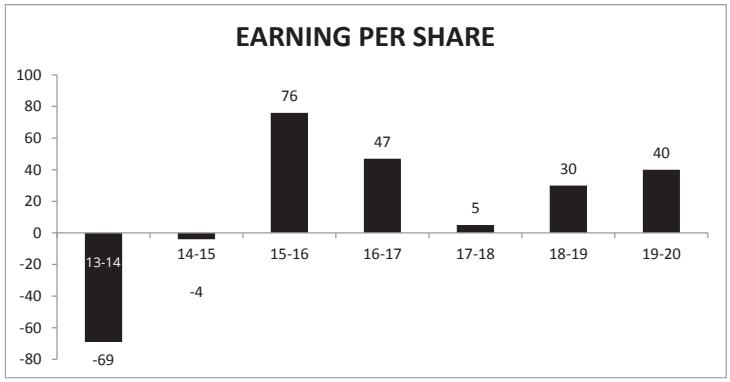
19-20


EARNING PER SHARE
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20
0
-20
-40
-60
-80
-69
-4
76
47
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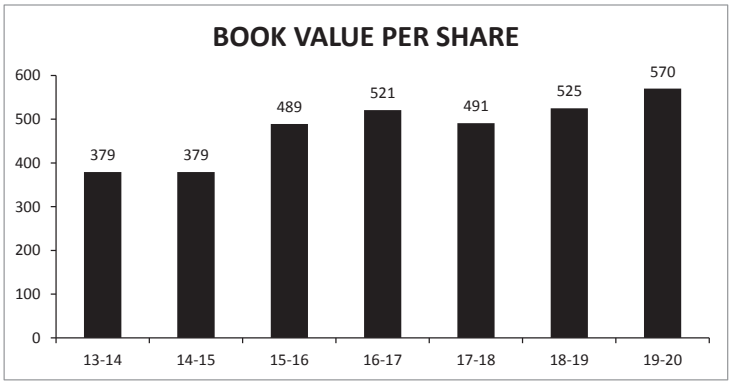
13-14
14-15
15-16
16-17
17-18
18-19
19-20


BOOK VALUE PER SHARE
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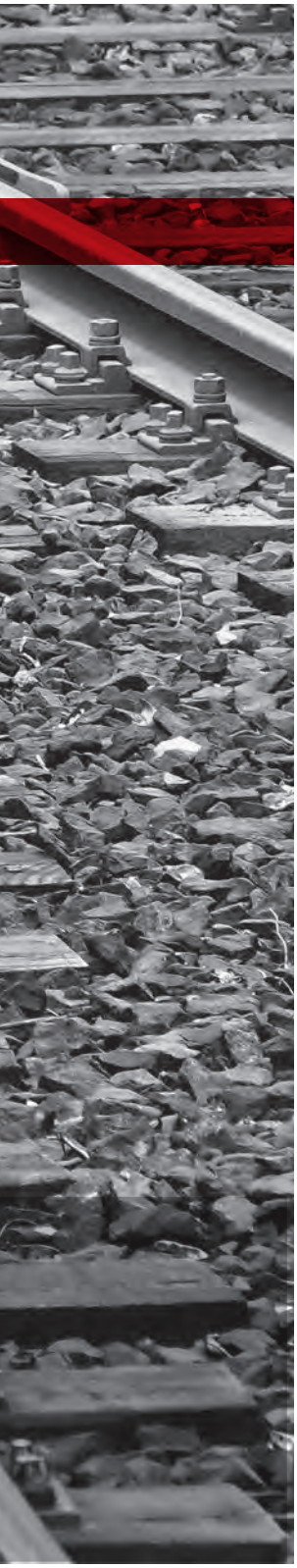
400
300
200
100
0
379
379
489
521
491
525
570
13-14
14-15
15-16
16-17
17-18
18-19
19-20

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%
2019-20	8.8%	-25.0%	33.8%
Average Annual Gain (FY03 - FY20)	9.5%	14.4%	-4.9%
Overall gain (FY 03 - FY 20)	**289.5%**	**885.0%**	**-595.5%**

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 FINANCIAL YEAR 2019-20

Dear Shareholders,

Your Directors have pleasure in presenting the 43rd Report together with the Audited Accounts of your Company for the year ended 31st March, 2020.

Financial Highlights

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

(₹ in Lakhs)

PARTICULARS	31.03.2020	31.03.2019
Total Income	7754	7639
Total Expenditure	6023	6652
Profit before Tax	1731	987
Less: Tax expense	511	54
Profit/(loss) for the period	**1220**	**933**

Operations / Performance review

During the financial year, the company's profit before tax increased 75.4%, despite a mild setback of 0.5% in total revenue as compared to the previous year. There were significant events in the year that hindered top-line growth potential of the Company. These external challenges included geopolitical tension, supply constrains of key components, above all the outbreak and rapid spread of COVID-19 pandemic.

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, 2020.

Overview of the Economy

The Indian economy expanded 3.1 percent year-on-year in the last quarter of FY20, beating market forecasts of a 2.1 percent rise. Still, it is the slowest GDP growth since quarterly data became available in 2004, as the country imposed a nationwide lockdown from March 24th aiming to contain the spread of the corona virus.

The economy contracted markedly in Q1 FY21 (April'20–June'20) due to strict lockdown measures, which remain in place for parts of the country. Although the private-sector PMI picked up in May–June, it continued to point to sharp deteriorations in the manufacturing and services sectors. Moreover, industrial production declined by over a third in May, after contracting by well over a half in April. Reflective of the current challenges, in late June Fitch Ratings lowered India's sovereign debt outlook from stable to negative but kept its rating at BBB-. Although the government loosened lockdown measures during June, some parts of the country remain under strict restrictive conditions till the end of July.

The economy will likely contract sharply in fiscal year 2020-21 due to containment measures and anemic external demand. A major downside risk is a prolongation of lockdown measures. On a brighter note, fiscal stimulus should support activity, as should looser monetary policy, although the fiscal deficit will spike in tandem. Experts project GDP to fall 4.0% in FY21, which is down 1.3 percentage points from June month's forecast, and to increase 7.5% in FY 22.

Business Environment, Outlook & Prospects for FY 2020-21

Domestic: Coal India Ltd (CIL) had set a production Target of 710MT for the year 2020-21. However, due to disruption caused by Covid-19 pandemic CIL has now revised its production target to 650-660MT. Demand is now showing signs of an uptick as the industries have commenced operations. The Singareni Collieries Company Ltd (SCCL) Coal output is likely to shrink by 54% during FY21 due to Covid-19. The SCCL had fixed it's coal production target for 2020-21 at 67.5 MT.

Export: The efforts that your company had put in during the year to give a thrust to exports, by way of participating in international expos and appointing new distributors in African continent, evoked a favorable response. With the continued effort of creating brand value for REL, by way of new website, digital marketing and ad campaigns in African and International magazines and appointing distributors for African, Latin American, Russia and CIS countries, along with the substantial improvements in the product to meet international standards, we believe the forthcoming years might witness a key role for exports.

MANAGEMENT DISCUSSION AND ANALYSIS

a) Industry Structure and Developments:

The Mining and Earth moving industry play a very important role in the development of the Indian economy with respect to GDP, Export promotion, employment, etc. It is the one of the oldest manufacturing industry in India. It is the second largest industry after agriculture which provides skilled and unskilled employment.

The Indian government has come up with a number of export promotion policies for the promoting exports which ultimately benefits the company too.

b) Opportunities & Threats:

Your Company is mainly focusing on blast hole drill equipment and spares and has extended its entry into export markets. The Company is concentrating exports mainly in African continent and exploring new market with new product variants viz autonomous drills. Presently, the world economy is sluggish due to COVID 19 pandemic, which may also have impact on the company's exports.

c) Risks and Concerns:

The Company has a risk management process designed to safeguard the organization from various risks through adequate and timely actions.

Your Company is exposed to all the risks associated with this business in terms of market conditions, timing, inflation, long term economic conditions, etc.

d) Internal Control Systems and their Adequacy:

The company has an Internal Control System commensurate with the size and the nature of its business.

e) Material Developments in Human Resources / Industrial Relations front:

During the year under review, industrial relations at our plant locations remained harmonious. Your Company emphasizes on the safety of people working in its premises. Structured safety meetings were held and safety programs were organized for them throughout the year.

f) Key Financial Ratios:

S. No	Description	31.03.2020	31.03.2019	% change
1.	Debtors Turnover	0.55	0.59	-4%
2.	Inventory Turnover	1.04	0.95	9%
3.	Interest Coverage Ratio	25.49	6.62	1887%
4.	Current ratio	1.61	3.32	-171%
5.	Debt Equity ratio	0.05	-0.05	10%
6.	Operating Profit Margin %	24%	15%	9%
7.	Net Profit Margin (%) or sector specific equivalent ratio	23%	13%	10%
8.	Return on Net worth	0.07	0.06	1%

TRANSFER TO RESERVES

The Company has not transferred any amount to its reserves during the year under review. However, the net profit of Rs.1220 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 applicable.

SHARE CAPITAL

The issued, subscribed and paid-up share capital of the Company as at 31.03.2020 stood at Rs.3,06,69,430 /- divided into 30,66,943 equity shares of Rs.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, 4 Meetings of the Board of Directors, 4 Meetings of the Audit Committee, 2 Meetings of the Nomination and Remuneration Committee, 4 Meetings of the Stakeholders Relationship Committee and 2 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-19.pdf

COMMENTS ON AUDITOR'S 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

During the year the company has invested Rs.25.02 Crores in M/s. Semac Construction Technologies India LLP on 31st March, 2020 and the company has also become Partner of the said LLP. Further the company has also increased its investment in subsidiary company M/s. Semac Consultants Private Limited from 76.99% to 79.23%. The details in respect of Investments and Corporate Guarantee provided by the Company have been disclosed in the Notes to the financial statements. However, the Company has not made any loans covered by Section 186 of the Companies Act, 2013 during the year under review.

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 2019-20 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:

Due to outbreak of COVID 19 pandemic and based on the directives of the Government of India, Government of Tamil Nadu, the operations of the Company was suspended on 24th March, 2020 and resumed on 08th May, 2020, in phased manner with minimal work force by following requisite precautions/ guidelines. This has impacted the turnover and profitability of the Company.

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 a structured risk management policy. The Risk management process is designed to safeguard the organisation from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventorised and integrated with the management process such that they receive the necessary consideration during decision making. The Company has laid down procedures to inform the Audit Committee as well as the Board of Directors about risk assessment and management procedures and status. These procedures are periodically reviewed to ensure that the executive management monitors and controls risks.

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, and to promote 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 the following CSR spending in FY 2019-20 – i.e. contribution of Rs 17.00 Lakhs to M/s. International Foundation for Research and Education – Ashoka University and Rs.1.00 Lakh to M/s. Round Table India Trust for the relief work at Odisha, which was affected by Cyclone. 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

In accordance with the evaluation criteria and procedure suggested by the Nomination and Remuneration Committee, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes, Board dynamics, etc. The Independent Directors, at their separate meetings, also evaluated the performance of non-independent directors and the Board as a whole based on various criteria. The performance of each independent Director was evaluated by the entire board of directors on various parameters like engagement, leadership, analysis, decision making, communication, governance, etc. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors as a whole was satisfactory.

The performances of all the Committees were evaluated by the Board having regard to various criteria such as committee composition, committee processes, committee dynamics, degree of fulfillment of key responsibilities, effectiveness of meetings etc. The Board was of the unanimous view that all the committees were performing their functions satisfactorily.

STATEMENT REGARDING OPINION OF THE BOARD WITH REGARD TO INTEGRITY, EXPERTISE AND EXPERIENCE (INCLUDING THE PROFICIENCY) OF THE INDEPENDENT DIRECTORS APPOINTED DURING THE YEAR

Board of Directors have evaluated the Independent Directors appointed/ re-appointed during the year 2019-20 and opined that the integrity, expertise and experience (including proficiency) of the Independent Directors is satisfactory.

DIRECTORS & KEY MANAGERIAL PERSONNEL

Mrs.Deepali Dalmia (holding 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.

The members at the Annual General Meeting held on 10th September, 2019 re-appointed Mr.B.V.Ramanan (DIN: 00934602) as Independent Director of the Company for a second term of 5 years with effect from 29th September, 2019 and Mr. Kishore Sidhwani (DIN: 02428735) as an Independent Director for a second term with effect from 22nd January, 2020.

On recommendation of Nomination and Remuneration Committee, the Board appointed Mr.Harivansh Dalmia (DIN: 08750555) as Additional Director (Non-Executive) with effect from 15th June, 2020. The Company has received a notice from a member under Section 160(1) signifying his intention to propose the candidature of Mr.Harivansh Dalmia for the office of Director. The Board recommends his appointment.

The Board of Directors have re-appointed Mr.Abhishek Dalmia (DIN 00011958) as Chairman and Managing Director of the Company (instead of his existing position of Executive Chairman & Whole-time Director) for a period of 5 years with effect from 1st April, 2021 on the terms and conditions as set out in the notice convening the Annual General Meeting. Necessary resolution in this regard has been included in the Agenda of the Notice convening the Annual General Meeting for the approval of the members. The Board recommends his re-appointment.

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. Further the company has one Associate viz M/s. Semac Construction Technologies India LLP.

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/Policy-on-Material-Subsidiary.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.

FIXED DEPOSITS

The Company has not accepted any fixed deposit and hence there are no unclaimed deposits as on 31st March, 2020.

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 Auditor's report.

AUDITORS

Statutory auditors

The Auditors M/s. S.S. Kothari Mehta & Co (Firm Registration No. 000756N), Chartered Accountants, New Delhi retire at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment. The Board recommends the re-appointment of M/s.S.S. Kothari Mehta & Co, Chartered Accountants, as Statutory Auditors. The Company has received the certificate from them to the effect that their re-appointment, if made, would be within the limits prescribed under section 139 of the Companies Act, 2013. Members are requested to appoint the Auditors for a period of five years commencing from the conclusion of ensuing 43rd Annual General Meeting up to the conclusion of the 48th Annual General Meeting of the Company which ought to be held during the year 2025.

Necessary resolution for the appointment of Auditors has been included in the Notice of the Annual General Meeting for the approval of the Members.

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 F** 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 G** 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 2019-20 and hence no complaint is outstanding as on 31.03.2020 for redressal.

CORPORATE GOVERNANCE

A report on Corporate Governance is annexed herewith as **Annexure H** to 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.

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-19.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 : New Delhi
DATE : 14.08.2020

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31.03.2020

[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 Limited B-45/47, 2nd Floor, Connaught Place New Delhi -110001	U4140DL2014PLC271039	Holding Company	57.7	2(46)
2	Semac Consultants Private Limited Pollachi Road, Malumachampatti post, Coimbatore-641050	U85110TZ1987PTC017564	Subsidiary Company	79.2	2(87)(ii)
3	Semac & Partners LLC Muscat, Sultanate of Oman	NA	Step Down Subsidiary Company	Nil	2(87)(ii)
4	Semac Construction Technologies India LLP	AAC-2866	Associate	49.0	2(6)

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-2019]				NO. OF SHARES HELD AT THE END OF THE YEAR [AS ON 31-MARCH-2020]				% 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	103	-	103	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	103	-	103	0.0	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	25937	165	26102	0.8	25520	165	25685	0.8	-0.0
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto ₹ 1 lakh	549480	48196	597676	19.5	534868	44965	579833	19.0	-0.6

CATEGORY OF SHAREHOLDERS	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR [AS ON 01-APRIL-2019]				NO. OF SHARES HELD AT THE END OF THE YEAR [AS ON 31-MARCH-2020]				% 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	151364	-	151364	5.0	169302	-	169302	5.5	0.6
c) Others									
Directors & their Relatives	19	-	19	0.0	1019	-	1019	0.0	0.0
Non Resident Indians	13659	132	13791	0.4	15579	132	15711	0.5	0.1
Clearing Members	6004	-	6004	0.2	8638	-	8638	0.3	0.1
Hindu Undivided Families	45934	-	45934	1.5	40699	-	40699	1.3	-0.2
SUB-TOTAL (B)(2):-	**792397**	**48493**	**840890**	**27.4**	**795625**	**45262**	**840887**	**27.4**	**-**
TOTAL PUBLIC SHAREHOLDING (B)=(B)(1)+ (B)(2)	792497	48493	840990	27.4	795728	45262	840990	27.4	-
C. SHARES HELD BY CUSTODIAN FOR GDRS & ADRS	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A+B+C)	3018450	48493	3066943	100.0	3021681	45262	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	41189	1.3		
	Transfer of shares on 12.07.2019	811	0.0	42000	1.4
	Transfer of shares on 26.07.2019	63	0.0	42063	1.4
	Transfer of shares on 02.08.2019	50	0.0	42113	1.4
	Transfer of shares on 09.08.2019	60	0.0	42173	1.4
	Transfer of shares on 23.08.2019	982	0.0	43155	1.4
	Transfer of shares on 30.08.2019	83	0.0	43238	1.4
	Transfer of shares on 06.09.2019	150	0.0	43388	1.4
	Transfer of shares on 20.09.2019	1125	0.0	44513	1.5
	Transfer of shares on 18.10.2019	(10000)	(0.3)	34513	1.1
	Transfer of shares on 29.11.2019	25	0.0	34538	1.1
	Transfer of shares on 13.12.2019	20	0.0	34558	1.1
	Transfer of shares on 20.12.2019	1208	0.4	35766	1.2
	Transfer of shares on 28.02.2020	50	0.0	35816	1.2
	Transfer of shares on 06.03.2020	100	0.0	35916	1.2
	Transfer of shares on 20.03.2020	135	0.0	36051	1.2
	At the end of the year			**36051**	**1.2**
2	**SUDHIR CHUKKAPALLI**				
	At the beginning of the year	35322	1.2		
	Transfer of shares on 15.11.2019	600	0.0	35922	1.2
	At the end of the year			**35922**	**1.2**
3	**VENKATA RAO CHUKKAPALLI**				
	At the beginning of the year	18051	0.6		
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			**18051**	**0.6**
4	**SHYAM PATTABIRAMAN**				
	At the beginning of the year	13287	0.4		
	Transfer of shares on 19.04.2019	200	0.0	13487	0.4
	Transfer of shares on 12.07.2019	200	0.0	13687	0.4
	Transfer of shares on 27.09.2019	28	0.0	13715	0.4
	Transfer of shares on 25.10.2019	325	0.0	14040	0.4
	At the end of the year			**14040**	**0.4**
5	**CHUKKAPALLI RENUKA**				
	At the beginning of the year	11765	0.4		
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			**11765**	**0.4**
6	**HARESH MULCHAND POLADIA**				
	At the beginning of the year	11150	0.4		
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			**11150**	**0.4**

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
7	**RHEA DIPAK SHAH**				
	At the beginning of the year	10100	0.3	-	-
	Transfer of shares on 18.10.2019	5000	0.2	15100	0.5
	Transfer of shares on 10.01.2020	15	0.0	15115	0.5
	At the end of the year			**15115**	**0.5**
8	**NEKA DIPAK SHAH**				
	At the beginning of the year	10000	0.3	-	-
	Transfer of shares on 18.10.2019	5000	0.2	15000	0.5
	At the end of the year			**15000**	**0.5**
9	**VEENA K JAGWANI**				
	At the beginning of the year	7930	0.3		
	Transfer of shares on 24.01.2020	178	0.0	8108	0.3
	Transfer of shares on 06.03.2020	4000	0.1	12108	0.4
	Transfer of shares on 27.03.2020	100	0.0	12208	0.4
	At the end of the year			**12208**	**0.4**
10	**SURENDRA NATH KAPOOR****				
	At the beginning of the year	8267	0.3		
	Transfer of shares on 10.01.2020	(8267)	(0.3)	-	-
	Transfer of shares on 10.01.2020	8267	0.3	8267	0.3
	At the end of the year			**8267**	**0.3**
11	**ALOK LODHA##**				
	At the beginning of the year	10500	0.3		
	Transfer of shares on 26.04.2019	(10500)	(0.3)	-	-
	At the end of the year			**-**	**-**

** Not in the list of Top 10 shareholders as on 31.03.2019. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2020.

Ceased to be in the list of Top 10 shareholders as on 31.03.2020. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 31.03.2019.

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		
	Transfer of shares on 17.02.2020	500	0.0	519	0.0
	Transfer of shares on 18.02.2020	100	0.0	619	0.0
	Transfer of shares on 25.02.2020	200	0.0	819	0.0
	Transfer of shares on 03.03.2020	200	0.0	1019	0.0
	At the end of the year			**1019**	**0.0**
4	**B V RAMANAN**				
	At the beginning of the year	-	-		
	Transfer of shares on 21.02.2020	100	0.0	-	-
	Transfer of shares on 28.02.2020	50	0.0	150	0.0
	Transfer of shares on 06.03.2020	100	0.0	250	0.0
	Transfer of shares on 13.03.2020	60	0.0	310	0.0
	Transfer of shares on 20.03.2020	90	0.0	400	0.0
	At the end of the year			**400**	**0.0**
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)				
	At the beginning of the year	-	-		
	Increase / Decrease in Shareholding during the year	-	-	-	-
	At the end of the year			-	-
7	**K MAHESWARAN** (CS)				
	At the beginning of the year	-	-		
	Transfer of shares on 31.12.2019	50	0.0	-	-
	Transfer of shares on 12.03.2020	71	0.0	121	0.0
	Transfer of shares on 27.03.2020	36	0.0	157	0.0
	At the end of the year			**157**	**0.0**

v. Indebtedness

₹ in '000

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	-	-	-	-
ii) Interest due but not paid		-	-	-
iii) Interest accrued but not due		-	-	-
TOTAL (i+ii+iii)	**-**	-	-	**-**
Change in Indebtedness during the financial year				
* Addition	1,66,345	-	-	1,66,345
* Reduction	-	-	-	-
Net Change	**1,66,345**	-	-	**1,66,345**
Indebtedness at the end of the financial year				
i) Principal Amount	1,66,345	-	-	1,66,345
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
TOTAL (i+ii+iii)	**1,66,345**	**-**	**-**	**1,66,345**

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 Abishek Dalmia Executive Chairman	TOTAL AMOUNT (₹)
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	48,17,311	48,17,311
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	15,96,269	15,96,269
	(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.	80,00,000	80,00,000
5	Others, Contribution to funds & Leave salary	16,11,471	16,11,471
	Total (A)	**1,60,25,051**	**1,60,25,051**
	Ceiling as per the Act	As per Schedule V of the Companies Act,2013	

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	
1	**Independent Directors**					
	Fee for attending board committee meetings	-	2,00,000	2,00,000	1,00,000	**5,00,000**
	Commission		5,00,000	3,75,000	3,75,000	**12,50,000**
	Others Fee for attending sub committee meetings	-	-	-	-	**-**
	TOTAL – (1)	**-**	**7,00,000**	**5,75,000**	**4,75,000**	**17,50,000**
2	**Other Non-Executive Directors**					
	Fee for attending board committee meetings	2,00,000	-	-	-	**2,00,000**
	Commission	5,00,000	-	-	-	**5,00,000**
	Others	-	-	-	-	**-**
	Fee for attending sub committee meetings	-	-	-	-	-
	Consulting Fees	-	-	-	-	**-**
	TOTAL – (2)	**7,00,000**	**-**	**-**	**-**	**7,00,000**
	TOTAL B = (1+2)					**24,50,000**
	Total Managerial Remuneration					**1,84,75,051**
	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 AMOUNT ₹
		CFO	CS	
		R.Sudhir	K Maheswaran	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	8,76,000	3,90,000	12,66,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	18,25,532	3,47,996	21,73,528
	(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	2,39,256	1,10,059	3,49,315
5	Others - Contributions to funds	-	-	-
	TOTAL	**29,40,788**	**8,48,055**	**37,88,843**

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 : New Delhi
DATE : 14.08.2020

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 : NEW DELHI
DATE : 14.08.2020

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, 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

Technology absorption and Research & Development

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

1) Specific areas in which R&D carried out by the Company
- Development of 6-1/2" (165mm), 9M / 13M single pass capacity DTH blast hole drill for export market.
- Development of 4-1/2 to 6-1/2" (114 to 165 mm) 9M / 13M single pass capacity DTH blast hole drill with complete automation for export market
- Development of Automatic Power breakout system for 6" & 12" class drill.

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 10" (250mm), 12M single pass capacity Rotary blast hole drill for export market.
- Development of 6-1/2" (165mm) 9M / 13M single pass capacity DTH pilot controlled blast hole drill for export market.
- Design optimization of 311mm Rotary blast hole drill.
- Development of Diesel version 12" Rotary blast hole drill for export market.
- Development of C615 Top Hammer drill for export & Domestic market.
- Development of C625H with electronic engine, automatic rod handling & Power breakout system for domestic and export market.

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

EXPENDITURE ON R&D	2019-20	2018-19
Capital	-	-
Revenue	106.92	296.13
TOTAL	**106.92**	**296.13**
R&D Expenditure as a percentage of Turnover	1.42	3.92

Foreign Exchange earnings & outgo:

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

	2019-20	2018-19
Foreign Exchange Earnings	27.23	165.58
Foreign Exchange Outgo	484.85	936.74

By Order of the Board
For Revathi Equipment Limited

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

PLACE : NEW DELHI
DATE : 14.08.2020

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 ₹ 894.5 Lakhs.

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

   ₹ 17.9 Lakhs.

5. **Details of CSR spent during the Financial Year 2019-20**

   a) Total amount to be spent for the financial year - ₹ 17.9 Lakhs
   b) Amount unspent, if any; - NIL
   c) Manner in which the amount spent during the financial year is detailed below:

PARTICULARS	AMOUNT	
CSR Project or Activity identified	Contribution to Ashoka University	Round Table India Trust
Sector in which the project is covered	Education	Disaster Management
Project or programs (1) Local area or other (2) Specify the State and district where projects or Programs was undertaken	Public	Public
Amount of outlay (budget) project or programs-wise	NA	NA
Amount spent on the project or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Over-heads:	₹ 17 Lakhs	₹ 1 Lakhs
Cumulative Expenditures up to the reporting period	NIL	NIL
Amount spent, direct or through implementing agencies	Direct	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.

DEEPAK DALMIA
Director
DIN: 00017415

ABHISHEK DALMIA
Chairman Of CSR Committee
DIN: 00011958

PLACE : NEW DELHI
DATE : 14.08.2020

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 = ₹ 193.55)
4.	Share capital	1,82,08,920	6,62,800
5.	Reserves & Surplus	45,65,13,560	14,64,65,618
6.	Total assets	70,98,19,340	25,54,60,388
7.	Total Liabilities	70,98,19,340	25,54,60,388
8.	Investments	6,62,800	-
9.	Turnover	59,81,83,000	25,35,35,751
10.	Profit before taxation	2,66,25,000	1,48,54,847
11.	Provision for taxation	18,36,000	41,73,732
12.	Profit after taxation	2,84,61,000	1,06,81,115
13.	Proposed Dividend	-	-
14.	% of shareholding	79.2%	65.0%

Notes:

There are no subsidiaries which are yet to commence operations or have been liquidated or sold during the year.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associate / Joint Venture	M/s. Semac Construction Technologies India LLP
1. Latest audited Balance Sheet Date	31st March , 2020
2. Shares of Associate/Joint Ventures held by the company on the year end	
No.of Shares	50.0%
Amount of Investment in Associates/Joint Venture	₹ 25.20 Crores
Extend of Holding %	49.0%
3. Description of how there is significant influence	Holding control of more than 20%
4. Reason why the associate/joint venture is not consolidated	The company made investment on 31.03.2020 i.e last day of the financial year end. Hence, not considered for consolidation.
5. Networth attributable to Shareholding as per latest audited Balance Sheet	₹ 34.35 Crores
6. Profit / Loss for the year	
i. Considered in Consolidation	Not Applicable
ii. Not Considered in Consolidation	₹ 45.48 Lakhs

By Order of the Board
For Revathi Equipment Limited

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

PLACE : NEW DELHI
DATE : 14.08.2020

ANNEXURE - F

FORM NO. MR-3
SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

[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, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have 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, 2020 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;

e) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018

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, 2018;

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. There were no changes in the composition of the Board of Directors during the period under review.

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 audit period, the company has obtained necessary approval of the members to make investments, loans, give guarantee or provide security in excess of the limit prescribed under Section 186 of the Companies Act, 2013 up to an aggregate sum of ₹ 350 crores through postal ballot on 26th March 2020.

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.

M D SELVARAJ
UDIN : F000960B000578878
MDS & Associates
Company Secretaries
FCS No.: 960, C P No.: 411

PLACE : COIMBATORE
DATE : 14.08.2020

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.

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
UDIN: F000960B000578878
MDS & Associates
Company Secretaries
FCS No.: 960, C P No.: 411

PLACE : COIMBATORE
DATE : 14.08.2020

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	24:1
Mrs. Deepali Dalmia	Director	0.6:1
Mr. B.V. Ramanan	Director	0.6:1
Mr. Kishore Sidhwani	Director	0.6:1
Mr. V.V. Subramanian	Director	0.31

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	7%
Mr. R. Sudhir (w.e.f 09.06.2018)	Chief Financial Officer	109%
Mr. K. Maheswaran (w.e.f 19.12.2018)	Company Secretary	311%

3. The percentage increase in the median remuneration of employees in the financial year : 23.95%
4. The number of permanent employees on the rolls of company : 187
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 -2%. For employees of Revathi Equipment Ltd, the increase was 3%.
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	77,68,503	B.Com (H),FCA, AICWA./27 years	01/03/2003	51	Utkal Investments Ltd.,New Delhi.	Nil	Related to Mrs Deepali Dalmia
2	Mr.R.Ravindran	DGM – Exports	33,19,720	B.E (EEE), M.B.A/30 years	20/06/1991	52	NIL	Nil	Nil
3	Mr.R.Sudhir	CFO	32,02,886	B.Com., CA / 12 Years	07/09/2017	37	SA Rawther Spices Pvt Ltd.,	Nil	Nil
4	Mr.G.Pathiban	GM-Operations	29,27,227	DME, B.E. / 22 Years	01/09/2017	46	Wabco India Ltd, Chennai	Nil	Nil
5	Mr.S.Chandrasekaran	AGM (Engg)	27,27,198	DME,AIME – 35 years	01/06/2016	55	Sandvik Asia Pvt Ltd, Pune	Nil	Nil
6	Mr.S Balasundaram	DGM – Marketing	26,65,652	B.E(Mech), PGDip Marketing Mgt	20/06/1991	56	NIL	Nil	Nil
7	Mr.Hara Prasad Chakaraporty	AGM – Product Support	25,03,424	DME., AMIE	01/08/2016	53	Suchita Earthmoving Solutions	Nil	Nil
8	Mr.K.R. Selvaraj	AGM – Product Support	21,24,028	B. Tech (Auto Engg)	22/08/2012	52	Tractors India Pvt Ltd, Kolkata	Nil	Nil
9	Mr. A. Hari Shankar Davey	Manager- Finance & Accounts	15,32,225	M.Com	26/04/2017	46	TVS Training and Services Limited	Nil	Nil
10	Mr.A. Sivakumar	Manager- Materials	13,97,604	DME, B.S,(ENGG TECH)	03/11/1996	49	Achali Leafspring Pvt Ltd	Nil	Nil

By Order of the Board
For Revathi Equipment Limited

PLACE : NEW DELHI
DATE : 14.08.2020

ABHISHEK DALMIA
Executive Chairman
DIN: 00011958

REPORT ON CORPORATE GOVERNANCE FOR FY 2019-20

[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 6 Directors including 1 Executive and 5 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	Yes	4	0	0
Mr. B.V. Ramanan (DIN: 00934602)	Non-Executive / Independent	4	No	1	0	1
Mr. Kishore Sidhwani (DIN: 02428735)	Non-Executive / Independent	4	No	1	0	1
Mr. V V Subramanian (DIN: 05232247)	Non-Executive / Independent	2	Yes	2	1	0
# Mr.Harivansh Dalmia (DIN: 08750555) Appointed on 15.06.2020	Non-Executive / Non-Independent	NA	NA	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. Harivansh Dalmia was appointed only on 15.06.2020.

Mr. Abhishek Dalmia, Executive Chairman is related to Mrs. Deepali Dalmia and Mr. Harivansh 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	29.05.2019	4
2	08.08.2019	4
3	06.11.2019	5
4	13.02.2020	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, 2020.

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, 2020)
1	Mrs. Deepali Dalmia	NIL
2	Mr. B. V. Ramanan	400
3	Mr. Kishore Sidhwani	1019
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.

The Company has not issued any type of convertible instruments to Non Executive Directors

(v) Familiarization Program for Independent Directors:

Company familiarizes its Independent Directors of the company, their roles, rights, responsibilities in the company, nature of the Industry in which the company operates, business model of the company, etc., through various programmes. These include orientation programmes as well as other initiatives to update the Directors on a continuing basis.

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

(vi) Skills/Expertise/Competencies of the Board of Directors:

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 its business(es) and sector(s) for functioning effectively 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

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted. However, in the absence of mark against a Director does not necessarily mean that the member does not possess the said qualification or skill.

BOARD QUALIFICATIONS					
Name of the Director	Area of Expertise				
	Knowledge on Company's businesses	**Behavioral skills**	**Business Strategy**	**Financial and Management skills**	**Technical / Professional skills**
Mr. Abhishek Dalmia (DIN: 00011958)	✔	✔	✔	✔	✔
Mrs. Deepali Dalmia (DIN: 00017415)	✔	✔	✔	✔	-
Mr. B.V. Ramanan (DIN: 00934602)	✔	✔	✔	✔	-
Mr. Kishore Sidhwani (DIN: 02428735)	✔	✔	✔	✔	✔
Mr. V.V. Subramanian (DIN: 05232247)	✔	✔	✔	✔	-

(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, none of the Independent Directors has resigned before the expiry of the tenure.

(ix) Separate Meeting of Independent Directors:

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 13th February, 2020, as required under Schedule IV to the Companies Act, 2013 (Code for Independent Directors) and Regulation 25 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. All the 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) Modified opinion(s) 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) Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision

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

(xxiii) 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 4 (Four) times on 29th May, 2019, 08th August, 2019, 6th November, 2019, and 13th February, 2020. 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. V. V. Subramanian (Chairman)	Non-Executive and Independent Director	4	2
Mr. B. V. Ramanan (Member)	Non-Executive and Independent Director	4	4
Mr. Kishore Sidhwani (Member)	Non-Executive and Independent Director	4	4

The Chairman of the Audit Committee attended the Annual General Meeting held on 10th September 2019.

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 2019-20, at their meeting held on 15th June 2020 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 read with Part D of Schedule II 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.

(vi) Recommend to the Board, all remuneration, in whatever form, payable to Senior Management.

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 2 (Two) times on 29th May 2019, and 8th August 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. V. V. Subramanian (Chairman)	Non-Executive and Independent Director	2	-
Mr. B. V. Ramanan (Member)	Non-Executive and Independent Director	2	2
Mr. Kishore Sidhwani (Member)	Non-Executive and Independent Director	2	2

The Chairman of the Nomination and Remuneration Committee had attended the Annual General Meeting held on 10th September, 2019.

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, 2020 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 REMUNERATION
Mr. Abhishek Dalmia	5 years with effect from 01.04.2016	48,17,311	15,96,269	16,11,471	80,00,000	1,60,25,051

(ii) Non-Executive Directors

Sitting fees for attending Board / Committee meetings paid and Commission payable to Non-Executive directors for financial year 2019-20 are given below:

S. NO.	NAME OF THE DIRECTORS	SITTING FEES PAID	COMMISSION
1	Mrs. Deepali Dalmia	2,00,000	5,00,000
2	Mr. B. V. Ramanan	2,00,000	5,00,000
3	Mr. Kishore Sidhwani	2,00,000	3,75,000
4	Mr. V. V. Subramanian	1,00,000	3,75,000

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

(iv) 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, 2019, 8th August, 2019, 6th November , 2019 and 13th February, 2020. 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. V. V. Subramanian (Chairman)	Non-Executive and Independent Director	4	2
Mr. B. V. Ramanan (Member)	Non-Executive and Independent Director	4	4
Mr. Kishore Sidhwani (Member)	Non-Executive and Independent Director	4	4

The Chairman of the Stakeholders Relationship Committee had attended the Annual General Meeting held on 10th September 2019.

Mr. K. Maheswaran, Company Secretary is Compliance Officer of the Company.

The minutes of the Stakeholders Relationship Committee were placed before the Board Meeting for due ratification and approval.

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.

(iii) Unclaimed Suspense Account

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

(iv) 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 2019-20, the Company had received no complaints from the shareholders and there were no outstanding complaints as on 31.03.2020.

7. 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 2 (Two) time on 29th May, 2019 and 8th August, 2019. 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	2	2
Mr. V. V. Subramanian (Member)	Non-Executive and Independent Director	2	-
Mr. B. V. Ramanan (Member)	Non-Executive and Independent Director	2	2

8. 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.

9. 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
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
2018-2019	10.09.2019	3.00 p.m.	Pollachi Road, Malumachampatti Post, Coimbatore – 641 050.	• Payment of remuneration to Mr. Abhishek Dalmia, Executive Chairman of the Company • Re-appointment of Mr. B. V. Ramanan as Independent Director of the Company • Re-appointment of Mr. Kishore Sidhwani as Independent Director of the Company • Approval to make investments, loans, give guarantee or provide security in excess of the limit prescribed under Section 186 of the Companies Act, 2013

EGM AND POSTAL BALLOT

During the year no EGM was held.

Postal Ballot

During the year, the Company has conducted a Postal Ballot vide Notice dated 13th February, 2020 for obtaining the approval of the members to make investments, loans, give guarantee or provide security in excess of the limit prescribed under Section 186 of the Companies Act, 2013 up to an aggregate sum of Rs.350 Crores. The details of resolutions passed through Postal Ballot last year and the voting pattern for the said resolutions are disclosed as under:

Particulars of Resolution	Type of resolution	No. of votes polled	Votes cast in favour		Votes cast against		Invalid votes cast
			No. of votes	% of votes	No. of votes	% of votes	
Approval to make nvestments, loans, give guarantee or provide security in excess of the limit prescribed under Section 186 of the Companies Act, 2013 up to an aggregate sum of Rs.350 Crores	Special Resolution	22,65,903	22,64,716	99.95	1,187	0.05	Nil

Sri. M.D. Selvaraj, FCS of MDS & Associates, Company Secretaries, Coimbatore, was appointed as the scrutnizer for carrying on the postal ballot process in a fair and transparent manner.

Postal Ballot proposed to be conducted:

As on date of this report, the Company does not foresee the need for postal ballot to pass any resolution in the current financial year.

Procedure for postal ballot:

Pursuant to the provisions of Section 108 & 110 of the Companies Act, 2013 read with Rule 22 of the Companies (Management and Administration) Rules, 2014 (as amended) and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the resolutions as specified in the Notice of the Postal Ballot dated 13th February, 2020 (as specified above) were transacted through Postal Ballot / e-voting.

The Company had engaged the services of Central Depository Services (India) Limited (CDSL) for providing e-voting facility to the members.

The members holding shares as on the cut-off date of Friday, 21st February, 2020 were provided the option of exercising their right to vote on the said resolution through postal ballot / e-voting during the period commencing from Wednesday, 26th February, 2020, 9:00

AM to Thursday, 26th March, 2020, 5:00 PM. Upon completion of the voting period, the scrutinizer completed the scrutiny of votes cast and submitted his report to the Executive Chairman. The results of the voting were declared on Friday, 27th March, 2020 on the website of the Stock Exchanges, Company and CDSL.

10. 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) 43rd Annual General Meeting:

Date : 25.09.2020
Time : 2.00 P.M.
Venue : The meeting is being convened through video conferencing / other audio-visual means and hence the registered office of the Company will be deemed to be the venue of the AGM.

(ii) Financial Calendar:

Financial Year : April 01, 2020 to March 31, 2021

Date of Book closure from 19.09.2020 to 25.09.2020 (Both days inclusive)

(iii) Dividend payment date: The Directors have not recommended any Dividend for the year ended 31st March, 2020.

(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 (Fully paid ₹ 10/- each) : INE617A01013

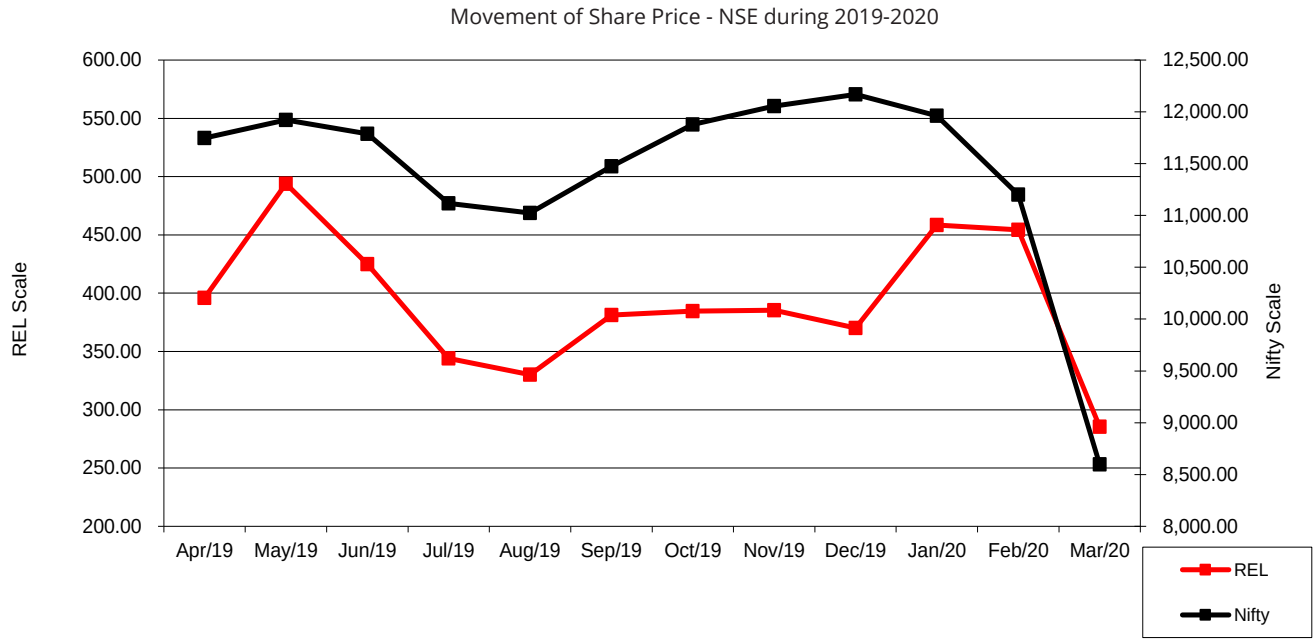
The Company has paid the Listing Fees for the financial year 2020-2021 to the above Stock Exchanges.

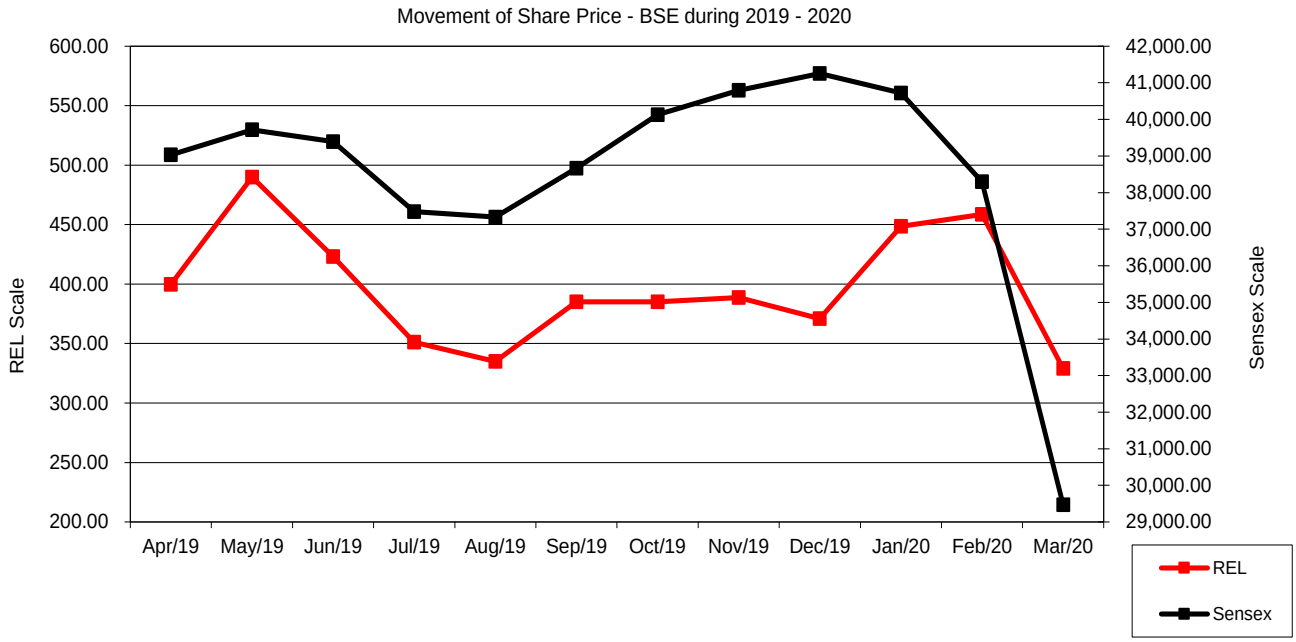
(vi) Share Price Movements (Monthly High & Low)

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 2019	408.95	371.80	419.00	382.00
May 2019	518.50	345.00	518.80	332.00
June 2019	487.20	395.10	487.95	390.40
July 2019	432.00	331.10	440.00	340.00
August 2019	390.00	305.20	386.20	290.40
September 2019	434.00	332.55	414.00	317.40
October 2019	385.00	343.00	386.20	332.40
November 2019	410.00	348.70	409.00	325.60
December 2019	395.00	337.90	399.95	313.60
January 2020	504.00	365.00	504.95	345.05
February 2020	526.00	409.95	525.75	391.65
March 2020	467.00	250.00	483.60	215.10

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) Details of Compliance Officer

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

In order to facilitate investor servicing, the Company has designated an e-mail-id: compliance.officer@revathi.in for registering complaints by investor.

The shares of the Company are regularly traded and in no point of time the shares were suspended for trading in the stock exchanges.

(ix) 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	103	0.0
Directors and relatives	1,019	0.0
Bodies Corporate	34,323	1.1
Non -Resident Indians	15,711	0.5
Public	7,89,834	25.8
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	3,797	75.5	1,38,845	4.5
101 - 200	596	11.8	96,171	3.1
201 - 500	420	8.3	1,44,075	4.7
501 - 1000	118	2.3	87,603	2.8
1001 - 5000	81	1.6	1,68,164	5.5
5001 - 10000	8	0.2	53,467	1.7
10001 and above	10	0.2	23,78,618	77.6
TOTAL	**5,030**	**100.0**	**30,66,943**	**100.0**

Number of Shareholders as on March 31, 2020: 5,030

(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 2019-20, 3231 (0.1%) shares were dematerialized. As on 31st March, 2020, total shares in demat form is 3021681 shares and 45262 shares in physical form. This represents 98.5% shares of the company are in demat form and 1.5% 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.

11. 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 partytransactions 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 exchange 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 ₹ 10,70,000/- 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 2019-20, 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 15th June, 2020 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 2019-2020.

By order of the Board
For Revathi Equipment Limited

ABHISHEK DALMIA
Executive Chairman
(DIN: 00011958)

Place : New Delhi
Date : 14.08.2020

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, 2020, 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.

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

NEERAJ BANSAL
Partner
Membership No. 095960

Place: New Delhi
Date: 14.08.2020

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, 2020** have been debarred or disqualified from being appointed or continuing as Directors of company 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
UDIN:F000960B000578889
MDS & Associates
Company Secretaries
FCS No.: 960; C P No.: 411

Place: Coimbatore
Date: 14.08.2020

To the Members of Revathi Equipment Limited

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of REVATHI EQUIPMENT LIMITED ('the Company'), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (herein after referred to as "standalone financial statements").

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

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing 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 Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to the note 52 to the standalone financial statements which describes the management's assessment of the impact of uncertainties arising because of COVID-19 Pandemic and its consequential effects on the Company.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Information Other than the Standalone 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 the standalone financial statements and our auditor's report thereon.

The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our 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 communicate the matter to those charged with governance.

Management's Responsibility for the Standalone Financial Statements

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

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

In preparing the standalone 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 Responsibility for the audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 financial statements.

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial 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 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 financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the standalone financial statements may be influenced. We consider quantitative and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the standalone financial statements.

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (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 "Annexure – A" a statement on the matters specified in paragraphs 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 purpose of our audit;

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

   c. The Balance Sheet, Statement of Profit and Loss, Statement of Cash Flows and 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 financial statements comply with the Ind AS specified under Section 133 of the Act read with relevant rules issued thereunder;

   e. On the basis of written representations received from the directors as on March 31, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020, from being appointed as a director in terms of 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. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

      As per the information and explanation given to us and on the basis of our examination of the records, managerial remuneration has been paid or provided as specified by the provisions of section 197 read with Schedule V to the Act.

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 Company does not have any pending litigation which would impact its financial position. Refer Note 31 to the standalone financial statements;

ii) there has been no material foreseeable losses on long term contracts including derivative contracts, therefore the Company has not made any provision as required under the applicable law or Indian Accounting Standards;

iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

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

NEERAJ BANSAL
Partner
Membership No. 095960
UDIN: 20095960AAAAEI2904

Place: New Delhi
Date: 15.06.2020

Annexure A to the Independent Auditor's Report to the members of Revathi Equipment Limited

Referred to in paragraph 1 of report on other legal and regulatory requirement's paragraph of our report on the financial statement of even date,

(i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment (fixed assets);

(b) The property, plant and equipment (fixed assets) physically verified by the management according to a phased manner program designed to cover all items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and nature of its assets. According to the information and explanation given to us, no material discrepancies were noticed on such verification;

(c) According to the information and explanations given to us and based on the records, the title deeds of immovable properties are held in the name of the Company. As explained by the management, one land at Coimbatore is pledged with bank;

(ii) (a) The physical verification of inventory has been conducted by the Company subsequent to the balance sheet date due to COVID-19 pandemic impact with proper subsequent procedures to arrive at inventory as on balance sheet date. According to the information and explanations given to us, no material discrepancies were noticed on such verification;

(b) In our opinion and according to the information & explanations given to us, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size and nature of the business of the Company;

(c) In our opinion and according to the information & explanations given to us, the Company is maintaining proper records of inventory. Subsequent to the year, the physical verification was conducted and no discrepancy has been noticed;

(iii) As per the information and explanation given to us and on the basis of our examination of the records, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013;

(iv) In our opinion and according to the information and explanation given to us, provisions of sections 185 and 186 of the Act, as applicable, in respect 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 explanation given to us, the Company has not accepted any deposits from the public within the meaning of directives issued by the Reserve Bank of India and provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed thereunder;

(vi) We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company as specified by the Central Government of India under section 148(1) of the Companies Act, 2013 and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not made a detailed examination of the records with a view to determine whether they are accurate and complete;

(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 provident fund, investor education and protection fund, employees' state insurance, income tax, customs duty, Goods and Services Tax, Cess and other material statutory dues as applicable with the appropriate authorities. Further, there were no undisputed amounts outstanding at 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 and the records of the Company examined by us, there are no dues of income tax, custom duty, Goods and Service Tax, Cess and other material statutory dues which have not been deposited on account of any dispute;

(viii) According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted on repayment of loans to bank and financial institutions. The Company has neither taken loan from the Government nor has it issued any debentures;

(ix) As per the information and explanation given to us and on the basis of our examination of the records, the company has not raised any money by way of initial public offer, further public offer or term loan during the financial year;

(x) In our opinion and according to the 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 explanation given to us, managerial remuneration has been paid or provided as specified by the provisions of Section 197 of the Act read with Schedule V to the Act;

(xii) In our opinion and according to the information and explanation given to us, the company is not a Nidhi Company, therefore clause (xii) of paragraph 3 of the order is not applicable to the company;

(xiii) As per the information and explanation given to us and on the basis of our examination of the records, the company has transacted with the related parties which are in compliance with section 177 and section 188 of Companies Act, 2013 and the details have been disclosed in the standalone financial statements as required by the Ind AS 24 Related Party Disclosures - Refer note no. 40 to the standalone financial statements;

(xiv) According to the information and explanations given to us and overall examination of the books of account, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year and hence not commented upon;

(xv) According to the information and explanations given to us and based on examination of the records of the company, the company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of the Act. Accordingly, clause (xv) of paragraph 3 of the order is not applicable to the company;

(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

NEERAJ BANSAL
Partner
Membership No. 095960
UDIN: 20095960AAAAEI2904

Place: New Delhi
Date: 15.06.2020

Annexure B to the Independent Auditor's Report to the members of Revathi Equipment Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (as amended) ("the Act").

We have audited the internal financial controls over financial reporting of Revathi Equipment Limited ("the Company") as at March 31, 2020 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of 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, 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 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 financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and

c) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone 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, based on records the Company has, in all material respects, an adequate internal financial controls over financial reporting and the internal controls over financial reporting are generally operating effectively as at March 31, 2020 based on the "internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India".

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

NEERAJ BANSAL
Partner
Membership No. 095960

Place: New Delhi
Date: 15.06.2020

STANDALONE FINANCIAL STATEMENT

REL

REVATHI EQUIPMENT LIMITED

BALANCE SHEET AS AT MARCH 31, 2020

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

PARTICULARS	NOTE	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
A. ASSETS			
(1) Non current assets			
(a) Property, plant and equipment	3	45,717	40,799
(b) Right of use asset	4	1,771	-
(c) Investment property	5	1,66,265	1,66,265
(d) Other intangible assets	3	891	785
(e) Financial assets			
(i) Investments	6.1	11,42,849	8,77,271
(ii) Loans	6.2	7,898	9,126
(iii) Others financial asset	6.3	-	4,998
(f) Deferred tax assets (net)	7	84,045	90,771
(g) Other non - current assets	8	1,626	1,501
		14,51,062	11,91,516
(2) Current assets			
(a) Inventories	9	2,27,718	1,31,618
(b) Financial assets	10		
(i) Investments	10.1	4,000	-
(ii) Trade receivables	10.2	3,25,174	3,53,275
(iii) Cash and cash equivalents	10.3	3,290	12,811
(iv) Bank balances other than above	10.4	77,232	65,772
(v) Loans	10.5	3,224	1,315
(vi) Others financial asset	10.6	10,019	4,721
(c) Current tax asset (net)	11	-	-
(d) Other current assets	11	49,741	8,575
		7,00,398	5,78,087
TOTAL ASSETS		**21,51,460**	**17,69,603**
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	12	30,669	30,669
(b) Other equity	13	16,79,733	15,57,518
		17,10,402	15,88,187
(1) Non - current liabilities			
Financial liabilities			
(i) Borrowings	13	-	-
(a) Lease Liability	4	1,161	-
(b) Provisions	14	5,929	7,276
		7,090	7,276
(2) Current liabilities			
(a) Financial liabilities	15		
(i) Borrowings	15.1	1,66,345	-
(ii) Trade payables:			
- Due to Micro, Small and Medium Enterprises	15.2	6,457	6,231
- Due to other than Micro, Small and Medium Enterprises	15.2	1,45,400	1,20,384
(iii) Other financial liabilities	15.3	38,011	21,665
(iv) Lease Liabilities	4	652	
(b) Other current liabilities	16	48,091	14,216
(c) Provisions	17	4,451	7,020
(d) Current tax liabilities (net)	18	24,561	4,624
		4,33,968	1,74,140
TOTAL EQUITY & LIABILITIES		**21,51,460**	**17,69,603**
Significant Accounting Policies	1 & 2		

The accompanying notes form an integral part of these Standalone financial statements

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

NEERAJ BANSAL
Partner
Membership No: 095960

PLACE: NEW DELHI
DATE: JUNE 15, 2020

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

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

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

PARTICULARS	NOTE	YEAR ENDED MARCH 31, 2020	YEAR ENDED MARCH 31, 2019
INCOME			
Revenue from operations	19	7,50,439	7,54,448
Other income	20	24,939	9,406
TOTAL INCOME		**7,75,378**	**7,63,854**
EXPENSES			
Cost of materials consumed	21	3,33,727	1,73,923
Purchases of stock in trade	22	86,318	75,598
Changes in inventories of finished goods, stock - in - trade and work - in - progress	23	(55,851)	1,33,631
Employee benefits expense	24	1,01,533	1,02,964
Finance costs	25	7,069	17,564
Depreciation and amortization expense	26	6,513	5,420
Other expenses	27	1,22,979	1,56,066
TOTAL EXPENSES		**6,02,288**	**6,65,166**
Profit / (loss) before tax		1,73,090	98,688
Tax expense	28		
(1) Current Tax		47,879	26,779
(2) Deferred Tax		3,208	(19,407)
(3) Tax for earlier years		-	1,548
(4) MAT credit entitlement		-	(3,502)
TOTAL TAX EXPENSE		**51,087**	**5,418**
Profit / (loss) for the year		**1,22,003**	**93,270**
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss	29	1,081	(124)
(ii) Income tax relating to items that will not be reclassfied to profit or loss	28	(315)	34
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		-	-
		766	(90)
Total comprehensive income for the year		**1,22,769**	**93,180**
Earnings per equity share (basic& diluted) (Face value of Rs 10 each)	30	39.78	30.41
Significant Accounting Policies	1 & 2		

The accompanying notes form an integral part of these standalone financial statements

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

NEERAJ BANSAL
Partner
Membership No: 095960

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: NEW DELHI
DATE: JUNE 15, 2020

CASH FLOWS STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

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

PARTICULARS	2019-20	2018-19
A. Cash flow from operating activities		
Net profit before tax	1,73,090	98,688
Adjustments:		
Depreciation / amortization	6,513	5,420
Insurance Claim received	(35)	-
Provision for doubtful debts/ advances	-	10,000
Bad debts/ advances written off	-	10,827
Liabilities & provision written back	-	(2,747)
Finance cost	7,069	17,564
Interest Income	(8,061)	(5,163)
Profit of Redemption of Mutual Fund	1,012	-
(Profit)/Loss on sale of fixed assets and assets written off	(15,372)	(1,346)
Operating profit before working capital changes	1,64,216	1,33,244
Adjustments for working capital changes :		
Inventories	(96,100)	1,33,746
Trade and other payables	70,386	16,278
Trade and other receivables	(23,169)	(81,271)
Cash generated from operations	1,15,332	2,01,997
Direct taxes (paid)/refund	(22,043)	(14,481)
Net cash from operating activities	93,290	1,87,516
B Cash flow from investing activities		
Purchase of fixed assets	(12,352)	(16,909)
Proceeds from sale of fixed assets	15,372	82,888
Proceeds from maturity of fixed deposits	(6,462)	(36,139)
Purchase of non current investments	(2,65,578)	-
Interest received	8,061	5,163
Net cash used in investing activities	(2,60,958)	35,003
C Cash flow from financing activities		
Proceeds from/(repayment of) short term borrowings	1,66,345	(2,63,071)
Proceeds from/(repayment of) long term borrowings	(1,170)	1,170
Right of Use Asset	(1,771)	-
Lease Liabilities	1,813	-
Finance cost	(7,069)	(17,564)
Net cash from / (used in) financing activities	1,58,149	(2,79,465)
Net increase in cash and cash equivalents (A+B+C)	(9,521)	(56,946)
Cash and cash equivalents (Opening Balance)	12,811	69,757
Cash and cash equivalents (Closing Balance)*	3,290	12,811
Change in cash & cash equivalents	(9,521)	(56,946)
Components of cash & cash equivalents, Balances with banks		
- in Current accounts	3,025	12,666
- On cash credit accounts		
- Deposits with original maturity of less than 3 months	-	-
Cash on hand	265	145
Net cash & cash equivalents	3,290	12,811

Note:

1. The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS -7) Statement of Cash Flows
2. Change in the liability arising from financing activities during the year are on account of cash movement only.
3. The accompanying notes form an integral part of these Standalone financial statements.

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

NEERAJ BANSAL
Partner
Membership No: 095960

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: NEW DELHI
DATE: JUNE 15, 2020

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

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

A. Equity share capital

PARTICULARS	AS AT MARCH 31, 2018	CHANGES DURING THE YEAR	AS AT MARCH 31, 2019	CHANGES DURING THE YEAR	AS AT MARCH 31, 2020
Equity share capital	30,669	-	30,669	-	30,669

Also refer note 12

B. Other equity

PARTICULARS	RESERVES AND SURPLUS				EQUITY IN SUBSIDIARY (REFER NOTE A(V) BELOW)	ITEMS OF OTHER COMPREHENSIVE INCOME	TOTAL
	CAPITAL REDEMPTION RESERVE	CAPITAL RESERVE	GENERAL RESERVE	RETAINED EARNINGS		ACTURIAL GAIN / (LOSS)	
As at March 31, 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 March 31, 2019	3,111	149	4,56,899	10,96,740	-	619	15,57,518
Additions during the period	(3,111)	-	3,111	1,22,003	(554)	766	1,22,215
As at March 31, 2020	-	149	4,60,010	12,18,743	(554)	1,385	16,79,733

Also refer note 13

A. 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 represents 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 The Company has given a corproate guarantee for securing non-fund based credit facilities from one of the indian banks to its subsidiary. The company has accounted for this corporate guarantee in its book of account in terms of Ind AS 109.

vi 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.

B. During the year, the company has transferred the Capital Redemption Reserve amounting to Rs.3111 thousands to General Reserve.

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

NEERAJ BANSAL
Partner
Membership No: 095960

PLACE: NEW DELHI
DATE: JUNE 15, 2020

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

(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 June 15, 2020.

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

Operating cycle is the time between the acquisition of assets for providing services and their realisation in Cash and cash equivalents. Based on the nature of services provided by the company, its normal operating cycle is not clearly identifiable, therefore it is assumed to be twelve months for the purpose of current / non-current classification of assets and liabilities as specified in the Schedule-III to The Companies Act, 2013 (as amended).

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.

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. 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.

The useful life of property, plant & equipment is consistent with the useful life of assets specified in schedule II of 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 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, 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.

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

The Company's lease asset classes primarily consist of leases for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the 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.

The lease liability is initially measured at amortized cost

at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset are separately presented in the Balance Sheet and lease payments are classified as financing cash flows.

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 the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset. Expected credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Company estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument. The Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

(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.

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 from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is measured based on the transaction price, which is the consideration, adjusted for discounts and other incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes or other amounts collected from customers.

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

Revenue is recognised based on the performance of services as agreed in the contract with customers at a point in time.

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 is recognized when the right to receive is established, which is generally when shareholders approve the dividend.

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 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, 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

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									Intangible asset		Total asset
	Land freehold	Buildings	Plant & machinery	Production tooling	Data processing equipment	Furniture & fixtures	Office equipment	Vehicles	Total	Computer software	Total	
Gross Block												
as at April 1, 2018	941	14,874	10,517	483	2,673	2,651	2,514	5,459	40,112	2,412	2,412	42,524
Addition	8,722	-	6,134	23	460	84	24	-	15,447	-	-	15,447
Disposals / adjustments	-	-	(338)	-	-	(11)	(26)	-	(375)	-	-	(375)
as at March 31, 2019	9,663	14,874	16,313	506	3,133	2,724	2,512	5,459	55,184	2,412	2,412	57,596
Addition	-	-	1,595	-	3,310	42	449	4,598	9,994	860	860	10,854
Disposals / adjustments	(13)	-	-	-	-	-	(7)	-	(20)	-	-	(20)
as at March 31, 2020	9,650	14,874	17,908	506	6,443	2,766	2,954	10,057	65,158	3,272	3,272	68,430
Depreciation												
as at April 1, 2018	-	1,892	4,349	336	1,339	373	827	691	9,807	785	785	10,592
Charge for the year	-	987	1,215	102	742	259	468	805	4,578	842	842	5,420
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
as at March 31,2019	-	2,879	5,564	438	2,081	632	1,295	1,496	14,385	1,627	1,627	16,012
Charge for the year	-	987	1,217	20	1,255	264	482	831	5,056	754	754	5,810
Disposals	-	-	-	-	-	-	-	-	-		-	-
as at March 31, 2020	-	3,866	6,781	458	3,336	896	1,777	2,327	19,441	2,381	2,381	21,822
Net Block												
as at March 31,2019	9,663	11,995	10,749	68	1,052	2,092	1,217	3,963	40,799	785	785	41,584
as at March 31, 2020	9,650	11,008	11,127	48	3,107	1,870	1,177	7,730	45,717	891	891	46,608

4. Right-of-use assets

Particulars	Category of ROU
	Lease hold Building
Balance as at April 1, 2019	-
Reclassified on Adoption of IndAS 116	-
Additions	2,475
Disposal	390
Balance as at March 31, 2020	2,085

Provision for depreciation

Particulars	Category of ROU
	Lease hold Building
Balance as at April 1, 2019	-
Reclassified on Adoption of IndAS 116	-
Charge for the year	704
Disposal	390
Balance as at March 31, 2020	314
Net Carrying Value as at March 31, 2020	1,771

Company has taken office & residential premises on lease. These are accounted as per INDAS 116 and the management has consider all relevant facts and circumstances to classify some of the leases into short term. As a result company elects not to apply the requirements of INDAS 116 and recognise the lease payments associated with those leases on straight-line basis over the lease term.

Interest charge for the year on lease liabilities	121
Total cash outflow (payment) for leases	
Leases for which Right to use assets is recognised	783
Leases considered as short term	1,473

Movement in Lease liabilites for the year ended March 31, 2020:-

Particular	Total
Balance as at April 1, 2019	
Addition	2,475
Finance cost accrued during the period	121
Deletion	-
Payment of lease liability	783
Balance at the end	1,813
Classification of Lease Liabilities	
Non Current Lease Liabilities	1,161
Current Lease Liabilities	652

The Company has adopted Ind AS 116 "Leases" effective from April 1, 2019 and applied the same to lease contracts existing on April 1, 2019 with right of use asset recognised to an amount equal to adjusted lease liability. Accordingly the comparatives for the year ended March 31, 2019 have not been retrospectively adjusted.

5. Investment property

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
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 Rs. 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 - Tridhaatu vide deed of modification dated December 17, 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.

The valuation of the investment property has been conducted by an independent valuer during the year with its market value estimated at Rs.384,800 thousands. Till the construction/ development of the property, no rental income shall accrue to the company other than disposal of the entitlement. There is no restriction on the realisability of investment property or the remittance of income and proceeds of disposal. Investment property is not subject to any depreciation till construction / development of the said property.

6. Financial asset : non current

6.1 Investments

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Unquoted investment		
i) Investments in subsidiaries (at cost)		
14,42,776 (March 31, 2019: 14,01,860) Equity shares of Rs 10 each fully paid up in Semac Consultants Private Limited *	8,90,849	8,77,271
ii) Investments in associates (at cost)		
a. 88,96,797 (March 31, 2019: 88,96,797) preferred stock in Satellier Holdings Inc.,USA **	48,750	48,750
Less: Imapairment in value	(48,750)	(48,750)
b. 50% share in Semac Construction Technologies India LLP	2,52,000	-
TOTAL	**11,42,849**	**8,77,271**
Aggregate amount of quoted investments	-	-
Market value of quoted investments	-	-
Aggregate amount of unquoted investments	11,42,849	8,77,271

* During the year, company has increased stake in Semac Consultants Private Limited by acquiring 40916 shares from existing shareholders.

** 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 Rs. 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.

6.2 Loans

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Security deposits	7,898	9,126
TOTAL	**7,898**	**9,126**

6.3 Other financial assets

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Fixed deposits (having remaining maturity of more than 12 months)	-	4,998
TOTAL	**-**	**4,998**

7. Deferred tax

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
MAT credit entitlement	77,203	80,407
Deferred tax asset / (liability) (net)	6,841	10,364
TOTAL	**84,044**	**90,771**

i. Movement in deferred tax items

FY 19-20	MOVEMENT DURING THE YEAR			
	BALANCE AS AT APRIL 1, 2019	RECOGNISED IN STATEMENT OF PROFIT AND LOSS	RECOGNISED IN OTHER COMPREHENSIVE INCOME	CLOSING BALANCE AS AT MARCH 31, 2020
Deferred tax liability / (asset) on account of				
Property, plant & equipment	(4,507)	998	-	(3,509)
Payment of gratuity	(464)	394	315	245
Provision of leave encashment / sick leave	(2,384)	261	-	(2,123)
Provision of doubtful debts	(3,009)	737	-	(2,272)
Provision for Warranty	-	830	-	830
Lease Liability	-	(12)	-	(12)
Net Deferred tax liability / (asset)	(10,364)	3,208	315	(6,841)
MAT credit entitlement	80,407	(3,204)	-	77,203

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	80,407	-	-	80,407

8. Other non current assets

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Unsecured considered good		
Capital advances	1,498	1,462
Advance lease rent	128	39
TOTAL	**1,626**	**1,501**

9. Inventories

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Raw materials	68,742	61,967
Work-in-progress	85,758	37,020
Finished Goods	33,474	-
Stock-in-trade	39,744	32,631
TOTAL	**2,27,718**	**1,31,618**

10. Financial Assets: Current

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
10.1 Investments		
Quoted Investments	-	-
Investment in Mutual fund -	4,000	-
SBI Arbitrage oppurtunities fund (no of units 403831)		
TOTAL	**4,000**	**-**
Aggregate amount of quoted investments	4,000	-
Aggregate market value of quoted investments	4,000	-
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investment	-	-
10.2 Trade Receivables		
Trade receivable considered good-secured	-	-
Trade receivable considered good-unsecured	3,25,174	3,53,275
Trade receivable which have significant increase in credit risk	-	-
Trade receivable-credit impaired	7,804	10,817
Less provision for ECL	(7,804)	(10,817)
TOTAL	**3,25,174**	**3,53,275**
10.3 Cash & cash equivalents		
Balances with banks		
- in Current Accounts	3,025	12,666
- in Fixed deposit with maturity of upto 3 months	-	-
Cash on hand	265	145
TOTAL	**3,290**	**12,811**
10.4 Bank balance		
Other balances		
- in Fixed deposit *	53,112	53,112
- Margin money **	24,120	12,660
TOTAL	**77,232**	**65,772**

Note:-

* Fixed deposits under Lien with Lakshmi Vilas Bank against the corporate guarantee given by the company on behalf of Semac Consultants Pvt Ltd for non fund based facilities,

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

10.5 Loans		
Unsecured, considered good		
- Loans to employees	3,071	1,162
- Security deposits	153	153
TOTAL	**3,224**	**1,315**
10.6 Other financial asset		
Interest accrued on Deposits with bank	3,504	4,721
Contract Asset	6,515	
TOTAL	**10,019**	**4,721**

11. Other current assets

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Other advances	6,223	407
Prepaid expenses	2,089	1,334
Advances to suppliers/contractors	31,055	4,517
Balances with statutory authorities	10,374	2,317
TOTAL	**49,741**	**8,575**

12. Equity share capital

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Authorised share capital		
35,00,000 (previous year: 35,00,000) equity shares of Rs. 10 /- each	35,000	35,000
TOTAL	**35,000**	**35,000**
Issued, subscribed and fully paid up		
30,66,943 (previous year: 30,66,943) equity shares of Rs. 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, 2018	30,66,943	30,669
Movement during the year	-	-
As at March 31, 2019	30,66,943	30,669
Movement during the year	-	-
As at March 31, 2020	30,66,943	30,669

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

PARTICULARS	AS AT MARCH 31, 2020		AS AT MARCH 31, 2019	
	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 RACL)	4,57,000	14.9%	4,57,000	14.9%

(iii) Details of shares held by holding company

PARTICULARS	AS AT MARCH 31, 2020		AS AT MARCH 31, 2019	
	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%
Terms and rights attached to equity shares				

(iv) Rights, preferences and restrictions attached to equity shares

The Company has only one type of equity share having par value of Rs. 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.

(v) 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

13. Other Equity

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
A. Reserves & Surplus		
Capital Redemption Reserve		
Opening balance	3,111	3,111
Changes during the year	(3,111)	-
Closing balance	-	3,111
Capital Reserve		
Opening balance	149	149
Changes during the year	-	-
Closing balance	149	149
General Reserve	4,56,899	4,56,899
Opening balance	3,111	-
Changes during the year	4,60,010	4,56,899
Closing balance		
Retained Earnings		
Opening balance	10,96,740	10,03,470
Changes during the year	1,22,003	93,270
Closing balance	12,18,743	10,96,740

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
B. Equity in Subsidiary		
Opening balance	-	-
Changes during the year	(554)	-
Closing balance	(554)	-
C. Other Comprehensive Income		
Remeasurement of the net defined benefit liability or asset		
Opening balance	619	709
Changes during the year	766	(90)
Closing balance	1,385	619

14. Non current provision

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Provision for employee benefits (refer note 39)		
- Leave encashment	5,929	7,276
TOTAL	**5,929**	**7,276**

15. Financial liability : Current

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
15.1 Short term borrowings		
Secured from Banks		
Cash credit / WCDL	1,66,345	-
TOTAL	**1,66,345**	**-**
Also refer note 48 & 49		
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 Agricultural Land at Indore, Madhya Pradesh		
b. The Cash Credit is repayable on demand and carries floating interest rate which ranges from 11.25% to 14.75%.		
15.2 Trade payables		
a) Micro, small and medium enterprises (Refer Note No. 33)	6,457	6,231
b) Others	1,45,400	1,20,384
TOTAL	**1,51,857**	**1,26,615**
Also refer note 48 & 49		
15.3 Other financial liabilities		
Current maturity of long term borrowings	-	1,170
Security deposits received	20	20
Expenses payables	27,140	15,614
Employee related dues	10,408	4,862
Financial Gaurantee liability	443	-
TOTAL	**38,011**	**21,665**
Also refer note 48 & 49		

16. Other current liability

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Advances from customers	27,492	2,738
Withholding and other taxes	20,599	11,479
TOTAL	**48,091**	**14,216**

17. Provision (current)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Provision for employee benefits (Refer Note 39)		
- Gratuity	239	1,668
- Leave encashment	1,361	1,293
Provision for warranties claims (Refer Note 41)	2,851	4,059
TOTAL	**4,451**	**7,020**

(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.

18. Current tax liabilities (net)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Income tax provision (net of advance tax)	24,561	4,624
TOTAL	**24,561**	**4,624**

19. 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, 2020	FOR THE YEAR ENDED MARCH 31, 2019
(a) Type of goods or services:		
Sale of products (finished goods):		
- Drills / construction equipments	3,13,312	3,29,852
- Spares	3,66,072	3,86,464
Sale of services	69,246	34,272
Sale of scrap	1,809	3,860
Total revenue from contracts with customers	**7,50,439**	**7,54,448**
(b) Location:		
India	7,47,716	7,37,890
Outside India	2,723	16,558
Total revenue from contracts with customers	**7,50,439**	**7,54,448**
(c) Timing of revenue recognition:		
Goods transferred at a point in time	6,81,193	7,20,176
Services provided at a point in time	69,246	34,272
	7,50,439	7,54,448

20. Other income

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Interest income	4,258	5,163
Interest income on income tax refund	1,015	-
Profit on sale of property, plant and equipment	15,372	1,346
Provision/liabilities no longer required, written back	-	2,747
Interest income on security deposit lease	69	137
Insurance claim received	35	13
Redemption of Mutual Fund	3,731	-
Gaurantee Income	111	-
Miscellaneous Income	348	-
TOTAL	**24,939**	**9,406**

21. Cost of material consumed

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Material purchased through subcontractors	25,788	15,846
Other materials:		
Under carriage assemblies	31,016	22,134
Compressors and accessories	7,081	7,416
Electrical components	33,357	13,546
Hydraulic components	71,560	49,052
Pipes and valves	91,630	43,548
Gear/chain assemblies	35,022	14,558
Others	38,273	7,823
TOTAL	**3,33,727**	**1,73,923**

22. Purchases of stock in trade

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Consumption of spares	79,205	82,985
Change In stock		
Add: Closing stock	39,744	32,631
Less: Opening stock	(32,631)	(40,018)
Purchases during the year	**86,318**	**75,598**

23. Changes in inventories of finished goods, stock - in - trade & work - in - progress

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Inventories at the beginning of the year		
Work-in-process	37,020	1,63,264
Stock-in-trade	32,631	40,018
	69,651	2,03,282
Less - Inventories at the end of the year		
Work-in-process	85,758	37,020
Stock-in-trade	39,744	32,631
	1,25,502	69,651
Changes in inventories of finished goods, stock - in - trade & work - in - progress	**(55,851)**	**1,33,631**

24. Employee benefits expenses

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Salaries, wages, allowances & commission	84,666	87,178
Contribution to gratuity, provident & other funds	8,836	10,071
Staff welfare expenses	8,031	5,715
TOTAL	**1,01,533**	**1,02,964**

25. Finance costs

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Interest on		
a. Working capital loan	3,444	11,187
b. Statutory due delay	989	-
c. Others	787	3,178
Other borrowing cost	1,849	3,199
TOTAL	**7,069**	**17,564**

26. Depreciation and amortization expense

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
i. Depreciation	5,055	4,578
ii. Amortisation	754	842
iii. Depreciation on Right to Use asset	704	-
TOTAL	**6,513**	**5,420**

27. Other expenses

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Consumption of stores and spare parts	3,221	2,043
Power and fuel consumption	3,655	3,951
Repair and maintenance		
-Machinery	356	260
-Buildings	600	2,011
-Others	3,941	5,205
Rent	1,673	3,275
Rates and taxes	1,134	739
Travelling and conveyance	38,205	30,848
Freight, clearing and packing	7,046	4,761
Legal and professional	10,869	10,345
Directors' sitting fees	700	950

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Directors' Commission	8,127	-
Payment to auditor (Refer note 30)	1,040	1,075
Selling commission	14,963	28,268
Bad debts and advances written off	-	10,827
Provision for doubtful debts	-	10,000
Bank charges	4,892	2,507
Service charges	6,691	7,459
CSR expenditure (Refer Note no.42)	1,800	2,000
Loss on sale of property, plant & equipments - net	-	-
Loss on foreign exchange fluctuation	1,210	2,789
Product development expenses	1,331	16,590
Miscellaneous expenses	11,525	10,163
TOTAL	**1,22,979**	**1,56,066**

28. Tax expense

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Current tax		
Current year	47,879	26,779
MAT credit entitlement	-	(3,502)
Income Tax pertaining to earlier years	-	1,548
	47,879	24,825
Deferred tax		
Deferred tax	3,208	(19,407)
	3,208	(19,407)
TOTAL	**51,087**	**5,418**
(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	315	(34)
Total income tax expense recognised in other comprehensive income	315	(34)
Total income tax expense recognised	**51,402**	**5,384**
(ii) Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:	29.120%	27.820%
Profit / (loss) before tax	1,74,171	98,564
Income tax expense calculated at 29.120% (including surcharge and education cess) (March 31, 2019: 27.820%)	50,719	27,421
Effect of income chargeable at different rate of tax	(27)	-
Additional deduction on research & development expenditure	(1,626)	(2,450)
Effect of temporary differences	(958)	(21,039)
Effect of expenses that are non-deductible in determining taxable profit	(262)	(96)
Effect of tax for earlier years	-	1548
Other adjustments	(282)	-
Total income tax expense recognised in Statement of profit and loss	**47,564**	**5,384**

29. Other comprehensive income

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Item that will not be reclassified to profit or loss		
Acturial gain / (loss) on defined benefit obligation	1,081	(124)
Total other comprehensive income	**1,081**	**(124)**

30. Earning per Share

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Face value of equity Shares (in Rs.)	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
Net profit for calculation of basic and diluted EPS (Rs. in '000)	1,22,003	93,270
EPS (Basic & Diluted)	39.78	30.41

31. Contingent Liabilities (not provided for) in respect of:

S.N.	PARTICULARS	2019-20	2018-19
a)	Customers claims for damages	-	3,678
b)	Performance Bank Guarantees	1,54,385	1,47,440
	TOTAL	**1,54,385**	**1,51,118**

- Customer claim has been settled in favour of the company and hence no longer required
- Based on contractual agreements with customers the Company has issued performance bank guarantees. The management believes that none of the bank guarantees will be encashed by any of the customers.

31.1 Financial Liability:

PARTICULARS	2019-20	2018-19
Semac Consultants Private Ltd - Corporate Guarantee	1,50,000	1,50,000
TOTAL	**1,50,000**	**1,50,000**

The Company has given corporate guarantee on behalf Semac Consultants Pvt Ltd (subsidiary company) by way of lien on Fixed deposits with Lakshmi Vilas Bank.

32. Remuneration paid to auditors:

PARTICULARS	2019-20	2018-19
Statutory audit/Limited review	765	765
Certification	80	85
Reimbursement of expenses	225	225
TOTAL	**1,070**	**1,075**

33. 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	2019-20	2018-19
a)	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year;	6,457	6,231
b)	'The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c)	The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	-	-
d)	The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
e)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-
	TOTAL	**6,457**	**6,231**

34. CIF value of imports

S.N0.	PARTICULARS	2019-20	2018-19
a)	Raw materials & Components	27,429	48,176
b)	Spares	16,488	41,782
	TOTAL	**43,917**	**89,958**

35. Expenditure in foreign currency (accrual basis):

PARTICULARS	2019-20	2018-19
Commission, consultancy, travelling and others	4,568	3,716

36. Earnings in foreign currency (accrual basis):

PARTICULARS	2019-20	2018-19
Export of goods at FOB value	2,723	16,558

37. 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	For the year ended March 31, 2020	1,26,108	41%	1,81,831	59%	3,07,939
	For the year ended March 31, 2019	73,170	46%	84,907	54%	1,58,077
Stores, Spares Parts and Components	For the year ended March 31, 2020	-	0%	3,221	100%	3,221
	For the year ended March 31, 2019	-	0%	2,043	100%	2,043

38. 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, 2020	FOR THE YEAR ENDED MARCH 31, 2019
India	7,47,716	7,37,890
Outside India	2,723	16,558

(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, 2020	FOR THE YEAR ENDED MARCH 31, 2019
India	2,16,270	2,09,351
Outside India	-	-

(iii)Information about major customers:

Revenue from customers contributing more than 10% of company's revenue is Rs2,36,943 thousands.

39. Employee benefit obligations

The Company has in accordance with Ind AS 19 "Employee Benefits" calculated the various benefits provided to employees as under

Defined Contribution Plan :

i) Provident Fund

ii) Employee State Insurance Plan

The Provident Fund and the Employee state insurance defined contribution plan are operated by the Regional Provident Fund Commissioner and Regional Director of ESIC respectively.

Defined benefit plans

Gratuity

Employees are entitled to gratuity computed as fifteen days salary for every completed year of service or part thereof in excess of

six months and is payable on retirement/ termination. The benefit vests after five years of continuous service. The company has taken a group Gratuity Policy in LIC of India and makes contribution to LIC of India to fund its plan.

Leave Encashment

Leave Encashment is payable to eligible employees who have earned leaves during the employment and/or on seperation as per the Company's policy. Liability has been accounted for on the basis of acturial valuation certificate for the balance of earned leaves at the credit of employees at the end of the year.

A. Statement of profit and loss

Net employee benefit expense

PARTICULARS	2019-20		2018-19	
	GRATUITY (PARTLY FUNDED)	LEAVE ENCASHMENT	GRATUITY (PARTLY FUNDED)	LEAVE ENCASHMENT
Current Service cost	1,198	418	1,524	731
Net Interest cost	122	394	20	383
Net actuarial (gain)/loss recognised during the period	-	(1,144)	-	211
Expenses Recognized in the Statement of Profit and Loss	1,320	(332)	1,544	1,325

B. Balance Sheet

(i) Details of Plan assets/ (liabilities) for gratuity and leave encashment

PARTICULARS	2019-20		2018-19	
	GRATUITY (PARTLY FUNDED)	LEAVE ENCASHMENT	GRATUITY (PARTLY FUNDED)	LEAVE ENCASHMENT
Defined benefit obligation	15,480	7,290	16,657	8,570
Fair value of plan assets	15,240	-	14,989	-
Net liability recognized in the Balance Sheet	240	7,290	1,668	8,570

(ii) Changes in the present value of the defined benefit obligation are as follows:

PARTICULARS	2019-20		2018-19	
	GRATUITY (PARTLY FUNDED)	LEAVE ENCASHMENT	GRATUITY (PARTLY FUNDED)	LEAVE ENCASHMENT
Opening defined benefit obligation	16,657	5,387	20,690	6,026
Interest cost	1,219	394	1,306	383
Current service cost	1,198	418	1,524	731
Benefit paid	(2,368)	(768)	(7,004)	(1,965)
Actuarial (gains)/losses on obligation	(1,226)	(1,144)	141	211
Closing defined benefit obligation	15,480	4,287	16,657	5,387

(iii) Changes in the fair value of plan assets (gratuity) are as follows:

PARTICULARS	2019-20	2018-19
Opening fair value of plan assets	14,989	20,152
Expected return on Plan Assets	1,096	1,286
Contribution during the year	1,668	538
Benefit paid	(2,368)	(7,004)
Actuarial gains / (losses) on plan asset	(144)	17
Closing fair value of plan assets	15,241	14,989

(iv) The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

PARTICULARS	2019-20 %	2018-19 %
Discount rate (%)	6.50%	7.30%
Expected salary increase (%)	5.00%	5.00%
Average Age (years)	37.02	38.90
Average past service (years)	8.16	9.50
Demographic Assumptions		
Retirement Age (year)	58 / 60	58 / 60
Mortality rates inclusive of provision for disability	100% of IALM (2012 - 14)	100% of IALM (2006 - 08)
Attrition Rate	8.00%	10.00%

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	2019-20	2018-19
Provident fund	5,064	5,386

(vi) Sensitivity analysis of the defined benefit obligation:

PARTICULARS	2019-20		2018-19	
	GRATUITY (PARTLY FUNDED)	LEAVE ENCASHMENT	GRATUITY (PARTLY 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 0.50%	15,002	4,161	16,157	5,248
Impact due to decrease of 0.50%	(15,984)	(4,419)	(17,183)	(5,532)
Current Service cost for the year ended March 31, 2020				
Impact due to increase of 0.50%	1,159	407	1,231	580
Impact due to decrease of 0.50%	(1,240)	(431)	(1,322)	(614)
Impact of the change in salary increase				
Present value of obligation at the end of the year				
Impact due to increase of 0.50%	15,989	4,421	17,213	5,535
Impact due to decrease of 0.50%	(14,993)	(4,159)	(16,123)	(5,244)
Current Service cost for the year ended March 31, 2020				
Impact due to increase of 0.50%	1,241	431	1,325	615
Impact due to decrease of 0.50%	(1,158)	(407)	(1,228)	(580)

(vii) Other comprehensive income (OCI):

PARTICULARS	2019-20	2018-19
	GRATUITY (PARTLY FUNDED)	GRATUITY (PARTLY FUNDED)
Actuarial (gain)/loss for the year on PBO	(1,226)	141
Actuarial (gain)/loss for the year on plan asset	144	(17)
Unrecognized actuarial (gain)/loss at the end of the year	-	-
Total actuarial (gain)/loss at the end of the year	(1,082)	124

40. Related party transaction

a) List of related parties

i. Holding company
Renaissance Advanced Consultancy Ltd

ii. Subsidiaries of the Company

Name	**Status**
Semac Consultants Private Limited	Subsidiary company
Semac & Partners LLC	Step down subsidiary

iii. Subsidiaries of the Holding Company

Renaissance Stock limited	Subsidiary of Holding Company

iv. Associates of the Company

Semac Construction Technologies India LLP	Associate company (w.e.f 31.03..2020)

v. Key Management Personnel of the Company

Name	**Status**
Mr. Abhishek Dalmia	Executive Chairman
Ms. Deepali Dalmia	Director
Mr.Satish Chandra Katyal	Independent Director (till 08.06.2018)
Mr.B.V.Ramanan	Independent Director
Mr.Kishore Sidwani	Independent Director
Mr.V.V.Subramanian	Independent Director
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)

vi. Enterprises where Key managerial personnel or their relatives have significant influence:

SWBI Design Informatics Private Limited

Semac Construction Technologies India LLP (SCTILLP), formerly known as Renaissance Construction Technologies India LLP (RCTILLP) (Assocciate w.e.f 31.03.2020)

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-20	31-MAR-19
Subsidiary Company	Semac Consultants Private Limited	Interest paid	-	1,191
		Investments	13,230	
		Corporate Guarantee	1,50,000	-
Associate Company	Semac Construction Technologies India LLP	Investments	2,52,000	-
Key Managerial Personnel	Mr. Abhishek Dalmia	Remuneration	8,025	7,500
	Ms. Deepali Dalmia	Sitting fees	200	200
	Mr.Satish Chandra Katyal	Sitting fees	-	100
	Mr.B.V.Ramanan	Sitting fees	200	200
	Mr.Kishore Sidwani	Sitting fees	200	200
	Mr.V.V.Subramanian	Sitting fees	100	250
	Mr. S. Hariharan	Remuneration	-	1,391
	Mr. Sunil Puri - CEO	Remuneration	-	4,294
	Mr. R. Sudhir - CFO	Remuneration	2,941	2,125
	Mr. M.N.Srinivasan - CS	Remuneration	-	637
	Mr. K. Maheswaran - CS	Remuneration	848	204

c) Balances Outstanding at year end:

NATURE OF RELATIONSHIP	NAME OF RELATED PARTY	NATURE OF TRANSACTION	FOR THE YEAR ENDED	
			31-MAR-20	31-MAR-19
Subsidiary Company	Semac Consultants Private Limited	Corporate guarantee for obtaining Non Fund Based credit facility from Lakshmi Vilas Bank Ltd.	1,50,000	-

41. Disclosures as required by Indian Accounting Standard (Ind AS) 37:- Provisions, Contingent liabilities and Contingent assets :

PARTICULARS	OPENING BALANCE	ADDITIONS	UTILISATION	CLOSING BALANCE
Warranty Provision	4,059	3,133	4,341	2,851

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.

42. Research & Development Expenditure

EXPENSES	2019-20	2018-19
Salary & Wages	8,405	10,566
Consumables Stores	0	1
Power	107	127
Repair & Maintenance	463	1,477
Sponsership to Meeting	58	-
Travel & Conveyance	908	874
Legal & Professional Expenses	178	350
Stationery Expenses	150	333
Postage & Telephone Expenses	38	56
Books and Periodicals	30	38
Product Development Expenses	355	15,791
	10,692	29,613

43. Expenditure incurred on Corporate Social Responsibilities

Gross amount required to be spent by the Company during the year is ₹ 1,779

PARTICULARS	PAID IN CASH	YET TO BE PAID IN CASH	TOTAL
Construction / Acquisition of any assets	-	-	-
Purposes other than above	1,800	-	1,800
TOTAL	1,800	-	1,800

Payment has been made to M/s Round Table India Trust and International Foundation for Research and Education

44. 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.

45. 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.

46. 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

47. The affairs of Satellier Holdings 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 likelyhood of any amount being recoverable towards investment in equity and as such full provision against investment of Rs 48,750 thousand in the said Company had been done in the year 2013-14. There is no change in the status thereof this year.

48. 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, 2020	-	-	-
As at March 31, 2019	1,170	-	1,170

Sensitivity analysis - Since the company does not have any variable rate borrowings, the analysis is not required to be given.

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	
	IN FC	₹	IN FC	₹
Unhedged foreign currency exposures				
Foreign Exposure as at March 31, 2020				
US Dollars	51,503	3,899	1,88,042	14,237
Euro	-	-	-	-
Foreign Exposure as at March 31, 2019				
US Dollars	1,37,598	9,632	5,31,226	37,186
Euro	-	-	42	3

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, 2020	FOR THE YEAR ENDED MARCH 31, 2019
USD Sensitivity	+ 50 basis points	(0.05)	(0.14)
	- 50 basis points	0.05	0.14
Euro 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 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, 2020		AS AT MARCH 31, 2019	
	UPTO 6 MONTHS	MORE THAN 6 MONTHS	UPTO 6 MONTHS	MORE THAN 6 MONTHS
Gross carrying amount (A)	2,70,154	62,824	2,86,192	77,900
Expected credit losses (B)	-	(7,804)	-	(10,817)
Net Carrying Amount (A-B)	**2,70,154**	**55,020**	**2,86,192**	**67,083**

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, 2020 and March 31, 2019 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.

The details regarding the contractual maturities of significant financial liabilities as at March 31, 2020 are as follows

PARTICULARS	LESS THAN 3 MONTHS	3MONTHS TO 1 YEAR	MORE THAN 1 YEAR	TOTAL
Trade Payables	1,09,854	42,003	-	1,51,857
Other Financials Liabilities	38,011	-	1,161	39,172

The details regarding the contractual maturities of significant financial liabilities as at March 31, 2019 are as follows

PARTICULARS	LESS THAN 3 MONTHS	3MONTHS TO 1 YEAR	MORE THAN 1 YEAR	TOTAL
Trade Payables	60,981	65,634	-	1,26,615
Other Financials Liabilities	21,665	-	-	21,665

49. 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	FAIR VALUE HIERARCHY	AS AT MARCH 31, 2020		AS AT MARCH 31, 2019	
			CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
1	**Financial asset at FVTPL**					
	Current					
	Investments in Mutual Funds	Level 1	4,000	4,000	-	-
2	**Financial assets designated at amortised cost**					
	Non current					
a)	Loans	Level 3	7,898	7,898	9,126	9,126
b)	Others financial asset	Level 3	-	-	4,998	4,998
	Current					
a)	Trade receivables*	Level 3	3,25,174	3,25,174	3,53,275	3,53,275
b)	Cash and cash equivalents	Level 3	3,290	3,290	12,811	12,811
c)	Bank balances	Level 3	77,232	77,232	65,772	65,772
d)	Loans	Level 3	3,224	3,224	1,315	1,315
e)	Others Financial Asset	Level 3	10,019	10,019	4,721	4,721
3	**Investment in subsidiary companies and associate (At cost)**	Level 3	11,42,849	-	8,77,271	-
	TOTAL		**15,69,686**	**4,26,837**	**13,29,289**	**4,52,018**

Financial liabilities

SL. NO	PARTICULARS	FAIR VALUE HIERARCHY	AS AT MARCH 31, 2020		AS AT MARCH 31, 2019	
			CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
1	**Financial liability designated at amortised cost**					
	NON CURRENT					
a)	Lease Liability	Level 3	1,161	1,161	-	-
	CURRENT					
a)	Borrowings	Level 3	1,66,345	1,66,345	-	-
b)	Lease Liability	Level 3	652	652	-	-
c)	Trade payables*	Level 3	1,51,857	1,51,857	1,26,615	1,26,615
d)	Other financial liabilities	Level 3	38,011	38,011	21,665	21,665
	TOTAL		**3,58,026**	**3,58,026**	**1,48,280**	**1,48,280**

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.

* 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).

50. 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, 2020	AS AT MARCH 31, 2019
Debt (i) [Also refer note 15.1]	1,66,345	-
Cash & bank balances [Also refer note 10.3 & 10.4]	80,522	78,583
Net Debt	85,823	(78,583)
Total Equity	17,10,402	15,88,187
Net debt to equity ratio (Gearing Ratio)	0.05	(0.05)
(i) Debt is defined as long-term and short-term borrowings		

51. The audited GST return for the year ended March 31, 2019 is pending for the filing as competent authority has extended the date of filing till September 30, 2020. 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.

52. Impact of COVID-19

The company didn't had any impact on Revenues or Expenses for FY20 since factory was operating for planned productions with required staff.

The company faced logistics issues during nationwide lock-down during Apr'20 and May'20. Manufactured Equipments and spares could not be transported due to non-movement of transport vehicles.

The company faced weak collections during lockdown period (Apr'20 and May'20) as the Dealers and customers were not operating their office fully.

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

NEERAJ BANSAL
Partner
Membership No: 095960

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: NEW DELHI
DATE: JUNE 15, 2020

INDEPENDENT AUDITOR'S REPORT

To the Members of REVATHI EQUIPMENT LIMITED

Report on the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of REVATHI EQUIPMENT LIMITED (hereinafter referred to as the "Holding Company"), its subsidiaries (Holding Company and its subsidiaries together referred to as ''the Group''), and its associate which comprise the Consolidated Balance Sheet as at March 31, 2020, and 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 Statement for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as ''the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2020, the consolidated profit and 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 financial statements in accordance with the Standards on Auditing 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 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 ethical requirements that are relevant to our audit of the consolidated 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 Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to the note 57 to the consolidated financial statements which describes the management's assessment of the impact of uncertainties arising because of COVID-19 Pandemic and its consequential effects on the Group.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined that there are no key audit matters to be communicated in our report.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Holding 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 the consolidated financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements or our knowledge obtained during the course of our 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 communicate the matter to those charged with governance.

Responsibility of the Management and those charged with Governance for the Consolidated 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 the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance, consolidated changes in equity and consolidated cash flows of the Group including its associate in accordance with the Ind AS and accounting principles generally accepted in India.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error, which have been used for the purpose of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the Group'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 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 and of its associate are also responsible for the overseeing the financial reporting process of the Group and of its associate.

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

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 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 holding Company and its subsidiary 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 Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. 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 financial statements, including the disclosures, and whether the consolidated 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 and its associate to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the financial statements. For the other entity included in the consolidated financial statements, which has been audited by other auditor, such other auditor remain responsible for the direction, supervision and performance of the audit carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonable knowledgeable user of the consolidated financial statements may be influenced. We consider quantitative and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the consolidated financial statements.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters regarding, 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.

Other Matters

a. We did not audit the financial statements and other financial information, in respect of one subsidiary company (incorporated outside India) whose financial statements/financial information include total assets of Rs. 251821 thousands as at March 31, 2020, total revenue of Rs. 253536 thousands and net cash inflows amounting to Rs. 46994 thousands for the year ended on that date, as considered in these consolidated financial statements. These unaudited financial statements have been furnished to us by the Board of Directors and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such unaudited financial statement. In our opinion and according to the information and explanations given to us by the Board of Directors, these financial statements are not material to the Group.

b. We did not audit the financial statements and other financial information, in respect of one branch (situated outside India) of the subsidiary company whose financial statements/financial information include total assets of Rs. 7886 thousands as at March 31, 2020, total revenue of Rs. 28259 thousands and net cash outflow amounting to Rs. 708 thousands for the year ended on that date. These financial statement and other information have

been audited by the other auditor duly qualified to act as auditor in the country of incorporation of said branch, whose financial statements, and other information have been furnished to us by the management and our opinion in so far as it relates to that branch is based solely on the report of the branch auditor.

c. We did not audit the financial statements and other financial information, in respect of one associate whose share of net profit is Rs. Nil as this entity became associate as on March 31, 2020. These financial statement and other information have been audited by the other auditor, whose financial statements, and other information have been furnished to us by the management and our opinion in so far as it relates to that associate is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements / financial information certified by the Management.

Report on Other Legal and Regulatory Requirements

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

a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;

b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books;

c. The Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of the consolidated financial statements;

d. In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act read with relevant rules issued thereunder;

e. With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls refer to our separate report in "Annexure-A";

f. On the basis of written representations received from the directors of the Holding Company and Subsidiary Company incorporated in India as on March 31, 2020, and taken on record by the Board of Directors of Holding Company and Subsidiary Company incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2020, from being appointed as a director in terms of Section 164(2) of the Act;

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

   As per the information and explanation given to us and on the basis of our examination of the records, managerial remuneration has been paid or provided as specified by the provisions of section 197 read with Schedule V to the Act by the Holding Company.

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 financial statements disclose the impact of pending litigation which would impact its financial position of the Group and its associate. Refer Note 36 to the consolidated financial statements;

   ii) there has been no material foreseeable losses on long term contracts including derivative contracts, therefore the Group and its associate has not made any provision as required under the applicable law or Indian accounting standards;

   iii) there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

For S. S. KOTHARI MEHTA & Co.
Chartered Accountants
FRN - 000756N
NEERAJ BANSAL
Partner
Membership No. 095960
UDIN : 20095960AAAAEJ7712

Place: New Delhi
Date: 15.06.2020

"ANNEXURE – A" TO THE INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF REVATHI EQUIPMENT LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (as amended) ("the Act").

We have audited the internal financial controls over financial reporting of Revathi Equipment Limited ("the Holding Company") and its subsidiary company (the Holding Company and its subsidiary together referred to as "the Group") and its associate, all incorporated in India as at March 31, 2020 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary company and its associate, 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, its subsidiary company, and its associate 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 Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Group's and its associate 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, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated 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 Group's and its associate 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 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 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 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, based on records the Group and its associate has, in all material respects, an adequate internal financial controls over financial reporting and the internal controls over financial reporting are generally operating effectively as at March 31, 2020 based on the "internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India".

Other Matter

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one subsidiary, which is a company incorporated outside India is based solely on the representation made by the management.

For S. S. KOTHARI MEHTA & Co.
Chartered Accountants
FRN - 000756N
NEERAJ BANSAL
Partner
Membership No. 095960
UDIN : 20095960AAAAEJ7712

Place: New Delhi
Date: 15.06.2020

CONSOLIDATED FINANCIAL STATEMENT

REL

REVATHI EQUIPMENT LIMITED

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2020

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

PARTICULARS	NOTE NO	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
A. ASSETS			
1. Non current assets			
(a) Property, plant and equipment	3	66,205	58,854
(b) Other intangible assets	3	3,210	2,926
(c) Right of use asset	3.1	19,671	-
(d) Investment property	4	1,66,265	1,66,265
(e) Goodwill		4,48,625	4,48,625
(f) Financial assets			
(i) Investments	5.1	2,52,348	706
(ii) Loans	5.2	7,898	14,171
(iii) Others financial asset	5.3	6,262	4,998
(g) Non current tax asset	6	42,406	-
(h) Deferred tax assets (net)	18	1,42,290	1,38,686
(i) Other non - current assets	7	1,626	3,124
		11,56,806	8,38,355
2. Current assets			
(a) Inventories	8	2,27,718	1,31,618
(b) Financial assets			
(i) Investments	9	34,533	
(ii) Trade receivables	9.1	6,55,756	4,90,571
(iii) Cash and cash equivalents	9.2	1,26,910	2,28,509
(iv) Bank balances	9.3	1,63,022	89,791
(v) Loans	9.4	1,13,872	45,079
(vi) Others financial asset	9.5	37,199	33,713
Current tax asset (net)	10	34,301	1,26,073
Contract Assets	11	-	3,41,823
Other current assets	12	81,788	70,312
		14,75,099	15,57,489
TOTAL ASSETS		26,31,905	23,95,844
B. EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	13	30,669	30,669
(b) Other equity	14	17,20,413	15,79,482
		17,51,082	16,10,151
Non controlling interest	15	2,13,338	1,99,172
1. Non - current liabilities			
Financial liabilities			
(i) Borrowings	16.1	-	38
(ii) Other financial liability	16.2	48,633	60,395
(iii) Lease Liability	3.1	18,534	-
Non Financial liabilities			
(i) Provisions	17	38,391	46,477
		1,05,558	1,06,910
2. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	19.1	1,66,345	-
(ii) Trade payables:			
- Due to Micro, Small and Medium Enterprises	19.2	13,922	6,231
- Due to other than Micro, Small and Medium Enterprises	19.2	1,87,338	2,32,018
(iii) Other financial liabilities	19.3	62,565	41,630
(iv) Lease liabilities	3.1	652	-
(b) Contract Liabilities	20	-	92,469
(c) Other current liabilities	21	87,130	77,309
(d) Provisions	22	19,414	25,330
(e) Current tax liabilities (net)	23	24,561	4,624
		5,61,927	4,79,611
TOTAL EQUITY & LIABILITIES		26,31,905	23,95,844
Significant Accounting Policies	1 & 2		

The accompanying notes form an integral part of these consolidated financial statements

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

NEERAJ BANSAL
Partner
Membership No: 095960

PLACE: NEW DELHI
DATE: JUNE 15, 2020

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

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

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

PARTICULARS	NOTE NO	YEAR ENDED MARCH 31, 2020	YEAR ENDED MARCH 31, 2019
INCOME			
Revenue from operations	24	15,89,116	21,07,049
Other income	25	63,105	40,710
Total income		16,52,221	21,47,759
EXPENSES			
Cost of materials consumed	26	5,70,410	8,25,867
Purchases of stock in trade	27	86,318	75,598
Changes in inventories of finished goods, stock - in - trade and work - in - progress	28	(55,851)	1,33,631
Employee benefits expenses	29	4,60,353	4,99,844
Finance costs	30	9,963	18,176
Depreciation and amortization expenses	31	24,122	16,167
Other expenses	32	3,42,336	4,26,218
Total expenses		14,37,651	19,95,501
Profit/(Loss) before tax		2,14,570	1,52,258
Tax expense	33		
Current tax		51,325	30,121
Deferred tax		1,372	(18,504)
Tax for earlier years		728	8,807
Profit/(Loss) for the year		1,61,145	1,31,834
Other comprehensive income			
A (i) Items that will not be reclassified to profit or loss	34	2,093	1,878
(ii) Income tax relating to items that will not be reclassfied to profit or loss	33	-	-
B (i) Items that will be reclassified to profit or loss		7,126	8,759
(ii) Income tax relating to items that will be reclassified to profit or loss		(1,476)	443
		7,743	11,080
Profit attributable to			
Equity shareholders		1,50,053	1,15,347
Non Controlling interest		11,092	16,487
Total comprehensive income for the period			
Equity shareholders		1,54,883	1,20,624
Non Controlling interest		14,004	22,290
		1,68,888	1,42,914
Earnings per equity share (basic& diluted)	35	52.54	42.99
Significant Accounting Policies	1 & 2		

The accompanying notes form an integral part of these consolidated financial statements

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

NEERAJ BANSAL
Partner
Membership No: 095960

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: NEW DELHI
DATE: JUNE 15, 2020

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

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

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
A. Cash flow from operating activities		
Net profit before tax	2,14,569	1,52,258
Adjustments:		
Depreciation / amortization	24,122	16,167
Profit of Redemption of Mutual Fund	(35)	-
Provision for ECL	2,220	47,898
Sundry Balance Written off	30,113	19,269
Bad debts/ advances written off	7,510	(5,433)
Liabilities & provision written back	6,480	18,176
Finance cost	(5,168)	(16,200)
Interest Income	(13,499)	8,270
Foreign currency translation	2,645	966
Profit on Sale of Investment	(75)	-
Loss on sale of Investment	249	-
Loss on sale of fixed assets and assets written off	(16,246)	(1,346)
Operating profit before working capital changes	2,52,884	2,40,025
Adjustments for working capital changes :		
Inventories	(96,100)	1,33,746
Trade and other payables	(1,14,082)	1,41,459
Trade and other receivables	53,772	(2,35,021)
Cash generated from operations	96,474	2,80,184
Direct taxes (paid)/refund	35,758	(79,242)
Net cash from operating activities	1,32,232	2,00,942
B. Cash Flow from Investing Activities		
Purchase of fixed assets	(25,776)	(28,668)
Proceeds from sale of fixed assets	69,596	33,242
Proceeds from maturity of fixed deposits	(68,221)	-
(Purchase)/ sale of non current investments (net)	(2,95,752)	11,011
Interest received	26,366	14,398
Net cash used in investing activities	(2,93,787)	29,983
C. Cash flow from financing activities		
Proceeds from/(repayment of) short term borrowings	1,66,345	(2,63,071)
Right of use asset	(26,255)	(18,098)
Lease Liabilities	(15,560)	-
Proceeds from/(repayment of) long term borrowings	(1,499)	881
Finance cost	(9,963)	(18,176)
Net cash from / (used in) financing activities	1,13,068	(2,98,464)
Net increase in cash and cash equivalents (A+B+C)	(48,487)	(67,539)
Cash and cash equivalents (Opening Balance)	1,75,409	2,42,939
Cash and cash equivalents (Closing Balance)*	1,26,922	1,75,409
Change in cash & cash equivalents	(48,487)	(67,530)
Components of cash & cash equivalents		
Balances with banks		
- in Current accounts	1,02,109	1,18,278
- Deposits with original maturity of less than 3 months	23,690	56,208
Cash on hand	1,111	923
Net cash & cash equivalents	1,26,910	1,75,409

Note:
- Cash & cash equivalents components are as per Note 8.2
- Previous year figures have been regrouped/restated wherever considered necessary
- The above Statement of Cash Flows has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS -7) Statement of Cash Flows
- Change in the liability arising from financing activities during the year are on account of cash movement only.
- The accompanying notes form an integral part of these Consolidated financial statements

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: NEW DELHI
DATE: JUNE 15, 2020

NEERAJ BANSAL
Partner
Membership No: 095960

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STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

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

A. Equity share capital

PARTICULARS	AS AT MARCH 31, 2018	CHANGES DURING THE YEAR	AS AT MARCH 31, 2019	CHANGES DURING THE YEAR	AS AT MARCH 31, 2020
Equity share capital	30,669	-	30,669	-	30,669

Also refer Note 13

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	EQUITY IN SUBSIDIARY	FOREIGN CURRENY TRANSLATION RESERVE	ACTURIAL GAIN / (LOSS)		
As at March 31, 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 year						1,15,347		2,954	2,321	1,20,622	22,290
Dividend paid by step down subsidiary						(18,098)				(18,098)	
As at March 31, 2019	3,111	149	16,561	6,926	5,51,324	9,78,898	-	15,399	7,114	15,79,482	1,99,172
Additions during the year	(3,111)				3,111	1,54,883	(554)	246	4,883	1,59,458	14,004
As at March 31, 2020	-	149	16,561	6,926	5,54,435	11,33,781	(554)	15,645	11,997	17,38,940	2,13,176

Also refer Note 14

Nature of reserves

i. During the year, the company has transferred the Capital Redemption Reserve amounting to Rs.3111 thousands to General Reserve

ii. Capital reserve represents funds to be utilised for specific purposes

iii. The Subsidiary Company at Muscat, had transferred retained earnings to the Share Capital as per the local laws applicable on it in the previous years. The shareholding agreement was updated to ensure the percentage holding of the Holding Company. Pending issuance of the share scrips in this respect, the same has not been recorded as investment and the difference has been taken to "Consolidation Adjustment Reserve".

iv. Statutory/legal reserve is created as per the local laws of the country of incorporation of the subsidiary company.

v. General reserve represents 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.

vi. 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.

vii. The Holding company has given a corproate guarantee for securing non-fund based credit facilities from one of the indian banks to its subsidiary. The holding company has accounted for this corporate guarantee in its book of account in terms of Ind AS 109.

viii. Exchange differences relating to the translation of results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Rupees) are recognised directly in the other comprehensive income and accumulated in foreign translation reserve. Exchange difference previously accumulated in the foreign currency translation reserve are reclassified to profit or loss on the disposal of the foreign operation.

ix. 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.

As per our report of even date
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Company Secretary

PLACE: NEW DELHI
DATE: JUNE 15, 2020

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 June 15, 2020.

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

Operating cycle is the time between the acquisition of assets for providing services and their realisation in Cash and cash equivalents. Based on the nature of services provided by the company, its normal operating cycle is not clearly identifiable, therefore it is assumed to be twelve months for the purpose of current / non-current classification of assets and liabilities as specified in the Schedule-III to The Companies Act, 2013 (as amended).

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.

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	
		2019-20	2018-19
Semac Consultants Pvt Ltd including subsidiaries	India	79.23%	76.99%
Semac & Partners LLC	Muscat	65%	65%

ii. 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 Rs. 48,750 in the said company had been done in the year 2013-14. There is no change in the status thereof in this year.

iii. The company has acquired 50% share during the year in Semac Construction Technologies India LLP ('SCTILLP') for Rs. 2,52,000 thousands.

iv. 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 Rs. 2,00,000 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% 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.

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 costnet 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. 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.

The useful life of property, plant and equipment is consistent with the useful life of asset specified in Schedule II of 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, 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.

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

The Company's lease asset classes primarily consist of leases for land. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the 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.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are re-measured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset are separately presented in the Balance Sheet and lease payments are classified as financing cash flows.

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 the expected credit loss model for recognising impairment loss on financial assets measured at amortised cost, trade receivables and other contractual rights to receive cash or other financial asset.

Expected credit loss is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the Group expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. The Group estimates cash flows by considering all contractual terms of the financial instrument through the expected life of that financial instrument.

The Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses

(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. All financial 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.

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 Subsidiaries, 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 is recognised when the right to receive is established, which is generally when shareholders approve the dividend.

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 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 Holding Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Holding 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 Holding Company recognizes MAT credit as an asset, is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Holding Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Holding 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 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

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 asset												TOTAL TANGIBLE ASSET	Intangible asset		Total Intangible Asset	Total asset
	Lease hold improvements	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																	
As at March 31, 2018	2,646	941	22,597	19,916	483	1,800	2,673	46,303	884	32,521	28,779	55,244	2,14,786	-	64,655	64,655	2,79,441
Addition	1,191	8,722	-	7,563	23	-	460	882	374	5,415	1,311	940	26,881		325	325	27,206
Disposals / Adjustments	-	-	-	(749)	-	-	-	-	-	(10,496)	(779)	-	(12,024)		-	-	(12,024)
As at March 31, 2019	**3,837**	**9,663**	**22,597**	**26,730**	**506**	**1,800**	**3,133**	**47,185**	**1,258**	**27,440**	**29,311**	**56,184**	**2,29,643**	**-**	**64,980**	**64,980**	**2,94,623**
Addition	746	-	-	1,595	-	-	3,310	685	-	2,824	1,602	11,583	22,345		1,934	1,934	24,279
Disposals / Adjustments	-	-	-	(3,794)	-	-	-	-	-	(18)	(25)	(10,217)	(14,054)		-	-	(14,054)
As at March 31, 2020	**4,583**	**9,663**	**22,597**	**24,531**	**506**	**1,800**	**6,443**	**47,870**	**1,258**	**30,246**	**30,888**	**57,550**	**2,37,934**	**-**	**66,914**	**66,914**	**3,04,848**
Depreciation																	
As at March 31, 2018	**2,593**	**-**	**5,882**	**12,880**	**336**	**1,699**	**1,339**	**43,279**	**821**	**26,948**	**25,964**	**43,808**	**1,65,550**	**-**	**60,178**	**60,178**	**2,25,728**
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	-	-	-	(403)	-	-	-	-	-	(7,425)	(734)	-	(8,562)		-	-	(8,562)
Adjustment - FCTR	-	-	-	-	-	-	-	(88)	-	(4)	(21)	(372)	(485)		(6)	(6)	(491)
As at March 31, 2019	**3,004**	**-**	**7,083**	**14,068**	**438**	**1,721**	**2,081**	**44,473**	**905**	**21,980**	**26,811**	**48,223**	**1,70,788**	**-**	**62,054**	**62,054**	**2,32,842**
Charge for the year	683	-	1,189	1,754	20	16	1,255	794	166	2,351	2,091	4,879	15,198		1,650	1,650	16,848
Disposals	-	-	-	(3,547)	-	-	-	-	-	(16)	(18)	(10,217)	(13,797)		-	-	(13,797)
Adjustment - FCTR	-	-	-	-	-	-	-	(139)	-	(25)	41	(337)	(460)		(0)	(0)	(460)
As at March 31, 2020	**3,687**	**-**	**8,272**	**12,275**	**458**	**1,737**	**3,336**	**45,128**	**1,071**	**24,290**	**28,925**	**42,548**	**1,71,729**	**-**	**63,704**	**63,704**	**2,35,433**
Net Block															**-**	**-**	**-**
As at 31st March, 2019	**833**	**9,663**	**15,513**	**12,662**	**68**	**79**	**1,052**	**2,712**	**353**	**5,461**	**2,500**	**7,961**	**58,854**	**-**	**2,926**	**2,926**	**61,782**
As at 31st March, 2020	**896**	**9,663**	**14,324**	**12,256**	**48**	**63**	**3,107**	**2,742**	**187**	**5,956**	**1,963**	**15,002**	**66,205**	**-**	**3,210**	**3,210**	**69,415**

Foreign currency translation reserve on account of exchange difference arising due to different conversion rate taken for the opening balance and addition/ deletion considered on average exchange rates. The same is included in Adjustment - FCTR

3.1. Right-of-use assets

Particulars	Category of ROU
	Lease hold Building
Balance as at April 1, 2019	-
Reclassified on Adoption of IndAS 116	1,624
Additions	25,336
Disposal	390
Balance as at March 31, 2020	26,570

Provision for depreciation

Particulars	Category of ROU
	Lease hold Building
Balance as at April 1, 2019	-
Reclassified on Adoption of IndAS 116	-
Charge for the year	7,289
Disposal	390
Balance as at March 31, 2020	6,899
Net Carrying Value as at March 31, 2020	19,671

Group has taken office & residential premises on lease. These are accounted as per IND AS 116 and the management has consider all relevant facts and circumstances to classify some of the leases into short term. As a result Group elects not to apply the requirements of INDAS 116 and recognise the lease payments associated with those leases on straight-line basis over the lease term.

Interest charge for the year on lease liabilities	2,414
Total cash outflow (payment) for leases	
Leases for which Right to use assets is recognised	8,564
Leases considered as short term	2,159

Movement in Lease liabilites for the year ended March 31, 2020:-

Particulars	Total
Balance as at April 1, 2019	
Addition	25,336
Finance cost accrued during the period	2,414
Deletion	-
Payment of lease liability	8,564
Balance at the end	19,185

Classification of Lease Liabilities

Non Current Lease Liabilities	18,534
Current Lease Liabilities	652

The Group has adopted Ind AS 116 "Leases" effective from April 1, 2019 and applied the same to lease contracts existing on April 1, 2019 with right of use asset recognised to an amount equal to adjusted lease liability. Accordingly the comparatives for the year ended March 31, 2019 have not been retrospectively adjusted.

4. Investment property

	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Capital contribution in Panch Tatva Realty	1,66,265	1,66,265
TOTAL	**1,66,265**	**1,66,265**

The holding 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 Rs. 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 - Tridhaatu vide deed of modification dated December 17, 2015. The holding company's entitlement is limited to above mentioned built up area only and no other economic benefits and hence not construed as Joint Venture.

The valuation of the investment property has been conducted by an independent valuer during the year with its market value estimated at Rs.384,800 thousands. Till the construction/ development of the property, no rental income shall accrue to the holding company other than disposal of the entitlement. There is no restriction on the realisability of investment property or the remittance of income and proceeds of disposal. Investment property is not subject to any depreciation till construction / development of the said property.

5. Financial asset : Non current

5.1 Investments

	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
INVESTMENT AT COST		
Unquoted Investments		
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)
Investments in other body corporate (At fair value)		
ii) 128 (March 31, 2018: 128) paid-up equity shares of Rs. 25/- each fully paid-up in Shamrao Vittal Co-op. Bank Ltd.	-	3
iii) 74,050 (March 31, 2018: 74,050) fully paid up equity shares of Rs. 10/- each in AEC Infotech Pvt. Ltd.	-	667
iv) 50% share in Semac Construction Technologies India LLP	2,52,348	
Quoted Investments		
v) 3,600 (March 31, 2018: 3,600) fully paid up equity shares of Rs. 10/- each in Lakeland Hotels Ltd.	-	36
TOTAL	**2,52,348**	**706**

* The affairs of Satellier Holding Inc, USA, one of the associate of the holding 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 Rs. 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.

Aggregate amount of quoted investments	-	36
Market value of quoted investments	-	49
Aggregate amount of unquoted investments	2,52,348	670

5.2 Loans

	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Loans	7,873	14,146
Deposits with statutory authorities	25	25
TOTAL	**7,898**	**14,171**

5.3 Other financial assets

	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Non current bank balances (having maturity of more than 12 months)*	-	4,998
Rent deposits	6,262	-
TOTAL	**6,262**	**4,998**

* kept as margin money with bank

6. Non Current Tax Assets (Net)

	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Advance payment of taxes (net)	42,406	-
TOTAL	**42,406**	**-**

7. Other non current assets

	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Unsecured considered good		
Capital Advance	1,498	1,462
Advance lease rent	128	1,662
TOTAL	**1,626**	**3,124**

8. Inventories

	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Raw materials	68,742	61,967
Work-in-progress	85,758	37,020
Finished Goods	33,474	-
Stock-in-trade	39,744	32,631
TOTAL	**2,27,718**	**1,31,618**

9. Financial Assets: Current

	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Investments		
Quoted Investments		
Investment in Mutual fund -		
SBI Arbitrage oppurtunities fund	4,000	-
HDFC liquid fund (growth)	30,533	
Total	**34,533**	**-**
Aggregate amount of quoted investments	34,533	-
Aggregate market value of quoted investments	34,533	-
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investment	-	-
9.1 Trade receivables		
Trade receivable considered good-secured		-
Trade receivable considered good-unsecured	6,55,756	4,90,571
Trade receivable which have significant increase in credit risk	-	-
Trade receivable-credit impaired	35,250	36,898
Less provision for ECL	(35,250)	(36,898)
TOTAL	**6,55,756**	**4,90,571**
9.2 Cash & cash equivalents		
Balances with banks		
- in Current Accounts	1,02,109	1,18,278
- in Fixed deposit with maturity of upto 3 months	23,690	1,09,308
Cash on hand	1,111	923
TOTAL	**1,26,910**	**2,28,509**
9.3 Bank balance		
Balances with banks		
- in Fixed deposit with maturity of up to 3-12 months	1,38,903	77,131
Earmarked balances		
- Margin money	24,119	12,660
TOTAL	**1,63,022**	**89,791**

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

9.4 Loans		
Unsecured, considered good unless otherwise stated		
Loans to employees	3,642	1,292
Loans to others (refer note (i) & (ii))	1,05,987	39,215
Security deposit	-	
- Earnest money deposit	2,799	3,044
- Others	1,444	1,528
TOTAL	**1,13,872**	**45,079**

(i) Loan of Rs. 3.00 Crore was given by subsidiary company to Daga World LLP, a Limited Liability Partnership firm on 13th May, 2019 for general corporate purposes for a period of two and half years at interest rate of 13% per annum

(ii) Loan of Rs 4.00 Crore was given by subsidiary company to Trans Metalite India Ltd., a limited company on 7th January, 2020 for general corporate purposes for a period of six months at interest rate of 15% per annum

9.5 Other financial asset		
Interest accrued on		
- Deposits with bank	7,639	6,830
- Loan to Others	1,507	-
Contract Asset	6,515	
Unbilled Contract Revenue	21,538	26,883
TOTAL	**37,199**	**33,713**

10. Current tax asset (net)

	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Advance payment of tax (net of provision)	34,301	1,26,073
TOTAL	**34,301**	**1,26,073**

11. Contract assets

	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Trade receivables	-	3,41,823
TOTAL	**-**	**3,41,823**

12. Other current assets

	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Other advances	6,226	807
Prepaid expenses	10,823	13,106
Advances to suppliers/contractors	42,373	30,017
Balance with statutory authorities	22,366	26,382
TOTAL	**81,788**	**70,312**

13. Equity share capital

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Authorised share capital		
35,00,000 (March 31, 2019: 35,00,000 shares) Equity shares of Rs. 10 /- each	35,000	35,000
TOTAL	35,000	35,000
Issued, subscribed and fully paid up		
30,66,943 (March 31, 2019: 30,66,943 shares) Equity shares of Rs. 10 /- each	30,669	30,669
TOTAL	**30,669**	**30,669**

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

PARTICULARS	AS AT MARCH 31, 2020		AS AT MARCH 31, 2019	
	NO. OF SHARES	AMOUNT	NO. OF SHARES	AMOUNT
As at April 01, 2018	30,66,943	30,669	30,66,943	30,669
Addition during the year	-	-	-	-
As at March 31, 2019	30,66,943	30,669	30,66,943	30,669
Addition during the year	-	-	-	-
As at March 31, 2020	30,66,943	30,669	30,66,943	30,669

(ii) Details of shareholders holding more than 5.0% shares in the company

PARTICULARS	AS AT MARCH 31, 2020		AS AT MARCH 31, 2019	
	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	57.68%	17,68,953	57.68%
Renaissance Stock Ltd (Wholly owned subsidiary of RACL)	4,57,000	14.90%	4,57,000	14.90%

(iii) Details of shares held by holding company

PARTICULARS	AS AT MARCH 31, 2020		AS AT MARCH 31, 2019	
	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	57.68%	17,68,953	57.68%

(iv) Rights, preferences and restrictions attached to equity shares

The Holding 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 Holding 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.

(v) 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. Other Equity

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
A. Reserves & Surplus		
Capital Redemption Reserve		
Opening balance	3,111	3,111
Changes during the year	(3,111)	-
Closing balance	**-**	**3,111**
Capital Reserve		
Opening balance	149	149
Changes during the year	-	-
Closing balance	**149**	**149**
General Reserve		
Opening balance	5,51,324	5,51,324
Changes during the year	3,111	-
Closing balance	**5,54,435**	**5,51,324**
Consolidation Adjustment Reserve		
Opening balance	16,561	16,561
Changes during the year	-	-
Closing balance	**16,561**	**16,561**
Legal reserve		
Opening balance	6,926	6,926
Changes during the year	-	-
Closing Balance	**6,926**	**6,926**
Retained Earnings		
Opening balance	9,78,898	8,81,649
Profit / (Loss) during the year	1,54,883	1,15,347
Dividend Paid	-	(18,098)
Closing balance	**11,33,781**	**9,78,898**
B. Equity in Subsidiary		
Opening balance	-	-
Changes during the year	(554)	-
Closing balance	**(554)**	**-**
C. Other Comprehensive Income		
Foreign currency translation reserve (FCTR)		
Opening balance	15,399	12,445
Additions during the period	246	2,954
Balance at the end of the year	15,645	15,399
Actuarial Gain or Loss		
Opening balance	7,114	4,793
Changes during the year	4,883	2,321
Closing balance	**11,997**	**7,114**

15. Non-Controlling Interest

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Opening balance	1,99,172	1,76,882
Changes during the year	14,004	22,290
Closing balance	2,13,176	1,99,172

16. Financial liability : non current

16.1 Borrowings

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Secured at amortised cost		
Term Loan:		
- from bank	24	1,523
Less: Current maturity of long term borrowings	(24)	(1,485)
TOTAL	**-**	**38**

a. Term loan from ICICI bank, taken @ 14.5% by the subsidiary company is secured by Mortgage of flat at Sikanderabad and is repayable in equated monthly instalments (EMI) of Rs. 29,676 each (starting from November 2005 for a period of 177 months)

16.2 Other Financial Liability

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Retention Money Payable	48,633	60,395
TOTAL	**48,633**	**60,395**

17. Non Current Provision

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Provision for employee benefits (Refer note 44)		
- Gratuity	30,342	34,014
- Leave Encashment	8,050	12,463
TOTAL	**38,392**	**46,477**

18. Deferred tax asset

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
MAT Credit Entitlement	86,859	80,407
Deferred tax liability (Net)	55,431	58,279
TOTAL	**1,42,290**	**1,38,686**

(i) Movement in deferred tax items

FOR THE FINANCIAL YEAR MARCH 31, 2020		MOVEMENT DURING THE YEAR		
	BALANCE AS AT APRIL 1, 2019	RECOGNISED IN STATEMENT OF PROFIT & LOSS	RECOGNISED IN OTHER COMPREHEN-SIVE INCOME	BALANCE AS AT MARCH 31, 2020
Deferred tax liability / (asset) on account of:				
Expenses allowable on payment basis and others	17,829	(1,987)		15,842
Carry forward losses and unabsorbed depreciation	36,548	1,142		37,690
Right to use assets net off Lease Liabilities	-	158		158
Security Deposit Rent	-	886		886
Remeasurement of Defined Benefit Obligations	(1,052)	(394)	(1,476)	(2,922)
Depreciation difference	1,286	(415)		871
Provision for doubtful debt	3,667	(761)		2,906
Net deferred tax liability / (asset)	58,278	(1,371)	(1,476)	55,431
MAT credit entitlement	80,407			3,502
TOTAL	**1,38,685**			**58,933**

FOR THE FINANCIAL YEAR MARCH 31, 2019	BALANCE AS AT APRIL 1, 2018	RECOGNISED IN STATEMENT OF PROFIT AND 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
Right to use assets net off Lease Liabilities				
Security Deposit Rent				
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	18,503	443	58,278
MAT Credit Entitlement	76,905	3,502		80,407
TOTAL	**1,16,237**	**22,005**	**443**	**1,38,685**

19. Financial liability : current

19.1 Short term borrowings

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Secured - at amortised cost		
Bank		
- Cash credit / WCDL	1,66,345	-
TOTAL	**1,66,345**	**-**

Also refer note 51 & 52

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 Agricultural Land at Indore, Madhya Pradesh

b. The Cash Credit is repayable on demand and carries floating interest rate which ranges from 11.25% to 14.75%.

19.2 Trade payables

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
a. Micro, small and medium enterprises	13,922	6,231
b. Others	1,87,338	2,32,018
TOTAL	**2,01,260**	**2,38,249**

Also refer note 51 & 52

19.3 Other financial liabilities

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Current maturities of long term borrowings	24	1,484
Security Deposit Received	20	20
Other Payables	51,668	35,265
Employee related dues	10,408	4,862
Financial Gurantee Liability	444	
TOTAL	**62,564**	**41,631**

Also refer note 51 & 52

20. Contract Liability

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Advance from clients	-	92,469
TOTAL	**-**	**92,469**

21. Other current Liability

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Advances from customers	27,492	2,737
Withholding and other taxes	26,299	16,457
Employee related dues	31,247	48,992
Dividend Payable	2,091	9,123
TOTAL	**87,129**	**77,309**

22. Current provision

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Provision for employee benefits (Refer note 44)		
- Gratuity	2,337	6,220
- Leave Encashment	1,826	2,651
Provision for Warranties claims	2,851	4,060
Provision for contingency*	12,400	12,400
TOTAL	**19,414**	**25,330**

*Claim made by a client which is under dispute.

(i) Information about warranty claims

The holding 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, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Opening balance	4,059	4,821
Provided during the year	3,133	4,899
Utilization during the year	(4,341)	(5,661)
Closing balance	**2,851**	**4,059**

23. Current Tax Liabilities (net)

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Income tax provision (net of advance tax)	24,561	4,624
TOTAL	**24,561**	**4,624**

24. 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, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Segment		
(a) Type of goods or services:		
Sale of products (Finished Goods)		
- Drills / construction equipments	3,13,312	3,29,852
- Spares	3,66,072	3,87,641
Sale of services	-	-
Engineering consultancy and project management charges	4,48,781	5,37,028
Work contract services	4,59,142	8,48,669
Sale of scrap	1,809	3,860
Total revenue from contracts with customers	**15,89,116**	**21,07,049**
(b) Location:		
India	12,97,802	17,70,463
Outside India	2,91,314	3,35,409
Total revenue from contracts with customers	**15,89,116**	**21,05,872**
(c) Timing of revenue recognition:		
Goods transferred at a point in time	6,81,193	7,20,176
Services provided at a point in time	5,18,027	13,85,696
Services provided over the period of time	3,89,896	-
TOTAL	**15,89,116**	**21,05,872**

25. Other Income

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Interest income	9,538	16,200
Interest income on income tax refund	3,954	-
Interest income on Loans & Advances	5,279	
Income from investments	457	-
Provision/liabilities no longer required written back	589	5,433
Tender document charges received	8,306	6,930
Profit on sale of property, plant and equipment	16,435	1,346
Profit on sale of current investments	75	-
Bad debts recovered	40	-
Profit on sale of mutual funds	3,731	-
Gaurantee Income	111	-
Gain on foreign exchange fluctuation	6,859	6,474
Miscellaneous income	7,731	4,327
TOTAL	**63,105**	**40,710**

26. Cost of Material consumed

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Material Purchased through Subcontractors	25,788	15,846
Other materials:	-	
Works Contract Expenses	2,36,683	6,51,944
Under Carriage assemblies	31,016	22,134
Compressors and accessories	7,081	7,416
Electrical components	33,357	13,546
Hydraulic components	71,560	49,052
Pipes and valves	91,630	43,548
Gear/chain assemblies	35,022	14,558
Others	38,273	7,823
TOTAL	**5,70,410**	**8,25,867**

27. Purchases of stock in trade

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Consumption of Spares	79,205	82,985
Change In stock in trade		
Add: Closing Stock	39,744	32,631
Less: Opening Stock	(32,631)	(40,018)
Purchases during the year	**86,318**	**75,598**

28. Changes in inventories of finished goods, stock - in - trade & work - in - progress

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Inventories at the beginning of the year		
Work-in-Process	37,020	1,63,264
Finished Goods	32,631	40,018
	69,651	2,03,282
Less - Inventories at the end of the year	-	
Work-in-Process	85,758	37,020
Finished Goods	39,744	32,631
	1,25,502	69,651
Changes in inventories of finished goods, stock - in - trade & work - in - progress	**(55,851)**	**1,33,631**

29. Employee benefits expenses

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Salaries, wages, allowances & commission	4,20,834	4,62,761
Contribution to Gratuity, Provident & Other funds	23,140	24,465
Staff welfare expenses	16,380	12,618
TOTAL	**4,60,354**	**4,99,844**

30. Finance costs

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Interest on		
a. Loan	3,471	11,263
b. Statutory due delay	1,563	-
c. Others	787	3,714
Other borrowing cost	4,141	3,199
TOTAL	**9,962**	**18,176**

31. Depreciation and amortization expense

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
i. Depreciation	15,182	14,335
ii. Amortisation	1,650	1,832
iii. Depreciation on Right to Use asset	7,290	-
TOTAL	**24,122**	**16,167**

32. Other expenses

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Consumption of stores and spare parts	3,221	2,043
Power and fuel Consumption	7,511	6,754
Repair and maintenance		
-Machinery	356	260
-Buildings	600	2,011
- Vehicle	5,347	5,274
-Others	10,839	10,989
Rent	13,137	27,718
Rates and Taxes	5,256	4,829
Travelling and conveyance	63,074	58,286
Freight, clearing and packing	7,046	4,761
Legal and professional	89,161	1,18,366
Directors' sitting fees	700	950
Directors' Commission	8,127	-
Payment to auditor (refer note 37)	2,575	2,615
Selling commission	14,963	28,268
Balances written off	32,181	19,269
Bank Charges	7,410	7,932
Service Charges	6,691	7,459
Liquidated Damages	-	1,177
Corporate social responsibilities	3,300	2,000
Provision for Bad & Doubtful Debts	2,220	47,898
Product Development Expenses	1,331	16,590
Loss on sale of property, plant & equipment	189	966
Other administrative charges	-	8,936
Tender Fee	106	278
Loss on foreign exchange fluctuation	1,210	2,789
Training, seminar expense & other HR expense	38	34
Interest on delayed MSME payments	271	-
Miscellaneous expenses	55,476	37,766
TOTAL	**3,42,336**	**4,26,218**

33. Tax expense

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Current Tax		
Current year	57,033	33,623
MAT credit entitlement	(5,708)	(3,502)
Income Tax pertaining to earlier years	728	8,807
	52,053	38,928
Deferred tax		
Deferred tax	1,372	(18,504)
Minimum Alternate Tax	-	-
	1,372	(18,504)
TOTAL	**53,425**	**20,424**

(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, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Items that will not be reclassified to profit or loss	-	-
- Remeasurement of defined benefit obligations	(1,476)	(443)
Total income tax expense recognised in other comprehensive income	(1,476)	(443)
Total income tax expense recognised	**51,949**	**19,981**

(ii) Reconciliation of income tax expense and the accounting profit multiplied by Company's tax rate:

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
	29.120%	27.820%
Profit / (loss) before tax	2,21,695	1,62,895
Income tax expense calculated at 29.120% (including surcharge and education cess) (March 31, 2019: 27.820%)	63,940	45,317
Effect of income chargeable at different rate of tax	(27)	-
Additional deduction on research and development expenditure	(1,626)	(2,450)
Effect of temporary differences	(1,412)	(19,418)
Effect of expenses that are non-deductible in determining taxable profit	(262)	(96)
Effect of brought forward losses set off during the year on which no deferred tax asset was recognised	(10,471)	(6,609)
Other adjustments including earlier year tax provision	6,143	3,237
	56,285	**19,981**

34. Other comprehensive income

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Item that will be reclassified to profit or loss		
Foreign currency translation reserve	2,093	8,759
Item that will not be reclassified to profit or loss		
Actuarial gain / (loss) on defined benefit obligation	7,126	1,878
Total Other Comprehensive Income	**9,219**	**10,637**

35. Earning per share

PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
Face value of equity Shares (in Rs.)	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
Net profit for calculation of basic and diluted EPS	1,61,145	1,31,834
EPS (Basic & Diluted)	52.54	42.99

36. Contingent liabilities (not provided for) in respect of:

S.NO.	PARTICULARS	FOR THE YEAR ENDED MARCH 31, 2020	FOR THE YEAR ENDED MARCH 31, 2019
a)	Customers claims for damages	-	3,678
b)	Performance Bank Guarantees	1,71,677	2,45,403
c)	Sales tax / VAT & Service tax demands	5,899	5,899
d)	TDS demands	1,421	1,380
e)	Employee Visa Guarantee	857	795
	TOTAL	**1,79,854**	**2,57,155**

- Customer claim has been settled in favour of the company and hence no longer required
- Based on contractual agreements with customers the company has issued bank guarantees. 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 Subsidiary 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.

36.1 Financial Liability:

PARTICULARS	AS AT MARCH 31, 2020	AS AT MARCH 31, 2019
Semac Consultants Private Ltd - Corporate Guarantee	1,50,000	1,50,000
TOTAL	**1,50,000**	**1,50,000**

The holding company has given corporate guarantee on behalf Semac Consultants Pvt Ltd (subsidiary company) by way of lien on Fixed deposits with Lakshmi Vilas Bank.

37. Remuneration paid to auditors:

PARTICULARS	2019-20	2018-19
Statutory audit/Limited review	1,935	1,969
Certification	200	205
Reimbursement of expenses	375	441
TOTAL	**2,510**	**2,615**

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	2019-20	2018-19
a)	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier as at the end of accounting year;	9,955	6,231
b)	The amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year;	-	-
c)	The amount of interest due and payable for the period (where the principal has been paid but interest under the MSMED Act, 2006 not paid);	271	-
d)	The amount of interest accrued and remaining unpaid at the end of accounting year; and	-	-
e)	The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23	-	-
	TOTAL	**10,226**	**6,231**

39. CIF value of imports

S.N0.	PARTICULARS	2019-20	2018-19
a)	Raw materials & Components	27,429	48,176
b)	Spares	16,488	41,782
	TOTAL	**43,917**	**89,958**

40. Expenses in foreign currency:

PARTICULARS	2019-20	2018-19
Commission, consultancy, travelling and others	4,568	3,716

41. Earnings in foreign currency (accrual basis):

PARTICULARS	2019-20	2018-19
Export of goods at FOB value	2,723	16,558

42. 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	For the year ended March 31, 2020	1,26,108	41%	1,81,831	59%	3,07,939
	For the year ended March 31, 2019	73,170	46%	84,907	54%	1,58,077
Stores, Spares Parts and Components	For the year ended March 31, 2020	-	0%	3,221	100%	3,221
	For the year ended March 31, 2019	-	0%	2,043	100%	2,043

43. 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 segments

- Manufacturing of equipments
- Engineering, Construction and 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.

Summary of Segmental Information

S.NO.	PARTICULARS	YEAR ENDED MARCH 31, 2020	YEAR ENDED MARCH 31, 2019
1	**Segment Revenue (Gross)**		
a)	Manufacturing of equipments	7,50,439	7,55,625
b)	Engineering, Construction and Design services	8,38,677	13,51,424
	TOTAL	**15,89,116**	**21,07,049**
	Less: Inter Segment Revenue	-	-
	Total income from operations (net)	15,89,116	21,07,049
2	**Segment Results**		
	Profit (+)/Loss(-) before interest and tax from each segment		
a)	Manufacturing of equipments	1,80,159	1,32,098
b)	Engineering, Construction and Design services	(3,45,523)	54,182
	TOTAL	**(1,65,364)**	**1,86,280**
	Add: Exceptional Item		
	Less: Interest	9,963	18,176
	Total Profit before tax	**(1,75,327)**	**1,68,104**
	Total Profit/(loss) before tax from discontinued operation	**-**	**-**

S.NO.	PARTICULARS	YEAR ENDED MARCH 31, 2020	YEAR ENDED MARCH 31, 2019
3.	**Segment assets**		
a)	Manufacturing of equipments	10,08,609	8,92,332
b)	Engineering, Construction and Design services	9,22,323	10,54,887
	Total segment assets	19,30,932	19,47,219
	Less: Inter segment assets	-	-
	Add: Unallocable assets	4,48,625	4,48,625
	Total assets	**23,79,557**	**23,95,844**
	Segment liabilities -		
a)	Manufacturing of equipments	4,41,057	1,81,416
b)	Engineering, Construction and Design services	2,33,890	4,05,105
	Total segment liabilities	6,74,947	5,86,521
	Less: Inter segment liabilities	-	-
	Add: unallocable liabilities	-	-
	Total liabilities	**6,74,947**	**5,86,521**
4	**Revenues from sale of products to external customers**		
	India	13,19,726	17,91,629
	Outside India	3,07,556	3,46,725

5. Segment assets

Total of non-current assets other thanfinancial 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, 2020	AS AT MARCH 31, 2019
India	6,78,601	6,71,901
Outside India	9,100	6,270

6. Information about major customers:

Revenue from customers contributing more than 10.0% of company's revenue is Rs 4,36,037 thousands.

44. Employee benefit obligations

The Company has in accordance with Ind AS 19 "Employee Benefits" calculated the various benefits provided to employees as under

Defined Contribution Plan :

i) Provident Fund

ii) Employee State Insurance Plan

The Provident Fund and the Employee state insurance defined contribution plan are operated by the Regional Provident Fund Commissioner and Regional Director of ESIC respectively.

Defined benefit plans

Gratuity

Employees are entitled to gratuity computed as fifteen days salary for every completed year of service or part thereof in excess of six months and is payable on retirement/ termination. The benefit vests after five years of continuous service. The company has taken a group Gratuity Policy in LIC of india and makes contributing to LIC of India to fund its plan

Leave Encashment

Leave Encashment is payable to eligible employees who have earned leaves during the employment and/or on seperation as per the Company's policy. Liability has been accounted for on the basis of acturial valuation certificate for the balance of earned leaves at the credit of employees at the end of the year

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	2019-20		2018-19	
	GRATUITY (PARTLY FUNDED)	LEAVE ENCASHMENT	GRATUITY (PARTLY FUNDED)	LEAVE ENCASHMENT
Current Service cost	6,303	639	4,709	2,816
Net Interest cost	2,258	846	2,165	688
Expected return on plan assets	(192)	-	(184)	-
Net actuarial (gain) / loss to be recognized	(6,044)	(5,821)	(2,002)	(350)
Past service cost (vested benefits)	-	44	-	-
Expenses recognized in the statement of profit & loss	**2,325**	**(4,291)**	**4,688**	**3,154**

B. Balance Sheet

(i) Details of plan assets/ (liabilities) for gratuity and leave encashment

PARTICULARS	2019-20		2018-19	
	GRATUITY (PARTLY FUNDED)	LEAVE ENCASHMENT	GRATUITY (PARTLY FUNDED)	LEAVE ENCASHMENT
Defined benefit obligation	50,054	9,876	57,755	15,114
Fair value of plan assets	17,373	-	17,521	-
Net liability recognized in the Balance Sheet	32,680	9,876	40,234	15,114

(ii) Changes in the present value of the defined benefit obligation are as follows:

PARTICULARS	2019-20		2018-19	
	GRATUITY (PARTLY FUNDED)	LEAVE ENCASHMENT	GRATUITY (PARTLY FUNDED)	LEAVE ENCASHMENT
Opening defined benefit obligation	57,756	11,932	63,107	10,879
Interest cost	3,355	846	3,451	688
Current service cost	6,303	639	4,709	2,816
Past service cost (vested benefits)	298	44	-	-
Benefit paid	(8,518)	(5,445)	(11,555)	(2,101)
Actuarial (gains)/losses on obligation	(9,140)	(1,144)	(1,957)	(351)
Closing defined benefit obligation	50,054	6,873	57,755	11,931

(iii) Changes in the fair value of plan assets (gratuity) are as follows:

PARTICULARS	2019-20	2018-19
Opening fair value of plan assets	17,521	23,215
Actual return on Plan Assets	1,288	1,470
Contribution during the year	9,330	3,676
Benefit paid	(10,514)	(10,761)
Actuarial gains / (losses) on plan asset	(249)	(79)
Closing fair value of plan assets	17,374	17,521

(iv) The principal assumptions used in determining gratuity obligations for the Group's plans are shown below:

PARTICULARS	2019-20 %	2018-19 %
Discount rate (%)	6% to 8%	7% to 8%
Expected salary increase (%)	5% to 8%	5% to 8%
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	8% to 10%	10%

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	2019-20	2018-19
Provident fund	13,467	14,971

(vi) Sensitivity analysis of the defined benefit obligation:

PARTICULARS	2019-20		2018-19	
	GRATUITY (PARTLY FUNDED)	LEAVE ENCASHMENT	GRATUITY (PARTLY FUNDED)	LEAVE ENCASHMENT
Impact of the change in discount rate				
Impact due to increase of 0.50%	15,175	4,174	16,362	5,281
Impact due to decrease of 0.50%	(16,157)	(4,432)	(17,388)	(5,565)
Impact of the change in salary increase				
Impact due to increase of 0.50%	16,162	4,434	17,418	5,568
Impact due to decrease of 0.50%	**(15,166)**	**(4,172)**	**(16,328)**	**(5,277)**

Sensitivities due to mortality & withdrawals are insignificant & hence ignored.

(vii) Other comprehensive income (OCI):

PARTICULARS	2019-20		2018-19	
	GRATUITY (PARTLY FUNDED)	LEAVE ENCASHMENT	GRATUITY (PARTLY FUNDED)	LEAVE ENCASHMENT
Actuarial (gain)/loss for the year on PBO	13,359	(8,782)	(8,390)	(4,105)
Actuarial (gain)/loss for the year on plan asset	249	-	79	-
Unrecognized actuarial (gain)/ loss at the end of the year	-	-	-	-
Total actuarial (gain)/loss at the end of the year	13,608	(8,782)	(8,311)	(4,105)

45. Related Party Transaction

a) List of Related Parties

i. Holding company
Renaissance Advanced Consultancy Ltd

ii. Subsidiaries of the Holding Company
Renaissance Stock limited

iii. Associates of the Company
Semac Construction Technologies India LLP (SCTILLP), formerly known as Renaissance Construction Technologies India LLP (RCTILLP) (Assocciate w.e.f 31.03.2020)

iv. Key Management Personnel of the Company

Name	Status
Mr. Abhishek Dalmia	Executive Chairman
Ms. Deepali Dalmia	Director
Mr. Satish Chandra Katyal	Independent Director (till 08.06.2018)
Mr. B.V.Ramanan	Independent Director
Mr. Kishore Sidwani	Independent Director
Mr. V.V.Subramanian	Independent Director
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)

v. Enterprises where Key managerial personnel or their relatives have significant influence:

- SWBI Design Informatics Private Limited
- Semac Construction Technologies India LLP (SCTILLP), formerly known as Renaissance Construction Technologies India LLP (RCTILLP) (Assocciate w.e.f 31.03.2020)
- Radha Madhav Trust

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-20	31-Mar-19
Associate Company	Semac Construction Technologies India LLP (SCTILLP)	Investment	252000	-
Enterprises where Key managerial personnel or their relatives have significant influence	Semac Construction Technologies India LLP (SCTILLP)	Professional fees / reimbursement of expenses (Income)	4,842	2,561
		Professional fees / reimbursement of expenses (Expense)	52,625	1,23,063
Key Management Personnel	Mr. Abhishek Dalmia	Salary & Perquisites	8,025	7,500
	Ms. Deepali Dalmia	Sitting Fees	200	200
	Mr.Satish Chandra Katyal		-	100
	Mr.B.V.Ramanan		200	200
	Mr.Kishore Sidwani		200	200
	Mr.V.V.Subramanian		100	250
	Mr. S. Hariharan	Salary & Perquisites	-	1,391
	Mr. Sunil Puri - CEO		-	4,294
	Mr. R. Sudhir - CFO		2,941	2,125
	Mr. M.N.Srinivasan - CS		-	637
	Mr. K. Maheswaran - CS		848	204
Enterprises where Key managerial personnel or their relatives have significant influence	SWBI Design Informatics Private Limited	Office Rent, Maintenance, Power & Utility Payable(Last year debit balance)	7,322	5,575
		Security Deposit for rent & maintenance recoverable	-	2,967
	Radha Madhav Trust	Office Rent, Maintenance, Power & Utility Payable	4,690	-
		Security Deposit for rent & maintenance recoverable	2,194	-

c) Balances outstanding at year end:

NATURE OF RELATIONSHIP	NAME OF RELATED PARTY	NATURE OF TRANSACTION	FOR THE YEAR ENDED	
			31-Mar-20	31-Mar-19
Enterprises where Key managerial personnel or their relatives have significant influence	Semac Construction Technologies India LLP (SCTILLP)	Trade Receivable	1,541	2,158
		Trade Payable	12,171	6,447
	SWBI Design Informatics Private Limited	Office Rent, Maintenance, Power & Utility Payable(Last year debit balance)	1,664	189
		Security Deposit for rent & maintenance recoverable	2,967	2,967
	Radha Madhav Trust	Office Rent, Maintenance, Power & Utility Payable	1,185	-
		Security Deposit for rent & maintenance recoverable	2,194	-

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 given under

Due to ongoing legal proceeding with the Semac Qatar W.L.L. , a joint venture with a controlling share of 49 %, the company has created the provision for the loan and receivables in accordance with the requirement of Ind AS 37.

47. Research & development expenditure

EXPENSES	2019-20	2018-19
Salary & wages	8,405	10,566
Consumables Stores	0	1
Power	107	127
Repair & maintenance	463	1,477
Sponsership to meeting	58	-
Travel & conveyance	908	874
Legal & professional expenses	178	350
Stationery expenses	150	333
Postage & telephone expenses	38	56
Books and periodicals	30	38
Product development expenses	355	15,791
TOTAL	**10,692**	**29,613**

48. 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.

49. 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

50. 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.

51. 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, 2020	24	-	24
As at March 31, 2019	1,523	-	1,523

Sensitivity analysis - Since the Group does not have any variable rate borrowings, the analysis is not required to be given.

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 2020				
US Dollars	52,309	64,465	1,88,148	22,185
Euro	-	-	45	3,777
Omani Rial	6	1,163	-	-
Foreign Exposure as at 31st March 2019				
US Dollars	1,38,324	59,928	5,31,330	44,418
Euro	-	-	87	3,540

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, 2020	FOR THE YEAR ENDED MARCH 31, 2019
USD Sensitivity	+ 50 basis points	1.14	1.14
	- 50 basis points	(1.14)	(1.14)
Euro Sensitivity	+ 50 basis points	(0.23)	(0.23)
	- 50 basis points	0.23	0.23
Omani Rial Sensitivity	+ 50 basis points	0.03	-
	- 50 basis points	(0.03)	-

* 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 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, 2020		AS AT MARCH 31, 2019	
	UPTO 6 MONTHS	MORE THAN 6 MONTHS	UPTO 6 MONTHS	MORE THAN 6 MONTHS
Gross carrying amount (A)	4,49,431	2,41,576	5,97,152	2,72,141
Expected credit losses (B)	-	(35,250)	-	(36,898)
Net Carrying Amount (A-B)	4,49,431	2,06,326	5,97,152	2,35,242

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.

The details regarding the contractual maturities of significant financial liabilities as at March 31, 2020 are as follows

PARTICULARS	LESS THAN 3 MONTHS	3MONTHS TO 1 YEAR	MORE THAN 1 YEAR	TOTAL
Trade Payables	1,20,626	80,635	-	2,01,260
Other Financials Liabilities	41,809	20,756	67,167	1,29,731

The details regarding the contractual maturities of significant financial liabilities as at March 31, 2019 are as follows

PARTICULARS	LESS THAN 3 MONTHS	3MONTHS TO 1 YEAR	MORE THAN 1 YEAR	TOTAL
Trade Payables	1,56,075	47,593	36,247	2,39,916
Other Financials Liabilities	27,074	43,216	31,774	1,02,063

52. 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	FAIR VALUE HIERARCHY	AS AT MARCH 31, 2020		AS AT MARCH 31, 2019	
			CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
1.	**Financial asset at FVTPL**					
	CURRENT					
	Investments in Mutual Funds	Level 1	34,533	34,533	-	-
2.	**Financial asset at FVTOCI**					
	NON CURRENT					
	Investments in equity shares					
	Quoted	Level 1	-	-	36	36
	Unquoted	Level 3	-	-	670	670
3.	**Financial assets designated at Amortised cost**					
	NON CURRENT					
a)	Loans	Level 3	7,898	7,898	14,171	14,171
b)	Others Financial Asset	Level 3	6,262	6,262	4,998	4,998
	CURRENT					
a)	Trade receivables	Level 3	6,55,756	6,55,756	4,90,571	4,90,571
b)	Cash and cash equivalents	Level 3	1,26,910	1,26,910	1,75,385	1,75,385
c)	Bank Balances	Level 3	1,63,022	1,63,022	1,42,915	1,42,915
d)	Loans	Level 3	1,13,872	1,13,872	45,079	45,079
e)	Others Financial Asset	Level 3	37,199	37,199	33,713	33,713
	TOTAL		**11,45,452**	**11,45,452**	**9,07,538**	**9,07,538**

Financial liabilities

SL. NO	PARTICULARS	FAIR VALUE HIERARCHY	AS AT MARCH 31, 2020		AS AT MARCH 31, 2019	
			CARRYING AMOUNT	FAIR VALUE	CARRYING AMOUNT	FAIR VALUE
1.	**Financial liability designated at amortised cost**					
	NON CURRENT					
a)	Borrowings	Level 3	-	-	38	38
b)	Lease Liability	Level 3	18,534	18,534	-	-
c)	Other Financial Liability	Level 3	48,633	48,633	60,395	60,395
	CURRENT					
a)	Borrowings	Level 3	1,66,369	1,66,369	-	-
b)	Lease Liability	Level 3	652	652	-	-
c)	Trade payables*	Level 3	2,01,260	2,01,260	2,38,249	2,38,249
d)	Other financial liabilities	Level 3	62,541	62,541	41,630	41,630
	TOTAL		**4,97,988**	**4,97,988**	**3,40,312**	**3,40,312**

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.

* 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).

53. 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.

Particulars	As at March 31, 2020	As at March 31, 2019
Debt (i) [Also refer note 16.1 & 19.1]	1,66,345	38
Cash & bank balances [Also refer note 9.2 & 9.3]	2,89,932	3,18,300
Net Debt	**(1,23,587)**	**(3,18,262)**
Total Equity	**17,51,082**	**16,10,151**
Net debt to equity ratio (Gearing Ratio)	**(0.07)**	**(0.20)**

54. 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, 2020				MARCH 31, 2019			
	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	24.17%	4,74,722	17.86%	30,159	24.60%	4,44,562	1.10%	1,606
Parent Subsidiary foreign								
Semac & Partners LLC	7.46%	1,46,465	9.45%	15,959	11.30%	2,05,217	18.10%	25,838
Minority Share Holders	10.86%	2,13,338	8.29%	14,004	11.00%	1,99,172	15.60%	22,290

55. Information on details of loans under section 186 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014

Particulars	Purpose of the loan given	Outstanding as at 31st March 2020	Maximum Amount Outstanding during 2019-20	Outstanding as at 31st March 2019	Maximum Amount Outstanding during 2018-19
Inter Corporate Loans					
Daga World LLP	Working capital	30,000	30,000	-	-
Trans Metalite India Ltd.	Working capital	40,000	40,000	-	-

56. The audited GST return for the year ended March 31, 2019 is pending for the filing as competent authority has extended the date of filing till September 30, 2020. 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. Impact of COVID -19

a) The Group didn't had any impact on Revenues or Expenses for FY20 since factory was operating for planned productions with required staff.

b) The Group faced logistics issues during nationwide lock-down during Apr'20 and May'20. Manufactured Equipments and spares could not be transported due to non-movement of transport vehicles.

c) The Group faced weak collections during lockdown period (Apr'20 and May'20) as the Dealers and customers were not operating their office fully.

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

NEERAJ BANSAL
Partner
Membership No: 095960

PLACE: NEW DELHI
DATE: JUNE 15, 2020

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

GREEN INITIATIVE REQUEST

Dear Shareholder, Date: 14.08.2020

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

DESIGN

Semac is one of the oldest Architectural and Engineering Design firms set up in 1969 in Bangalore. 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 last 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).

DESIGN BUILD

A few years ago, leveraging our vast experience of executing industrial projects, we started a Design Build vertical. 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. Semac acts as the "Owner's Engineer", taking full responsibility for turnkey execution of your project.

OUR CLIENTS

DESIGN

Hero
BAJAJ
ASHOK LEYLAND
ITC
Haldiram's
SUZUKI
TOYOTA
HONDA
Nestle
DANONE ONE PLANET. ONE HEALTH
CEAT
Motherson Sumi Systems Limited
nbc
Coca-Cola
MOTHER DAIRY
DS GROUP
TATA
TATA CONSULTANCY SERVICES
adani SOLAR
Schreiber Dynamix
MODIGUARD
ROQUETTE Riddhi Siddhi
TELANGANA STATE POLICE
DRDO
India Expansion Mart Ltd.
INDOSPACE INDUSTRIAL & LOGISTICS PARKS

DESIGN BUILD

ashirvad PIPES
Aliaxis
AT&S
IGP Industrial Guar Products
OMYA
esco
ENCORE Natural Polymers
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